PUBLIC ANNOUNCEMENT TO SHAREHOLDERS OF

SHRIRAM TRANSPORT FINANCE COMPANY LIMITED

In connection with the public announcement by DSP Merrill Lynch Limited as Manager to the Offer on behalf of Shriram Holdings (Madras) Private Limited ("Acquirer" / "SHMPL") along with Shriram Financial Services Holdings Private Limited, Newbridge India Investments II Limited, Newbridge India Investments III Limited, Newbridge Asia IV L.P. and Southern Pine Pte. Ltd. ("Persons Acting in Concert" / "PACs") dated February 8, 2006 ("Offer"), pursuant to and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 ("SEBI Takeover Regulations").

The shareholders of Shriram Transport Finance Company Limited ("STFC") are requested to kindly note the following:

In terms of Regulation 18(1) of the SEBI Takeover Regulations, the draft letter of Offer has been submitted to SEBI and is under review. Hence, the earlier announced Schedule of Activity will be modified and the revised Schedule of Activity will be announced separately.

The other terms and conditions of the Offer remain unchanged.

The Acquirer and the PACs accept responsibility for the information contained in this Public Announcement. The Acquirer and the PACs are jointly and severally responsible for each of their obligations in terms of the SEBI Takeover Regulations.

This Public Announcement would also be available on the SEBI's website www.sebi.gov.in

Issued by the Manager to the Offer

DSP Merrill Lynch

DSP Merrill Lynch Limited
10th Floor, Mafatlal Centre,
Nariman Point, Mumbai- 400 021
Tel No: +91 22 5632 8000; Fax No: +91 22 2204 8518
Email: stfc_openoffer@ml.com
Contact Person: Mr. Avneesh Merchant

Place: Mumbai

Date: March 22, 2006