

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

SHREE RAM URBAN INFRASTRUCTURE LIMITED
(FORMERLY KNOWN AS SHREE RAM MILLS LIMITED)

Registered Office: Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013.

Tel. No. : 022 - 6140 4900; Fax No.: 022 - 2492 8617.

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement ("PA") is being issued by Aryanam Financial Services Limited ("AFSL") being the "Manager to the Offer", on behalf of Hanumesh Realtors Private Limited ("HRPL"); Mandakini Hospitality Private Limited ("MHPL") and Yashaswini Leisure Private Limited ("YPLP") (herein after referred to as "The Acquirers") pursuant to and in compliance with, among others, Regulations 11(2) 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 OF THE OFFER

1.1 This Open Offer is being made by Hanumesh Realtors Private Limited ("HRPL"); Mandakini Hospitality Private Limited ("MHPL") and Yashaswini Leisure Private Limited ("YPLP"), all having their Registered Office situated at Raaj Chambers, R. K. Paramhans Marg, Andheri (East), Mumbai - 400 069; to the Equity Shareholders (except the existing Promoter Group) of Shree Ram Urban Infrastructure Limited (hereinafter referred to as the "Target Company" or "SRUL"). The Acquirers form part of the existing Promoter Group of the Target Company.

1.2 Pursuant to authorization by a Board Meeting held on December 16, 2009, a subsequent shareholders resolution via Postal Ballot, results of which were announced on January 19, 2010 and on receipt of in-principle listing approval from the Bombay Stock Exchange ("BSE") (hereinafter referred to as the "Stock Exchange") vide their letter no. DCS/PREF/SE/PRP/1517/09-10 dated January 18, 2010 the Target Company had, on January 30, 2010, issued 1,15,84,678 warrants to the Acquirers (Part of the existing Promoter Group) and 44,15,322 warrants to others (Non Promoters), which were each convertible into one equity share of Rs. 10/- each at a cash price of Rs. 140/- per share at the option of the holder at any time within a period of 18 months from the date of allotment.

1.3 Out of 1,60,00,000 warrants allotted on January 30, 2010, a total of 30,40,400 warrants were converted into Equity Shares on June 15, 2011, which were allotted to Non Promoter Group and a total of 1,29,59,600 warrants are currently pending for conversion.

As on date, the Issued, Subscribed and Paid up Share Capital of the Target Company is Rs. 28,17,49,400 consisting of 2,81,74,940 Equity Shares of Rs. 10/- each fully paid up (hereinafter referred to as "Pre-conversion Capital"). Assuming full conversion of the outstanding Warrants by Acquires (Promoter Group) & others (Non Promoter Group), the Issued, Subscribed and Paid up Share Capital of the Target Company will be Rs. 41,13,45,400 consisting of 4,11,34,540 Equity Shares of Rs. 10/- each fully paid up, (hereinafter referred to as "Post-conversion Capital").

1.4 The Acquirers have intimated the Target Company, vide their letter dated July 22, 2011 about their intention to exercise the option to convert the Warrants into Equity Shares at a price of Rs. 140/- per Equity Shares and thereby acquiring additional 1,15,84,678 Equity Shares in the Target Company. The Acquirers belongs to the existing Promoter Group of the Target Company, and the Promoter Group currently collectively owns 1,68,14,483 Equity Shares representing 59.68% of the paid-up Equity Shares Capital of the Target Company (Pre-conversion Capital).

1.5 As a result of the conversion of all the pending warrants, the Promoter Group's shareholding would stand increased to 2,83,99,161 shares representing 69.04% of the paid-up Equity Shares Capital of the Target Company (Post-conversion Capital). The voting rights before and after conversion of warrants is given below:

Shareholders Categories	Pre - Conversion Capital		Post - Conversion Capital	
	No. of Shares	% of Voting Capital	No. of Shares	% of Voting Capital
Promoter Group				
Acquirers along with other Promoter Group members	1,68,14,483	59.68	2,83,99,161	69.04
Total	1,68,14,483	59.68	2,83,99,161	69.04
Non-Promoter Group				
Institutions	22,08,455	7.84	22,08,455	5.37
Non-Institutions	91,52,002	32.48	1,05,26,924	25.59
Total	1,13,60,457	40.32	1,27,35,379	30.96
Grand Total	2,81,74,940	100.00	4,11,34,540	100.00

1.6 The Acquirers are hence making this open offer as per the requirements of Regulation 11(2) of the SEBI (SAST) Regulations, 1997 and other provisions of Chapter III of the SEBI (SAST) Regulations.

