PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
SHIVA CEMENT LIMITED

Registered Office: P-25, Civil Township, Rourkela 769004

This Public Announcement ("PA") is being issued by LKP Shares and Securities Ltd. (hereinafter referred to as the "Manager to the Offer") for and on behalf of Mr. R. P. Gupta, Mr. Akash Gupta, Mr. Vikash Gupta, Mrs. Preeti A. Gupta, Ms. Shilpi Gupta, R. P. Gupta (HUF) and Unicon Merchants Pvt. Ltd. (hereinafter collectively called as "the Acquirers") to the shareholders of Shiva Cement Limited pursuant to Regulation 10 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "the Regulations").

1. Background to the Offer:

1.1 Shiva Cement Limited (hereinafter referred to as "SCL" or "the Company"), is a company incorporated under the Companies Act 1956, having its registered office at P-25 Civil Township, Rourkela – 769004, (Tel No.: 0661 2400168, 2400828 2400080, Fax No.: 0661-2400172) whose promoters are Mr. R. P. Gupta and Mr. Akash Gupta. The Promoter Group as described in 1.4 below held 61,07,566 equity shares of SCL of Rs. 2 each representing 8.95% of the paid up capital and of the voting capital of Rs. 1365.28 lacs comprising of 6,82,63,972 equity shares of Rs. 2 each being the outstanding equity capital immediately before Conversion of Warrants in November, 2006.

1.2 This offer is being made by Mr. R. P. Gupta, Mr. Akash Gupta, Mr. Vikash Gupta, Mrs. Preeti A. Gupta, Ms. Shilpi Gupta, R. P. Gupta (HUF) and Unicon Merchants Pvt. Ltd. (hereinafter collectively called "Acquirers") to acquire upto 338,92,795 equity shares of Rs. 2 each representing 20% of the fully expanded equity share capital of SCL as described in 1.10 below at a price of Rs. 4.01 per share in cash comprising of Rs.3.70 per equity share ("the offer price") plus interest of Re. 0.31 per share calculated at the rate of 10% p.a. on Rs.3.70 from the date 90 days after 17th November, 2006 i.e. from 16th February, 2007 till 20th December, 2007 being the scheduled date of payment of consideration.

1.3 The Acquirers are individuals and entities belonging to the Promoter Group of SCL. No other person is acting in concert with the Acquirers for the offer. Due to the operation of Regulation 2(1)(e) of the Regulations, there could be other persons who can be deemed to be acting in concert. However, they are not acting in concert for the purposes of this offer.

1.4 The aggregate shareholding of the Acquirers and other shareholders of the Promoter Group (hereinafter collectively called "the Promoter Group") in SCL as on 13th November, 2006 BEFORE and AFTER the conversion of warrants is as follows:

	Promoter Group Shareholders	Number of shares	
		Before conversion	After conversion
A)	Acquirers : 1. Mr. R. P. Gupta	7,57,554	27,57,554
	2. Mr. Akash Gupta	3,66,768	28,66,768
	3. Mr. Vikash Gupta	3,11,520	28,11,520
	4. Mrs. Preeti A Gupta	3,65,000	18,65,000
	5. Ms. Shilpi Gupta	5,70,934	20,70,934
	6. R. P. Gupta (HUF)	2,085	15,02,085
	7. Unicon Merchants Pvt. Ltd.	-	-
		23,73,861	1,38,73,861
B)	Others :	37,33,705	37,33,705
	Total Promoter Group Holding	61,07,566	1,76,07,566
	Total capital (No. of shares)	6,82,63,972	8,32,63,972
	Promoter Group holding as % of total capital	8.95%	21.15%

1.5 This offer is being made to rectify the inadvertent violation made by the Acquirers on account of seeking allotment of equity shares upon conversion of the equity share warrants ("ESW") on 13th November, 2006, as described below.

1.6 The Acquirers were allotted 1,15,00,000 equity shares of Rs. 2 each of SCL upon conversion of equity share warrants at the Board Meeting held on 13th November, 2006, consequent to which the shareholding of the promoter group increased from 61,07,566 equity shares representing 8.95% of the capital to 1,76,07,566 equity shares representing 21.15% of the post allotment share capital of the company.

1.7 Regulation 10 read with Regulation 14 of the Regulations require the Acquirers to make a Public Announcement to acquire shares of a company in which the Acquirers have acquired shares or voting rights of 15% or more, within 4 working days of such acquisition. The allotment of equity shares to the Acquirers (who form a part of the promoter group) on 13th November, 2006 as described in 1.4 and 1.6 above has resulted in the shareholding of the promoter group to exceed 15% of the enhanced equity share capital and voting rights, thus attracting provisions of Regulation 10 of the Regulations. However, there was no change in management control due to increase in shareholdings of the promoter group.

1.8 In compliance with Regulation 14 of the Regulations, the Acquirers should have made a Public Announcement not later than 17th November, 2006 (hereinafter called "Reference Date") and the last date for payment to shareholders would have been 16th February, 2007. As per Regulation 44(i) of the Regulations, due to the delay in Public Offer, the Acquirers will pay interest of Re. 0.31 per equity share calculated @ 10% p.a. on Rs. 3.70 from 16th February, 2007 (i.e. the last date of payment had the Acquirers made an open offer on 17th November, 2006 as explained above) till 20th December, 2007 i.e. the scheduled date of dispatch of payment of consideration to the shareholders in terms of this Public Announcement. The interest amount is subject to change depending on the date of payment.

1.9 The Acquirers have agreed to divide amongst themselves the equity shares each will acquire for the purpose of allocation of shares received in this offer in the following percentages, number of equity shares being rounded off to one : Mr. R. P. Gupta 15%, Mr. Akash Gupta 15%, Mrs. Preeti A. Gupta 5%, R. P. Gupta (HUF) 5%, Union Merchants Pvt. Ltd. 60%. Due to family partition, Mr. Vikash Gupta has given his consent for non-allocation of shares received in this offer and Ms. Shilpi Gutpa, since married to Mr. Bharat Agarwal, has also given her consent for non allocation of shares received in this offer.