2. THE OFFER

2.1 This Offer is being made by the Acquirers to the Public Equity Shareholders (i.e. Shareholders other than existing Promoter Group) of the Target Company (the "Public Shareholders") to acquire 82,26,908 (Eighty Two Lacs Twenty Six Thousand Nine Hundred and Eight) fully paid up Equity Shares of face value of Rs. 10/- each, constituting 20% of the Emerging Voting Capital (as defined in paragraph 2.2 below) of the Target Company, at a price of Rs. 147/- (Rupees One Hundred and Forty Seven Only) per fully paid up Equity Share (the "Offer Price") aggregating Rs. 1,20,93,55,476/- (Rupees One Hundred Twenty Crores Ninety Three Lacs Fifty Five Thousand Four Hundred and Seventy Six Only) (the "Offer Size"), payable in cash in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions mentioned hereinafter and the conditions that will be set out in the Letter of Offer to be subsequently mailed to all Public Shareholders as on the Specified Date (the "Offer").

2.2 Save as excepted above, and upon conversion of the Warrants held by the Acquires (Promoter Group) & others (Non Promoter Group), as of the date of this PA, the Target Company has no outstanding warrants/convertibles/options which, when converted would result in an increase in the Equity Shares of the Target Company up to 15 days post the expected closure of the Offer. As of, date, there are no partly paid up shares in the Target Company. The Voting Capital in the Target Company, as of the date of this PA, is 2,81,74,940 Equity Shares ("Voting Capital") and the voting capital post full conversion of Warrants will be 4,11,34,540 Equity Shares ("Emerging Voting Capital") which has been calculated as under:

Particulars	Issued & Subscribed Shares	Paid-up Shares	Voting Rights	% of Paid-up Shares	% of Voting Rights
Fully paid up Equity Capital	2,81,74,940	2,81,74,940	2,81,74,940	100.00	100.00
Partly paid up Equity Capital	Nil	Nil	Nil	Nil	Nil
Total					100.00
Emerging Voting Capital					No. of Equity Shares
Fully paid-up Equity Share Capital as on date of the PA (Voting Capital)					2,81,74,940
Add: Equity Shares that may be allotted to the Acquires (Promoter Group) & others (Non Promoter Group) pursuant to exercise of option for full conversion of Warrants					1,29,59,600
Emerging Voting Capital					4,11,34,540

2.3 Other than the 1,68,14,483 Equity Shares representing 59.68% of the Voting Capital of the Target Company, the Acquirers (along with other existing Promoter Group) do not hold any Equity Shares in the Target Company as of the date of this PA.

2.4 The Manager to the Offer does not hold any Equity Shares in the Target Company as on the date of this PA. Save in their capacity as Managers to the Offer, they declare and undertake that they shall not deal in the Equity Shares of the Target Company 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.

2.5 Subject to the receipt of regulatory approvals as set out in paragraph 7 herein below, and other terms and conditions as set out in this PA and the Letter of Offer to be sent to the Public Shareholders, the Acquirers will acquire the Equity Shares tendered pursuant to the Offer up to the aggregate number of the Offer Shares.

2.6 The Acquirers will acquire the Equity Shares of the Target Company under the Offer together with all rights attached thereto, which shall not be the subject matter of litigation and shall be free from all liens, charges and encumbrances.

2.7 This Offer is being made to all the Public Shareholders and is not conditional to any minimum level of acceptance by the Public Shareholders. Upon completion of the Offer, assuming full acceptances in the Offer, the aggregate shareholdings of the existing Promoter group will increase to 3,66,26,069 Equity Shares of the Target Company representing 89.04% of the fully paid up Emerging Voting Capital of the Target Company.

2.8 During the Offer period, the Acquirers may purchase additional Equity Shares of the Target Company in accordance with the SEBI (SAST) Regulations and in such an event, the same shall be disclosed to the Stock Exchanges and to the Manager to the Offer in accordance with Regulation 22(17) of the SEBI (SAST) Regulations.

2.9 This is not a competitive bid.

2.10 This Offer is not as a result of any global acquisition resulting in indirect acquisition of the Target Company.

2.11 There is no agreement among the Acquirers and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition. Due to the operation of Regulation 21(e)(2) of the SEBI (SAST) Regulations, there could be persons who could be deemed to be acting in concert with the Acquirers. However, such persons are not persons acting in concert for the purposes of this Offer.

2.12 The Acquirers have undertaken to comply with the Regulations and complete the Offer formalities.

2.13 The Acquirers and the Target Company have not been prohibited by the Securities and Exchange Board of India ("SEBI") from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992 as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

2.14 This PA is being released, as per Regulation 15(1) of the SEBI (SAST) Regulations, in The Financial Express, English National Daily - All Editions; Jansatta, Hindi National Daily - All Editions; Mumbai Lakshadweep, Regional Language Daily - Mumbai Edition, since the Registered office of the Target Company is situated in Mumbai, Maharashtra also being the region of the Stock Exchanges where the shares of the Target Company are most frequently traded.

3. OFFER PRICE

3.1 The equity shares of the Target Company are listed on Bombay Stock Exchange Limited (BSE) only (hereinafter referred as "Stock Exchange").

3.2 The annualized trading turnover in the Equity Shares of the Target Company during the six calendar months preceding the month in which the PA is made (January 2011 - June 2011) on the Stock Exchange, is detailed below:

Name of the Stock Exchange	Total number of shares traded during the 6 calendar months prior to the month in which PA was made	Total Number of Listed Shares	Annualized Trading Turnover (In terms of % to Total Listed Shares)
BSE	5,29,184	2,06,34,540	5.13

(Source: www.bseindia.com)

Note:

(a) The current Paid-up Equity Shares Capital of the Target Company is consisting of 2,81,74,940 fully paid-up Equity Shares of Rs. 10/- each. However, listing approval from BSE is awaited for 75,40,400 Equity Shares, which were allotted on June 15, 2011.

(b) Since the annualized trading turnover in the shares of the Target Company on BSE based on trading volume during January 2011 to June 2011 i.e for the preceding six calendar months from the month of the PA is more than 5% (five percent) of total listed shares at the stock exchange, the Shares are deemed to be frequently traded as per explanation (i) to Regulation 20(5) of the Regulations.

3.3 The Offer Price of Rs. 147/- (Rupees One Hundred and Forty Seven Only) per fully paid up Equity Share of the Target Company is justified and computed in terms of Regulation 20(4) of the SEBI (SAST) Regulations and is not lower than the highest of the following:

(a) Negotiated Price	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 date of the Public Announcement.	Rs. 140.00
(c) The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the date of Public Announcement	Rs. 142.01
(d) The average of the daily high and low of the prices of the shares during two weeks period preceding the date of Public Announcement	Rs. 146.56

3.4 In the opinion of the Manager to the Offer, the Offer Price of Rs. 147/- (Rupees One Hundred and Forty Seven Only) per Equity Share offered by the Acquirers to the Public Shareholders of the Target Company under the proposed Offer is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations. If the Acquirers acquire any Equity Shares of the Target Company after the date of this PA and up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer.

4. INFORMATION ABOUT THE ACQUIRERS

4.1 HANUMESH REALTORS PRIVATE LIMITED ("HRPL")

4.1.1 HRPL was incorporated as "Hanumesh Realtors Private Limited" on October 07, 2003 under the Companies Act, 1956 as a Private Limited Company. The Corporate Identity No. is U45200MH2003PTC142541.

4.1.2 The Registered Office of the HRPL is situated at Raaj Chambers, R. K. Paramhans Marg, Andheri (East), Mumbai - 400 069.

4.1.3 The main object of HRPL is to carry on all kinds of business of builders, developers and to buy and sell or acquire or give on lease any land, building, factories, industrial units, commercial complex, etc and to deal in all kinds of such activities and to carry on business of estate agents.

4.1.4 As on date, the authorized share capital of HRPL is Rs. 5,00,000/- consisting of 50,000 (Fifty Thousand) equity shares of Rs. 10/- each. The current paid-up share capital of the HRPL is Rs. 1,00,000/- (Rupees One Lac Only), consisting of 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each. All the Equity Shares are held by the Promoters Group of the Acquirer. The shares of HRPL are not listed on any Stock Exchange.

4.1.5 The promoters of HRPL are Mr. Vikas S. Kasliwal and Mrs. Anuradha V. Kasliwal. The Board of Directors of HRPL comprises of three directors namely Mrs. Anuradha V. Kasliwal, Mr. Arnab V. Kasliwal and Mr. Ramvilas J. Yadav.