1.10 Subsequent to the allotment of equity shares to the Acquirers, as described in 1.4 and 1.6 above, there have been further issuance of equity shares and equity warrants by SCL which has increased the total number of outstanding equity shares and warrants to 16,94,63,972, hereinafter called "the fully expanded equity capital". The build up of equity capital leading to the fully expanded equity capital is as follows :

Total issued number of equity shares after allotment of equity shares on 13th Nov., 2006	8,32,63,972
Add: (i) Equity shares allotted to Domestic Strategic Investors on 3rd April, 2007 upon conversion of equity warrants at a price of Rs. 3.55 per share.	2,20,00,000
(ii) Equity shares allotted to promoter group shareholders (other than the Acquirers) on 18th June, 2007 against conversion of equity warrants at a price of Rs. 3.55 per share.	95,00,000
(iii) Equity shares allotted to ACC Ltd. on 18th June, 2007 at a price of Rs. 11 per share.	1,45,00,000
(iv) Equity shares allotted to IFCI Ltd. on 8th August, 2007	10,00,000
(v) Equity shares allotted on 24th September, 2007 on conversion of warrants at a price of Rs. 3.55 per share to promoter group shareholders (other than the Acquirers) (110 lac shares) & at a price of Rs. 11 per share to ACC Ltd. (50 lac Shares)	1,60,00,000
TOTAL NUMBER OF ISSUED SHARES ON DATE OF PA	14,62,63,972
Add: Outstanding equity share warrants with ACC Ltd., promoter group and Domestic Strategic Investors.	2,32,00,000
FULLY EXPANDED EQUITY CAPITAL	16,94,63,972

2. The Offer:

2.1 The Acquirers are making the Offer in terms of Regulation 10 of the Regulations.

2.2 The offer is being made to remedy the violations of the Regulations caused due to increase in shareholding of promoter group in SCL to a level in excess of 15% of the then enhanced share capital without making a public offer in terms of Regulation 10 of the Regulations. This offer is not being made pursuant to any proposed acquisition of shares in SCL to be made either by way of an agreement or market purchases by the promoter group.

2.3 The present offer is being made to all the shareholders of SCL (except the Acquirers) to acquire by tender upto 338,92,795 (Three crore thirty eight lacs ninety two thousand seven hundred ninety five) fully paid equity shares of Rs. 2 each of SCL, representing 20% of the fully expanded equity capital and voting capital in terms of Regulation 21(1) of the Regulations on the terms and subject to conditions set out below at an offer price of Rs. 3.70 per fully paid up equity share (the "offer price") plus interest of Re. 0.31 per share calculated @10% p.a. on Rs. 3.70 from the date 90 days after 17th November 2006 i.e. from 16th February 2007 till 20th December, 2007 being the scheduled date of payment of consideration (hereinafter called "Total offer consideration" payable in cash in terms of Regulation 20 of the Regulations ("the Offer")).

2.4 The Offer is not subject to any minimum level of acceptance. The Acquirers will acquire all the fully paid up equity shares of SCL that are validly tendered and accepted in terms of this offer up to 338,92,795 fully paid equity shares of Rs. 2 each representing 20% of the fully expanded equity and voting capital of the Company as on date.

2.5 All shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.

2.6 The Acquirers hold 1,39,41,861 equity shares of Rs. 2 each representing 9.53% of the total issued equity capital and voting capital in SCL (14,62,63,972 equity shares) as on date of PA. During the 12 months preceding the date of this PA, the Acquirers had got allotted 115 lac equity shares of Rs. 2 each through conversion of equity share warrants into equity shares at a price of Rs. 3.70 per share on 13th November, 2006 and through market transactions had acquired 4,68,062 equity shares and sold 5000 equity shares of SCL. The highest price and the average price paid by the Acquirers for the said acquisitions during the period of 12 months prior to the date of this PA are Rs. 3.70 and Rs. 3.68 respectively. During the 12 months preceding the reference date (described in 1.8 above), the Acquirers had through market transactions, acquired 4,68,062 equity shares of Rs. 2 each and sold 5000 equity shares of SCL. The highest price and the average price paid by the Acquirers for the said transactions are Rs. 3.31 and Rs. 3.16 respectively.

2.7 The equity shares of SCL are listed on Bombay Stock Exchange Limited ("BSE") and Calcutta Stock Exchange ("CSE"). Based on the information available, the shares of SCL are frequently traded on the BSE (Source:www.bseindia.com) in terms of explanation (i) to regulation 20(5) of the Regulations and are infrequently traded on CSE (Source: letter dated 13th September, 2007 received from CSE) in terms of explanation (i) to regulation 20(5) of the Regulations. The details of shares traded on the BSE during relevant periods is given below :

Period	No. of shares traded	Annualised trading turnover (%)	Total No. of listed shares
(a) During 6 calendar months prior to November 2006	3,14,60,667	92.17	682,63,972
(b) During 6 calendar months prior to month of this PA	13,74,70,903	189.89	12,92,63,972

(Source: www.bseindia.com)

2.8 The Acquirers were not offered equity shares of SCL by way of allotment in a public or Rights or Preferential issue during 26 weeks period prior to the date of this PA or prior to the reference date, other than the allotment of 115 lac equity shares on 13th November, 2006 upon conversion of warrants as described in 1.6 above.

2.9 **The Offer Price :** The Offer Price of Rs. 3.70 per share is justified in terms of Regulations 20(4) and 20(5) of the Regulations in view of the following:

(a)	Negotiated price under a Subscription agreement in terms of which the Acquirers have acquired equity shares.	Not Applicable
(b)	Highest price paid by the Acquirers for acquisitions, if any, including by way of allotment in a Public or Rights or Preferential Issue, during the 26 week period prior to the reference date (explained in 1.4 above)	Rs. 3.70
(c)	The average of the weekly high and low of the closing equity share prices during the 26 weeks period preceding the date of the Board Meeting at which the ESWs were allotted i.e. 13th October, 2006	Rs. 2.60
(d)	The average of the daily high and low of the equity share prices during the 2 weeks period preceding the date of the board Meeting at which the ESWs were allotted i.e. 13th October, 2006	Rs. 2.92
(e)	Other Parameters based on the last audited accounts of SCL for the year ended 31st March, 2007	
	➢ Return on Net worth before exceptional items	not meaningful
	➢ Return on Net worth after exceptional items	7.15%
	➢ Book Value (Rs.)	1.89
	➢ EPS before Extra-ordinary items	not meaningful
	➢ EPS after Extra-ordinary items (Weighted Avg. Capital) (Rs.)	0.15
	➢ Price Earning ratio based on offer price	
	-- before Extra-ordinary items	not meaningful
	-- after Extra-ordinary items	28.46

2.10 SCL has been operating at a loss since 2002. Company had acquired a sick unit through merger in 1997 which was under BIFR's purview/monitoring. The Unit has been de-registered as per hearing held on June 22, 2006 from BIFR's purview. Even in 2005-06, it reported loss before Extra-Ordinary items. Extra-Ordinary items represent waiver of dues by FIs/Banks as a subsequent effect of restructuring sanctioned. It also includes the provision of un-provided interest for related FIs/ Banks. In addition to this, the company has identified few liabilities no more payable and hence, its impact has been provided. The company is operating in industry segment "Cement – South India" with an industry PE of 12.3 (source: Capital Market Volume XXII / 15 dated September 24 – October 7, 2007). The industry PE is not strictly comparable as the segment of companies covered by "Capital Market " in computing the industry PE have varied size of operations and also whose financial parameters vary widely with that of SCL.

2.11 In view of the parameters considered and presented in paragraphs 2.9 and 2.10 above, in the opinion of the Acquirers and Manager to the Offer, the offer price of Rs. 3.70 per share being the highest of the prices mentioned above is justified in terms of Regulation 20(4) and Regulation 20(5) of the Regulations. The total offer consideration is Rs. 4.01 per share comprising of offer price of Rs. 3.70 plus interest by Re.0.31 per share calculated @10% p.a. on Rs. 3.70 from the date 90 days after 17th November 2006 i.e. from 16th February, 2007 till 20th December, 2007 being the scheduled date of payment of consideration.

2.12 LKP Shares and Securities Ltd., the Manager to the Offer, does not hold any equity shares in SCL. They declare and undertake that they shall not deal in the shares of SCL during the period commencing from the date of the appointment as Manager to the Offer till the expiry of 15 days from the date of closure of the Offer.

2.13 The Offer is not as a result of global acquisition resulting in indirect acquisition of SCL.

3. Information on Acquirers :

3.1 Mr. R. P. Gupta, aged 58 years, resides at I-15, Civil Township, Rourkela 769004, Orissa (Tel.No.: 0661-2400207, Fax No.: 0661-2400172). His qualification is B.Sc Engg. (Electrical). He has business experience of over 34 years including last 22 years in the Cement Industry. He is one of the promoters of SCL. He is on the Board of Directors of only one listed company i.e. SCL, of which he is the Managing Director. He is on the Board of Directors of Unicon Merchants Pvt. Ltd., an un-listed company. He holds 28,25,554 equity shares of Rs. 2 each of SCL representing 1.93% of paid up capital as on date of PA. He has acquired 20 lac equity shares of Rs. 2 each of SCL @ Rs .3.70 per share through conversion of ESW on 13th November, 2006. Mr. G.Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela 769004 (Membership No. 58478 Tel.No. 0661-6450741, Fax No. 0661-2401401) has certified vide his certificate dated 12th September, 2007 that the networth of Mr. R.P.Gupta as on 31st March, 2007 is over Rs. 172.26 lacs. Mr. R.P. Gupta is the father of Mr. Akash Gupta, Mr. Vikash Gupta and Ms. Shilpi Gupta and the father-in-law of Mrs. Preeti A. Gupta. He is the Karta of R.P.Gupta (HUF).

3.2 Mr. Akash Gupta, aged 33 years, resides at I-15, Civil Township, Rourkela 769004, Orissa (Tel.No.: 0661 2400207, Fax No.: 0661-2400172). He is the son of Mr. R. P. Gupta. His qualification is B.Com. He has business experience of over 10 years in marketing of cement. He is one of the promoters of SCL. He is on the Board of Directors of only one listed company i.e. SCL as Executive Director. He is on the Board of Directors of Unicon Merchants Pvt. Ltd., an un-listed company. He holds 28,66,768 equity shares of Rs. 2 each of SCL representing 1.96% of paid up capital as on date of PA. He has acquired 25 lac equity shares of Rs. 2 each of SCL @ Rs. 3.70 per share through conversion of ESW on 13th November, 2006. Mr. G. Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478 Tel.No. 0661-6450741 Fax No. 0661- 2401401) has certified vide his certificate dated 12th September, 2007 that the networth of Mr. Akash Gupta as on 31st March, 2007 is over Rs. 71.73 lacs. Mr. Akash Gupta is the brother of Mr. Vikash Gupta and Ms. Shilpi Gupta and husband of Mrs. Preeti A. Gupta.

3.3 Mr. Vikash Gupta, aged 26 years, resides at I-15, Civil Township, Rourkela 769004, Orissa (Tel.No.: 0661 2400207, Fax No.: 0661-2400172). He is the son of Mr. R. P. Gupta. His qualification is Bachelor in Business Management. He has business experience of over 5 years in trading. He is not on the Board of Directors of any listed company. He is on the Board of Directors of Shivom Minerals Ltd., which is an un-listed company. He holds 28,11,520 equity shares of Rs. 2 each of SCL representing 1.92% of paid up capital as on date of PA. He has acquired 25 lac equity shares of Rs. 2 each of SCL @ Rs .3.70 per share through conversion of ESW on 13th November, 2006. Mr. G. Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478 Tel. No. 0661-6450741, Fax No: 0661 - 2401401) has certified vide his certificate dated 12th September, 2007 that the networth of Mr. Vikash Gupta as on 31st March, 2007 is over Rs. 48.49 lacs. Mr. Vikash Gupta is the brother of Mr. Akash Gupta and Ms. Shilpi Gupta.

3.4 Mrs. Preeti Gupta, aged 29 years, resides at I-15, Civil Township, Rourkela 769004, Orissa (Tel.No.: 0661 2400207, Fax No.: 0661-2400172). She is the wife of Mr. Akash Gupta. She is the daughter-in-law of Mr. R. P. Gupta. Her qualification is B.Com. She is a House-wife. She is not on the Board of Directors of any company. She holds 18,65,000 equity shares of Rs. 2 each of SCL representing 1.28% of paid up capital as on date of PA. She has acquired 15 lac equity shares of Rs. 2 each of SCL @ Rs. 3.70 per share through conversion of ESW on 13th November, 2006. Mr. G. Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478 Tel. No.0661 6450741, Fax No. 0661 - 2401401) has certified vide his certificate dated 12th September, 2007 that the networth of Mrs. Preeti A. Gupta as on 31st March, 2007 is over Rs. 7.08 lacs.