4.1.6 The brief financial details of HRPL, based on un-audited financial for the year ended March 31, 2011 and based on the audited financials for the year ended March 2010, 2009 and 2008 are as follows:

Particulars	31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08
Total Income (Rs. in Lacs)	-	-	-	-
Profit / (Loss) After Tax (Rs. in Lacs)	(40.83)	(1.99)	(0.53)	(0.66)
Capital Account (Rs. in Lacs)	1.00	1.00	1.00	1.00
Net Worth (Rs. in Lacs)	(20.52)	20.31	22.30	22.83
Book Value Per Share (BV) (Rs.)	(205.29)	203.11	223.02	228.36
Return on Net Worth (RONW) (%)	Negative	Negative	Negative	Negative
Earnings Per Share (EPS) (Rs.)	(408.40)	(19.92)	(5.33)	(6.62)

4.1.7 HRPL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.2 MANDAKINI HOSPITALITY PRIVATE LIMITED ("MHPL")

4.2.1 MHPL was incorporated as "Mandakini Hospitality Private Limited" on December 23, 2003 under the Companies Act, 1956 as a Private Limited Company. The Corporate Identity No. is U55101MH2003PTC143621.

4.2.2 The Registered Office of the MHPL is situated at Raaj Chambers, R. K. Paramhans Marg, Andheri (East), Mumbai - 400 069.

4.2.3 The main object of MHPL is to own, run, manage, and to carry on the business of holiday resorts, hotels, motels, restaurants, cafes, inns, guest houses, pubs, canteen, marriage halls, boarding and lodging housekeepers and to provide a facilities such as dressing rooms, conference rooms, indoor and outdoor games sport, recreation, exhibition and to do other such activities.

4.2.4 As on date, the authorized share capital of MHPL is Rs. 5,00,000/- consisting of 50,000 (Fifty Thousand) equity shares of Rs. 10/- each. The current paid-up share capital of the MHPL is Rs. 1,00,000/- (Rupees One Lac Only), consisting of 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each. All the Equity Shares are held by the Promoters Group of the Acquirer. The shares of MHPL are not listed on any Stock Exchange.

4.2.5 The promoters of MHPL are Mr. Vikas S. Kasliwal and Mrs. Anuradha V. Kasliwal. The Board of Directors of MHPL comprises of three directors namely Mrs. Anuradha V. Kasliwal, Ms. Dhvani G. Kaul and Mr. Ramvilas J. Yadav.

4.2.6 The brief financial details of MHPL, based on un-audited financial for the year ended March 31, 2011 and based on the audited financials for the year ended March 2010, 2009 and 2008 are as follows:

Particulars	31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08
Total Income (Rs. in Lacs)	-	-	-	-
Profit / (Loss) After Tax (Rs. in Lacs)	(0.47)	(0.47)	(88.37)	(0.38)
Capital Account (Rs. in Lacs)	1.00	1.00	1.00	1.00
Net Worth (Rs. in Lacs)	(89.45)	(88.98)	(88.51)	(0.14)
Book Value Per Share (BV) (Rs.)	(894.48)	(889.83)	(885.15)	(1.42)
Return on Net Worth (RONW) (%)	Negative	Negative	Negative	Negative
Earnings Per Share (EPS) (Rs.)	(4.65)	(4.68)	(883.74)	(3.89)

4.2.7 MHPL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.3 YASHASWINI LEISURE PRIVATE LIMITED ("YPLP")

4.3.1 YPLP was incorporated as "Yashaswini Leisure Private Limited" on October 07, 2003 under the Companies Act, 1956 as a Private Limited Company. The Corporate Identity No. is U55101MH2003PTC142540.

4.3.2 The Registered Office of the YPLP is situated at Raaj Chambers, R. K. Paramhans Marg, Andheri (East), Mumbai - 400 069.

4.3.3 The main object of YPLP is to carry on the business of hoteliers and to own, construct, manage, run, hotels, motels, row houses, health resorts, clubs, restaurants, café tavern, refreshment rooms and lodging homes, and to acts as contractors in all kinds of foods, drinks, provisions and sweetmeat, merchants, bakers, confectioners, etc.