3.5 Ms. Shilpi Gupta, aged 27 years, resides at I-15, Civil Township, Rourkela - 769004, Orissa (Tel.No.: 0661 2400207 Fax No.: 0661-2400172). She is the daughter of Mr. R. P. Gupta and wife of Mr. Bharat Agarwal. Her qualification is CA (Inter). She has business experience of over 5 years in trading. She is on the Board of Directors of Shivom Minerals Ltd., which is an un-listed company. She holds 20,70,934 equity shares of Rs. 2 each of SCL representing 1.42% of paid up capital as on date of PA. She has acquired 15 lac equity shares of Rs. 2 each of SCL @ Rs. 3.70 per share through conversion of ESW on 13th November, 2006. Mr.G.Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478 Tel. No.0661-6450741, Fax No. 0661 - 2401401) has certified vide his certificate dated 12th September, 2007 that the networth of Ms. Shilpi Gupta as on 31st March, 2007 is over Rs. 52.43 lacs.

3.6 R. P. Gupta (HUF) is an entity whose Karta is Mr. R. P. Gupta and its address is I-15, Civil Township, Rourkela - 769004, Orissa (Tel.No.: 0661-2400207 Fax No.: 0661-2400172). R.P.Gupta (HUF) holds 15,02,085 equity shares of Rs. 2 each of SCL representing 1.03% of paid up capital as on date of PA. It has acquired 15 lac equity shares of Rs. 2 each of SCL @ Rs. 3.70 per share through conversion of ESW on 13th November, 2006. Mr. G. Singh, partner of M/s. Tibrewal Chand & Co, Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478 Tel. No.0661-6450741, Fax No: 0661 - 2401401) has certified vide his certificate dated 12th September, 2007 that the networth of R. P. Gupta (HUF) as on 31st March, 2007 is over Rs. 54.07 lacs.

3.7 Unicon Merchants Private Limited (hereinafter referred to as "UMPL") has its Registered Office at VIP Enclave, A-1 Block, Flat No. 302, Baguihati (In front of Big Bazar), Kolkata - 700059. UMPL was incorporated on 1st October, 2003. UMPL is not a listed company. It is in the business of investments. The company's object clause authorises it to invest in securities. UMPL does not hold any shares in SCL. UMPL was originally promoted by Mr. Ganesh Sharma and Mr. Subhash Kumar Kejriwal. The issued, subscribed and paid up capital as at 31st March, 2007 consists of 4,86,000 (Four Lacs Eighty Six Thousand only) equity shares of Rs. 10 each aggregating Rs. 48,60,000 (Rupees Forty Eight Lacs Sixty Thousand only) which is the authorised capital of the company too. Mr. R.P.Gupta holds 75000 equity shares i.e.15.43% in UMPL. Mr. Akash Gupta also holds 75000 equity shares of UMPL i.e. 15.43%. Mr. R. P. Gupta and Mr. Akash Gupta, two of the Acquirers, have control over this company. As per unaudited financial results for the year ended 31st March 2007, UMPL had a net worth of Rs. 752.97 lacs, (Rs. 752.59 lacs), total income of Rs. 35.33 lacs (Rs. 45.77 lacs) and total expenditure of Rs 35.13 lacs (Rs. 45.49 lacs). Its net profit before tax is Rs. 0.20 lacs (Rs. 0.28 lacs), net profit after tax Rs. 0.16 lacs (Rs. 0.23 lacs and return on networth being 0.02% (0.03%). EPS is Rs. 0.03 (Rs. 0.05) per share, having face value of Rs. 10 each and the book value of the share is Rs. 154.93 (Rs. 154.85). Figures within brackets represent amounts as per the last audited accounts for the year ended 31st March 2006.

4. Information on Shiva Cement Limited :

4.1 Shiva Cement Limited (SCL) was incorporated on 12th August, 1985 under the Companies Act, 1956. Its registered and corporate office is situated at P – 25, Civil Township, Rourkela – 769004, and it commenced commercial production in 1986.

4.2 SCL was promoted by Mr. R. P. Gupta, a Graduate Engineer who had 12 years working experience before promoting SCL.

4.3 SCL is engaged in the manufacture of cement and other allied products. It has two plants (Unit I & Unit II) at Sundergarh District, Orissa. The installed capacity of both the plants is 1,77,000 tonnes per annum with surplus clinker .045 lakh tonnes per annum. The company also owns a mine of high grade lime stone with huge reserves.

4.4 In 1997, SCL acquired a sick company, IPI-SP Cement Company Ltd. ("ICCL") which was under the purview of BIFR. ICCL, a joint sector company promoted by IPICOL and Darjeeling Dooars Plantations Ltd. to set up a mini cement plant with an installed capacity of 66,000 t.p.a in Sundargarh District, Orissa, was listed on the Calcutta Stock Exchange Association Ltd. ICCL commenced commercial production in September, 1986 after a time overrun of 9 months and cost overrun of Rs.146 lacs. ICCL suffered losses leading to erosion of net worth and consequently became a sick company in terms of the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA"). BIFR by its order dated 25th February, 1997 and its addendum thereto dated 7th November, 1997 ordered the handover of the entire undertaking of ICCL to SCL through a merger / rehabilitation scheme. The Calcutta Stock Exchange Association Ltd. vide its letter dated 11th July, 1998 approved the application for listing of the equity shares of the merged company. Subsequently, SCL got its shares listed on the Bombay Stock Exchange Ltd.

4.5 SCL started making losses from 2002. Its Unit I is lying closed since September, 2002. Though, SCL continued making losses till 31st March, 2006, the company received investments towards its capital from promoters and non-promoters whereby its net worth remained positive. Consequently, the BIFR vide its order dated 5th July, 2006 has discharged SCL from the purview of SICA.

4.6 SCL has entered into a Supply Agreement on 22nd March, 2007 with ACC Ltd. (hereinafter called "ACC"), a company incorporated under the provisions of the Indian Companies Act, 1913, having its registered office at Cement House, 121, Maharshi Karve Road, Mumbai – 400 020, whereby SCL has agreed to supply cement to ACC for a period of 5 years. Cement will be manufactured and packed by SCL as per ACC's Manufacturing and Packing specifications, based on the relevant Operating Plan as may be mutually prepared by ACC and SCL.

4.7 SCL, Mr. R. P. Gupta and ACC Ltd. have also entered into a Share Purchase Agreement on 20th April, 2007 whereby they have agreed for ACC to make strategic investment by subscribing to 145 lac equity shares of Rs. 2 each at a premium of Rs. 9 per share and subscribe to 227 lac share warrants which will entitle ACC to seek corresponding equity shares within 18 months from the date of allotment at a price of Rs. 11 per share. An Extraordinary General Meeting of SCL was held on 18th May, 2007 to obtain approval of shareholders by passing a Special Resolution under section 81(1A) of the Companies Act, 1956 to allot above said equity shares and warrants to ACC. At the Board Meeting of SCL held on 18th June 2007, 145 lac equity shares and 227 lac share warrants were allotted to ACC at the terms stated above. On 24th September, 2007 SCL converted 50 lac warrants held by ACC into equity shares which increased ACC's holding to 215 lac shares amounting to 14.70% of paid up capital as on date of PA.

4.8 The shares of SCL are listed on the BSE and CSE.

4.9 IFCI Ltd., a secured lender to SCL has vide its letter dated 30th May, 2007 opted to convert its outstanding debt of Rs. 90 lacs into equity shares of the company. Accordingly, SCL has obtained approval of its shareholders at the Annual General Meeting held on 17th July, 2007 for preferential allotment of 10,00,000 equity shares of Rs. 2 each to IFCI Ltd. at a premium of Rs. 7 per share. The equity capital of SCL has increased to 13,02,63,972 equity shares of Rs. 2 each aggregating Rs. 2605.28 lacs as on 8th August, 2007 upon allotment of the said 10,00,000 equity shares to IFCI and further increased to 14,62,63,972 equity shares of Rs. 2 each aggregating Rs. 2925.53 lacs as on 24th September, 2007 upon conversion of warrants held by promoters and ACC.

4.10 As on the date of this PA, SCL has issued, subscribed, paid up and voting equity share capital comprising of 14,62,63,972 equity shares of Rs. 2 each aggregating Rs. 2925.53 lacs. There are no partly paid equity shares of the company. On 24th September 2007, the company has allotted 3,40,888, 9% non cumulative redeemable preference shares of Rs. 2 each aggregating Rs. 6.82 lacs, redeemable in 2014-15.

4.11 Based on the latest audited accounts for the year ended 31st March, 2007 of SCL, the Authorised equity share capital is Rs. 2650 lacs, authorised preference share capital is Rs. 150 lacs, the issued and subscribed equity capital was Rs. 1665.28 lacs comprising of 832,63,972 equity shares of Rs. 2 each while the excess of Misceallenous Expenditure (not written off) over Reserves & Surplus was Rs.94.98 lacs resulting in a Book value of Rs. 1.89 per share. The total income for the year 2006-07 was Rs. 2809.55 lacs. SCL reported loss after tax of Rs.118.05 lacs (without considering extraordinary income of Rs. 230.39 lacs) for the year ended 31st March, 2007. Its weighted average EPS for 2006-07 was Re. 0.15 after considering extra ordinary income, while it made losses before considering extra ordinary income. In view of losses, computation of EPS is not meaningful without considering extra ordinary income. The Authorised Equity Share Capital was enhanced to 1925 lac equity shares of Rs. 2 each amounting to Rs. 3850 lacs at the EGM held on 18th May, 2007.

4.12 As on the date of this PA, there is no outstanding instrument in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. convertible into equity shares on any later date, other than 232 lacs warrants of which 25 lac warrants were allotted on 7th February, 2007 and can be converted into equity shares any day up to 6th August 2008, while 207 lac warrants were allotted on 18th June, 2007 and can be converted into equity shares any day up to 17th December, 2008. In compliance with Regulation 21(5) of the Regulations, the voting rights on equity shares which may be allotted on conversion of these warrants has been taken into consideration for computing the offer size. There has not been any merger / demerger or spin off of the Company's business operations during the past 3 years.

4.13 The particulars of equity shares under lock-in as on the date of PA are as follows:

Category	No. of shares	Date of allotment	Date upto which locked in
(i) Acquirers	15,70,000 115,00,000	13th July, 2005 13th November, 2006	12th July, 2008 3rd July, 2010
(ii) Others in Promoter Group	32,40,000 95,00,000 1,10,00,000	13th July, 2005 18th June, 2007 24th September, 2007	12th July, 2008 17th June, 2010 23rd September, 2010
(iii) Domestic Strategic Investors	35,00,000 220,00,000 145,00,000 50,00,000	13th November, 2006 3rd April, 2007 18th June, 2007 24th September, 2007	3rd July, 2010 2nd April, 2008 17th June, 2008 23rd September, 2008
(iv) Financial Institution	10,00,000	8th August, 2007	7th August, 2008

Shareholders holding locked-in shares are eligible to offer the locked-in shares in the offer. The locked-in shares if validly tendered and accepted by the Acquirers will be subject to continuation of the residual lock-in period in the hands of the Acquirers.

4.14 The status of the Company's compliance with the provisions of Chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and amendments thereto is that the Company's shares first got listed on any Stock Exchange (CSE) on 11th July, 1998 and hence it was not required to comply with provisions of Regulation 6. The company was required to comply with provisions of Regulation 8(3) from the year ended 31st March, 1999 onwards. There were delays in complying with the requirements of Regulation 8(3) for the years ended 31st March, 1999 (3058 days), 2000 (2693 days), 2001 (2324 days), 2002 (1959 days), 2003 (1594 days), 2004 (1229 days), 2005 (863 days), 2006 (498 days) and 2007 (133 days). Also, there were delays in complying with the requirements of Regulation 7(3) in May 2004 by 1196 days, in November 2006 by 291 days, 290 days and 286 days and in July 2007 by 70 days.

4.15 SEBI has by its letter dated 11th August, 2006 informed SCL that SEBI is investigating the dealings in the shares of the company during the period 1st November, 2004 to 31st December, 2004 and hence had sought details and information. SCL has vide its letter dated 30th August, 2006 replied to the above said letter of SEBI furnishing therewith the information and details as required. Subsequently, SEBI has sought additional information and details from time to time to which SCL has submitted replies from time to time.