4.3.4 As on date, the authorized share capital of YPLP is Rs. 5,00,000/- consisting of 50,000 (Fifty Thousand) equity shares of Rs. 10/- each. The current paid-up share capital of the YPLP is Rs. 1,00,000/- (Rupees One Lac Only), consisting of 10,000 (Ten Thousand) equity shares of Rs. 10/- (Rupees Ten Only) each. All the Equity Shares are held by the Promoters Group of the Acquirer. The shares of YPLP are not listed on any Stock Exchange.

4.3.5 The promoters of YPLP are Mr. Vikas S. Kasliwal and Mrs. Anuradha V. Kasliwal. The Board of Directors of YPLP comprises of three directors namely Mrs. Anuradha V. Kasliwal, Mr. Arnab V. Kasliwal and Mr. Ramvilas J. Yadav.

4.3.6 The brief financial details of YPLP, based on un-audited financial for the year ended March 31, 2011 and based on the audited financials for the year ended March 2010, 2009 and 2008 are as follows:

Particulars	31-Mar-11	31-Mar-10	31-Mar-09	31-Mar-08
Total Income (Rs. in Lacs)	-	-	-	-
Profit / (Loss) After Tax (Rs. in Lacs)	(0.65)	(0.49)	(0.60)	(0.38)
Capital Account (Rs. in Lacs)	1.00	1.00	1.00	1.00
Net Worth (Rs. in Lacs)	(1.86)	(1.21)	(0.73)	(0.12)
Book Value Per Share (BV) (Rs.)	(18.65)	(12.11)	(7.25)	(1.21)
Return on Net Worth (RONW) (%)	Negative	Negative	Negative	Negative
Earnings Per Share (EPS) (Rs.)	(6.54)	(4.86)	(6.04)	(3.89)

4.3.7 YPLP has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.4 OTHER INFORMATION ABOUT THE ACQUIRERS

4.4.1 The Acquirers (HRPL, MHPL and YPLP) are associated with each other as they are all part of the existing Promoter Group of the Target Company.

4.4.2 There is no agreement among the Acquirers and any other persons/entities, in connection with the break-up of shares to be accepted from the shares tendered in this Offer. The entire Equity Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other persons / entities propose to participate in the acquisition.

4.4.3 There are no 'Persons Acting in Concert' within the meaning of Regulation 21(e)(1) of the Regulations in relation to this Offer. However, due to the applicability of Regulation 21(e)(2) of the Regulations, there could be certain entities deemed to be Persons Acting in Concert with the Acquirers.

4.4.4 The Acquires belongs to the existing Promoter Group of the Target Company, and the existing Promoter Group in aggregate owns 1,68,14,483 Equity Shares representing 59.68% of the paid-up Equity Shares Capital of the Target Company (Pre-conversion Capital).

4.4.5 The Acquirers / their Promoters / Directors and the Target Company, its Promoters / Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B of SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

4.4.6 Equity Shares of the Target Company to be acquired pursuant to Warrant conversion are subject to mandatory lock-in, in compliance with Regulation 78 of SEBI (ICDR) Regulations.

5. INFORMATION ABOUT THE TARGET COMPANY

5.1 The Target Company was originally incorporated as "Shree Ram Mills Limited" evidenced by the Certificate of Incorporation bearing No. 2241 of 1934/1935 on January 25, 1935 under the Indian Companies Act, 1913. The name of the Company was changed to "Shree Ram Urban Infrastructure Limited" and a fresh Certificate of Incorporation consequent to change in name was obtained on March 20, 2007 from the Registrar of Companies under the Companies Act, 1956. The aforesaid changes were made in the name to reflect the nature of the business or the constitution of the Company and/or to clearly reflect the nature of business.

5.2 The Registered Office of the Target Company is situated at Shree Ram Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013. Tel. No. : 022 - 6140 4900; Fax No.: 022 - 2492 8617 E-mail ID: manju@srul.com.

5.3 The main object of the Target Company is to purchase or otherwise acquire lands, houses, buildings, sheds and other fixtures and let them on lease, rent, contract or any agreement or arrangement as may be deemed fit and to acquire, improve, manage, develop all rights in real estate and sale dispose of, turn to account and otherwise deal with property all kind and to carry on trade or business of dealing in agent for lands, buildings, factories, houses, flats and other residential and commercial, agricultural and mining property and construct, maintain and alter residential and commercial and industrial plots and properties. To carry on the business of builders, civil contractors, engineers, designers, ownership flat, sellers, building experts, advisers and to carry on the business of manufacturing of cotton, silk, artificial silk, staple and synthetic fiber, wool, flax, hemp, and jute and similar fibers and other related activities.

5.4 As on the date of this PA, the Authorised Capital of the Target Company is of Rs. 1,00,00,00,000/- (Rupees One Hundred Crore Only) consisting of 9,57,11,120 Equity Shares of Rs.10/- each, 1,36,871 1% Redeemable Cumulative Preference Shares of Rs.100/- each, 1,97,011 0% Redeemable Preference Shares of Rs.100/- each and 17,50,000 Unclassified Shares of Rs.10/- each.

5.5 As on the date of this PA, the Paid-up capital of the Target Company is Rs. 28,17,49,400/- (Twenty Eight Crores Seventeen Lacs Forty Nine Thousand Four Hundred Only) consisting of 2,81,74,940 (Two Crores Eighty One Lacs Seventy Four Thousand Nine Hundred and Forty) equity shares of Rs. 10/- (Rupees Ten Only) each. As of date, there are no partly paid up shares in the Target Company. Currently 75,40,400 equity shares of the Target Company are under mandatory lock-in, in compliance with Regulation 78 of SEBI (ICDR) Regulations.

5.6 Except for the (a) 1,15,84,678 convertible Warrants, pending for conversion in the forthcoming Board Meeting of the Target Company, allotted to the Acquirers (part of the existing Promoter Group) and (b) 13,74,922 convertible Warrants, allotted to the others (Non Promoter Group), there are no outstanding instruments of whatsoever nature convertible into Equity Shares on any later date.

5.7 The Equity shares of the Target Company are listed on Bombay Stock Exchange (BSE) only. Currently only 2,06,34,540 Equity Shares were are listed on BSE and remaining 75,40,400 Equity Shares, which were allotted on June 15, 2011 are in the process of listing. The Target Company is awaiting listing approval from BSE for 75,40,400 Equity Shares.

5.8 The Target Company had filed Draft Letter of Offer for an amount aggregating up to Rs. 7,500.00 Lacs on a Rights basis to the existing equity shareholders with SEBI, Mumbai, which is still under SEBI observation. Letter of Offer is yet to be file with the Registrar of Companies. Relevant provisions and Regulations issued by SEBI will now applied to this Rights Issue with respect to such Open Offer announcement.

5.9 As on the date of this PA, the Board of Directors of Target Company comprises of eleven directors namely Mr. Shambhukumar S. Kasliwal, Mr. Vikas S. Kasliwal, Mr. Ambuj A. Kasliwal, Mr. Subhkanar K. Luharuka, Mr. Mukul S. Kasliwal, Mr. Vijay Kalantri, Dr. Om Prakash Chawla, Mr. Lalit Mohan, Mr. Mohan M. Jayakar, Dr. Poornima Advani and Mr. Naresh Kumar Sethi.

5.10 The brief financial details of SRUL, based on un-audited financial for the period of three months ended March 31, 2011 and based on the audited financials for the year ended December 2010, 2009 and 2008 are as follows:

Particulars	31-Mar-11	31-Dec-10	31-Dec-09	31-Dec-08
Total Income (Rs. in Lacs)	813.85	1,678.50	3,992.23	3,950.40
Profit / (Loss) After Tax (Rs. in Lacs)	(44.99)	(3,424.71)	(1,379.79)	(961.51)
Capital Account (Rs. in Lacs)	2,317.34	2,317.34	2,317.34	2,317.34
Net Worth (Rs. in Lacs)	955.99	1,001.00	2,089.78	2,933.64
Book Value Per Share (BV) (Rs.)	4.63	4.85	10.13	14.22
Return on Net Worth (RONW) (%)	Negative	Negative	Negative	Negative
Earnings Per Share (EPS) (Rs.)	-	(7.87)	(6.69)	(4.66)

6. REASONS FOR THE ACQUISITION, THE OFFER AND FUTURE PLANS

6.1 The Acquirers form part of the existing Promoter Group of the Target Company and the entire Promoter Group are currently holding 1,68,14,483 Equity Shares representing 59.68% of the paid-up Equity Shares Capital of the Target Company (Pre-conversion Capital). By conversion of all the pending warrants, the Promoter Group's shareholding would stand increased to 2,83,99,161 representing 69.04% of the paid-up Equity Shares Capital of the Target Company (Post-con