4.16 The total number of equity shares issued by SCL as on the date of this PA are 14,62,63,972 of Rs. 2 each of which 13,02,63,972 equity shares of Rs. 2 each are listed on BSE and CSE while 1,60,00,000 equity shares of Rs. 2 each are yet to be listed. SCL is in process of filing the listing application for 1,60,00,000 equity shares allotted to promoters and ACC.

4.17 BSE has vide its letter dated 20th December, 2006 (received on 28th February, 2007) sought confirmation for compliance of the provisions of Regulation 10 of the Regulations by the allottees of 1,15,00,000 shares before listing of these shares. Pursuant to such a letter, the Acquirers have taken steps to comply with the provisions of Regulation 10 of the Regulations, leading to this PA and have also given an undertaking to BSE to comply with the provisions of Regulation 10 of the Regulations.

5. Reasons for the acquisition, offer and future plans:

5.1 As explained in para 1.6, the Acquirers being a part of the promoter group were allotted 115,00,000 equity shares of Rs. 2 each on 13th November, 2006 upon conversion of the ESW's allotted to them on preferential basis. The said 115,00,000 shares were allotted at a price of Rs. 3.70 per share which was determined in compliance with Chapter XIII of SEBI (DIP) Guidelines, 2000. As a result of the said allotment of 115,00,000 equity shares of Rs. 2 each the shareholding of the Promoter Group exceeded 15% of the company's post allotment paid up equity share capital thereby attracting the provisions of Regulation 10 of the Regulations. Hence, there has been a substantial acquisition of shares and voting rights without change in control or management. The object and purpose of this offer is to comply with the requirements of the Regulations. In compliance with the requirements of Regulation 10, the Acquirers are now making this offer. There will be no change in control or in management consequent to the completion of this open offer.

5.2 To the extent required to optimise the value to all shareholders, the Acquirers may, subject to applicable shareholders' consent, propose any compromise or arrangement, reconstruction, merger and/or streamlining of business operations of the company. The Acquirers currently do not plan to dispose off or otherwise encumber any asset of SCL in the succeeding two years except in the ordinary course of business of the Company. The Acquirers undertake not to sell / dispose off or otherwise encumber any substantial asset of SCL except with the prior approval of the shareholders of the Company.

6. Statutory Approvals:

6.1 The Offer is subject to the Acquirers obtaining the approval of the RBI under Foreign Exchange Management Act, 1999 ("FEMA"), for acquiring and transferring the equity shares held by non-resident shareholders who tender their shares in this Offer, if any. The necessary application will be made by the Acquirers in this regard on closure of the Offer.

6.2 To the best of the knowledge and belief of the Acquirers as of the date of this Announcement, there are no other statutory approvals required to implement the Offer. No approvals are required from any lenders of SCL including Financial Institutions/Banks for the Offer.

6.3 Subject to the receipt of statutory approvals, the Acquirers shall complete all procedures relating to the Offer including payment of consideration within 15 days of the Offer closing date. In case of delay in receipt of any statutory approvals, SEBI has the power to grant an extension of the time required for payment under the Offer provided that the Acquirers agree to pay Interest in accordance with Regulation 22(12) of the Regulations. Further, if the delay occurs due to willful default of the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the Regulations will also become applicable.

7. Delisting option to the Acquirers:

The Offer will not result in public shareholding being reduced to less than a level below the limit specified in the Listing Agreement with the Stock Exchanges for the purpose of listing on continuous basis.

8. Financial Arrangements for the Offer :

8.1 In terms of Regulation 16 (xiv) of the Regulations, it is confirmed that the Acquirers have adequate resources and have made firm financial arrangements to meet their offer obligations in full.

8.2 The financial obligations of the Acquirers under the Offer will be fulfilled through the existing resources of the Acquirers and no further borrowings from Banks or Financial Institutions or NRI's or otherwise is envisaged, except as described in 8.4 below.

8.3 The maximum fund requirement for the Offer assuming full acceptance will be Rs. 1359.11 lacs. In accordance with Regulation 28 of the Regulations, the Acquirers have created the Escrow Account in the following manner :

(a) Cash deposit of Rs. 13.60 lacs (Rupees Thirteen lacs sixty thousand) with Bank of Baroda, Sector 19 Branch, Rourkela - 769005 being not less than 1% of the maximum fund requirement in Escrow Account, in the form of a Fixed Deposit and a lien has been marked in favour of the Manager to the Offer. The Acquirers have duly authorised the Manager to the Offer to realise the value of the Cash Deposit in terms of the Regulations.

(b) The Acquirers have established a Bank Guarantee dated 7th September, 2007 ("Bank Guarantee") through Bank of Baroda, Sector 19 Branch, Rourkela - 769005, in favour of LKP Shares & Securities Ltd., Manager to the Offer for an amount of Rs. 340 lacs (Rupees Three hundred forty lacs), which is in excess of 25% of the value of the total consideration payable under the open offer assuming full acceptances. The Manager to the Offer has been duly authorised to realise the value of the aforesaid Bank Guarantee in terms of the Regulations. The Bank Guarantee is valid till 6th March, 2008.

8.4 To meet the shortfall, if any, in meeting the financial obligations in the Open Offer, Mr. R P Gupta one of the borrowers has undertaken to borrow the required funds up to Rs. 200 lacs from Samarth Commodities Merchants Pvt. Ltd. situated at 1-B, Black Burn Lane, 4th Floor, Kolkata - 700 012 who have sanctioned a loan of Rs. 200 lacs to Mr. R P Gupta for a period of 12 months bearing interest @12% p.a. Mr. G. Singh, Partner of M/s. Tibrewal Chand & Co., Chartered Accountants having office at 1st Floor, KK-5, Civil Township, Rourkela - 769004 (Membership No. 58478, Tel. No. 0661-6450741, Fax No. 0661-2401 401) has certified vide his Certificate dated 8th September, 2007 that the company's networth based on un-audited accounts for the year ended 31st March, 2007 is Rs. 200.92 lacs. We confirm that Samarth Commodities Merchants Pvt. Ltd. has neither any interest in the Open offer in any manner nor is it an associate company of any of the Acquirers. This arrangement has been recorded in a letter dated 8th September, 2007 which has been considered as a material document.

8.5 In case of a revision in the Offer price, the Acquirers would raise the amount in the escrow account to ensure compliance with Regulation 28 of the Regulations.

8.6 Mr. G. Singh (Membership No. 58478), Partner of M/s. Tibrewal Chand & Co., Chartered Accountants, having office at 1st Floor, KK-5, Civil Township, Rourkela – 769004. (Tel. No. 0661 – 6450741, Fax No. 0661-2401401) has certified vide Certificate dated 12th September, 2007 that on the basis of necessary information and explanation given by the Acquirers and on the verification of their assets, liabilities, and the requirement of the funds, the Acquirers have adequate resources to meet the financial requirements of the Open Offer.

8.7 The Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer and confirms that firm arrangements for funds and money for payment through verifiable means are already in place to fulfil the Offer obligations.

9. Other terms of the Offer:

9.1 The Offer is not a conditional offer and is not subject to any minimum level of acceptance.

9.2 A Letter of Offer ("the Letter of Offer" or "LOF"), specifying the detailed terms and conditions of this Offer, along with a Form of Acceptance-cum-Acknowledgement ("the Form of Acceptance") and Form of Withdrawal, will be mailed to all the shareholders of SCL (other than the Acquirers) whose names appear on the register of members of SCL, at the close of business hours on 1st October, 2007 ("the Specified Date").

9.3 All the Shareholders registered or unregistered, (except the Acquirers) who own fully paid equity shares of SCL anytime before the closure of the Offer are eligible to participate in the Offer.

9.4 Shareholders who are holding fully paid equity shares in physical form and wish to tender their equity shares will be required to send the Form of Acceptance-cum-Acknowledgement, original Share Certificate(s) and blank transfer deed(s) duly signed to Niche Technologies (P) Ltd., D/511, Bagree Market, 5th Floor, 71, B. R. B. Basu Road, Calcutta- 700 001 Registrar to the Offer ("the Registrar to the Offer"), so that the same are received on or before the closure of the offer i.e. on 6th December, 2007, at the address given in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.5 Shareholders holding equity shares in dematerialised form may note that the Registrar to the offer has opened a special Depository Account with Lohia Securities Ltd. Beneficial owners and shareholders holding shares in dematerialised form, will be required to send their Form of Acceptance to the Registrars to the offer at the address given below in 9.6 either by hand delivery during business hours on weekdays or by registered post so that the same are received on or before the close of the Offer, along with a photocopy of the delivery instruction slip in "Off Market" mode or counterfoil of the delivery instruction slip in "Off Market" mode, duly acknowledged by the Depository Participant ("DP") in favour of "Niche Technologies Pvt. Ltd. – SCL – Open Offer - Escrow Account" filled in with details given below :

Depository	: National Securities Depositories Limited ("NSDL")	Client ID number	: 10014686
DP Name	: Lohia Securities Ltd.	DP ID Number	: IN 302189

For equity shares of SCL which are tendered in electronic form, the bank account particulars as obtained from the beneficiary position provided by the Depository will be considered and the cheques/drafts will be issued with the said bank particulars. Shareholders having their beneficiary account in CDSL will have to submit inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository Escrow account with NSDL as described above. All shareholders holding shares of SCL in dematerialized form should ensure to credit their shares in favour of above referred depository account before the closure of the offer.

9.6 All owners of fully paid equity shares of SCL, registered or unregistered who wish to avail of and accept the Offer can hand deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents on all working days i.e. from Monday to Friday between 11.00 a.m. and 4.00 p.m. at :

Name & Address of Collection Centres	Contact Person & Contact Numbers	Mode of Delivery
Niche Technologies Pvt. Ltd., D-511, Bagree Market, 5th Floor, 71, B.R.B. Basu Road, Kolkata – 700 001	Mr. S. Abbas 033 – 2234 3576 / 2235 7271 / 2235 7270 / 2235 3070	Hand Delivery / Registered Post

Non-residents if any, should also enclose copy of permission received from Reserve Bank of India for the shares held by them in SCL.

Neither the share certificate(s) nor transfer deed(s) nor the Form of Acceptance should be sent to the Acquirers or SCL or Manager to the offer.

9.7 Shareholders who have sent their physical shares for dematerialization need to ensure that the process of getting shares dematerialized is completed well in time so that the credit in special depository Escrow account is received on or before the date of closure of the offer, else the application would be rejected.

9.8 Unregistered owners of equity shares of SCL holding shares in physical form and shareholders who do not receive a copy of the Letter of Offer can send their application in writing on plain paper stating Name, Address, Number of equity shares held, Number of equity shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds and the original contract note issued by the broker of a recognised stock exchange, through whom they acquired their equity shares and / or such other documents as may be specified, so as to reach the Registrars to the Offer on or before the closure of the Offer at the address given in para 9.6.

9.9 Beneficial owners of Equity shares of SCL holding shares in dematerialized form who do not receive a copy of the LOF can send their application in writing on plain paper stating Name, Address, Number of equity shares held, Number of Equity shares offered, DP Name, DP ID number, Client ID Number along with a photocopy of the Delivery Instruction in "Off Market" mode or Counterfoil of the Delivery Instruction in "Off Market" Mode duly acknowledged by the relevant DP. For each delivery instruction the beneficial owner should submit separate application. These documents should be sent so as to reach the Registrars to the offer at the address given in 9.6 on or before the closure of the Offer

9.10 In case of non-receipt of the Letter of Offer, eligible persons may send their consent to the Registrar to the Offer, at the address given in 9.6 on plain paper stating Name, Address, Number of equity shares held, Distinctive Nos., Folio No., Number of equity shares offered, along with documents as mentioned above, so as to reach the Registrars to the Offer on or before the closure of the Offer.

9.11 While tendering the equity shares under the Offer, non-resident shareholders (if any) will be required to submit the previous FIPB approvals or RBI approvals (specific or general) obtained by them for acquiring the shares of SCL and No Objection certificate/Tax Clearance Certificate from the Income Tax authorities under the Income Tax Act, 1961, indicating the rate at which the tax is to be deducted by the Acquirers before remitting the consideration. In case such FIPB or RBI approvals are not submitted the Acquirers reserve the right to reject the tendered shares. In case the aforesaid No Objection certificate/Tax Clearance Certificate is not submitted, the Acquirers will deduct tax at currently prevailing rates as advised by their tax advisors on the entire consideration amount payable to such non resident shareholder.

9.12 No indemnity is required from the unregistered owners whilst accepting the offer.

9.13 The Registrars to the Offer will hold in trust the equity shares/ share certificates, equity shares lying in credit of the special Depository Escrow account, Form of Acceptance, if any, and the transfer form(s) on behalf of the shareholders of SCL who have accepted the Offer, until the cheques / drafts for the consideration and/or the unaccepted equity shares / share certificates are despatched/ returned.

9.14 If the aggregate of the valid responses to the Offer exceeds 338,92,795 fully paid-up equity shares, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations in such a way that acquisition from a shareholder shall not be less than the market lot. The equity shares of SCL are in dematerialized form and the market lot of the shares is 1.

9.15 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post / Speed Post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder. Equity shares held in dematerialised form, to the extent not accepted will be credited back to the beneficial owner's depository account with respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise.

9.16 Despatches involving payment of a value in excess of Rs. 1500/- will be made by registered post/speed post at the shareholder's sole risk. Rejected documents will be sent by registered post/speed post. All other despatches will be made by ordinary post at the shareholder's sole risk. All cheques / demand drafts will be crossed Account Payee and will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the cheque / demand draft.

9.17 A schedule of some of the key events in respect of the Offer is given below:

Activity	Day	Date
Specified date *	Monday	1st October, 2007
Last date for a competitive bid	Friday	19th October, 2007
Date by which Letter of Offer will be despatched to shareholders.	Saturday	10th November,2007
Date of opening of the offer	Saturday	17th November,2007
Last date for revising the offer price / number of shares	Tuesday	27th November,2007
Last date for withdrawal of acceptance by the shareholders	Friday	30th November,2007
Date of closing of the Offer	Thursday	6th December,2007
Date by which rejection/acceptance would be intimated and date of payment of consideration for applications accepted.	Thursday	20th December,2007

*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. All owners (registered or unregistered) of equity shares of the Target Company (except the Acquirers) are eligible to participate in the Offer anytime before the closure of the Offer.

9.18 In case RBI approval for acquisition of shares from non-resident shareholders is unduly delayed, the Acquirers reserve the right to proceed with payment to the resident shareholders whose shares have been accepted by the Acquirers in terms of this Offer, pending payment to the non-resident shareholders, subject to the entire amount payable to non-resident shareholders being kept in a separate escrow account whose value can be realised by the Manager as per the Regulations.

10. General :

10.1 Neither the Target Company nor the Acquirers nor the Promoters of the Acquirer Company nor any company in which the Acquirers hold controlling interest, have been prohibited by SEBI from dealing in securities, under directions issued pursuant to Section 11B of the SEBI Act, 1992.

10.2 Pursuant to Regulation 13 of the Regulations, the Acquirers have appointed LKP Shares and Securities Ltd., Mumbai as Manager to the Offer.

10.3 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 three working days prior to the date of closure of the offer. The withdrawal option can be exercised by submitting the document as per the instruction below and in the Letter of Offer, so as to reach the Registrar to the Offer at the collection center mentioned in 9.6 above, as per the mode of delivery indicated therein on or before 6th December, 2007.

- The withdrawal option can be exercised by submitting the Form of Withdrawal (which will be sent to the shareholders along with the Letter of Offer) to the Registrar's office.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by submitting an application to the Registrar's Office on plain paper along with the following details:
  a. In case of the physical shares : Name, Address, Distinctive Numbers, Folio Number, Total number of shares held, Number of shares tendered.
  b. In case of Dematerialised shares : Name, Address, Number of shares tendered, DP name, DP ID, Beneficiary Account number and a photocopy of Delivery instruction in "Off Market" mode or counterfoil of the delivery instruction slip in "Off Market" mode, duly acknowledged by DP in favour of the Special Depository Escrow Account.
- Copy of the acknowledgement received from the Registrar to the Offer while tendering shares should be sent along with the Form of Withdrawal / plain paper application for withdrawal.

10.4 The share certificate(s) in respect of physical shares withdrawn by the shareholders would be returned by the Registrars to the Offer by registered post.

10.5 Should the Acquirers decide to revise the offer price upward, such upward revision will be made in accordance with Regulation 26 of the Regulations not later than 27th November, 2007 i.e. 7 working days prior to the offer closing date. If the offer price is revised upward, such revised price will be payable to all the shareholders who have accepted this offer and submitted their shares at any time during the period between the offer opening date and the offer closing date to the extent their shares have been verified and accepted by the Acquirers. Any such upward revision will be announced in the same newspapers in which this Public Announcement appears.

10.6 If there is a competitive bid :

- **The public offers under all the subsisting bids shall close on the same date.**
- **As the offer price cannot be revised during seven 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.**

10.7 The Acquirers reserve the right to withdraw the Offer pursuant to Regulation 27 of the Regulations. Any such withdrawal will be notified in the form of a Public Announcement in the same newspapers in which this PA appears.

10.8 For further details, please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

10.9 The Board of Directors of Unicon, one of the Acquirers, and all the other Acquirers accept full responsibility for the information contained in this PA and also for the obligations of Acquirers as laid down in the Regulations.

10.10 Eligible persons to the Offer may download a copy of this PA from SEBI's website at www.sebi.gov.in. Eligible persons to the Offer may also download a copy of the Letter of Offer, Form of Acceptance and Form of Withdrawal, which will be available on SEBI's website www.sebi.gov.in. from the Offer opening date i.e. 17th November, 2007 and can apply on the same.

ISSUED BY MANAGER TO THE OFFER

LKP Shares and Securities Ltd.
(SEBI Regn. No.: MB/INM000002483)
112-A, Embassy Centre, Nariman Point, Mumbai - 400 021.
Tel.: 91-22-4002 4785 / 86 • Fax: 91-22-2287 4787
Contact Person: Mrs. Rakhee Bang • E-Mail: rakhee_bang@lkpsec.com

On behalf of the Acquirers : R. P. Gupta, Akash Gupta, Vikash Gupta, Preeti A. Gupta, Shilpi Gupta, R. P. Gupta (HUF) and Unicon Merchants Pvt. Ltd.

Place: Mumbai Date: 27th September,2007

Size : 50 x 32.9 cms