PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF
SYSTEMATIX CORPORATE SERVICES LIMITED
(Regd. Off.: 206-207, Bansi Trade Center, 581/5, M. G. Road, Indore-452 001)

This Public Announcement ('PA') is being issued by Ashika Capital Limited ('Manager to the Offer'), for and on behalf of Superstar Exports Private Limited ('SEPL'), Mr. C. P. Khandelwal, Mrs. Anju Khandelwal and Mr. Nikhil Khandelwal (hereinafter collectively referred to as 'Acquirers') pursuant to and in compliance with, among others, regulation 10 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations').

1. BACKGROUND TO THE OFFER:

a) This Open Offer ('Offer') is being made by the Acquirers, in compliance with regulation 10 of the Regulations, to the shareholders ('other than Promoters and proposed allottees') of Systematix Corporate Services Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 206-207, Bansi Trade Center, 581/5, M. G. Road, Indore-452 001(hereinafter referred to as 'SCSL' or 'Target Company').

b) The Board of Directors of SCSL in its meeting held on August 24, 2007 ('Board Meeting Date'), has agreed and passed a resolution for issue and allotment of shares and warrants on a preferential basis ('Preferential Issue'), whose details are as under:

i. 40,00,000 fully paid equity shares of Rs. 10/- each of the Target Company ('Subscription Shares') for cash at a price of Rs. 30/- per share, including a premium of Rs. 20/-; and

ii. 76,21,200 warrants of the Target Company ('Subscription Warrants'), with entitlement to subscribe equivalent number of equity shares, for cash at a price of Rs. 30/- per Subscription Warrant, including a premium of Rs. 20/-.

in accordance with section 81(1A) of the Companies Act, 1956 and the applicable provisions of Guidelines for Preferential Issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto ('Guidelines') and in accordance with the relevant regulatory approvals, as applicable, for the Preferential Issue.

c) The Subscription Shares and the Subscription Warrants, are hereinafter collectively, referred to as the Subscription Instruments. The total number of Subscription Instruments in the Preferential Issue will be upto 1,16,21,200 and such Preferential Issue will be made to the Acquirers and a strategic investor not connected with the Acquirers.

d) The subscription and allotment of the Subscription Instruments is subject to various condition precedents being fulfilled, including approval of the shareholders of the Target Company.

e) Accordingly, the Target Company has fixed a General Meeting of its shareholders on September 22, 2007 to obtain the approval of shareholders by passing a Special Resolution under Section 81(1A) of the Companies Act, 1956 and to authorize the Board to issue and allot the Subscription Instruments in compliance with the requirements of the Companies Act, 1956 and other applicable provisions of the Guidelines/Regulations.

f) Upon the resolution being passed at the General Meeting of the Company, the Target Company will apply to the Stock Exchange(s), where the shares are listed, for the in-principle approval. Allotment of such equity shares shall be made by the Target Company to the Acquirers within 15 days of the passing of the special resolution in General Meeting of the Company or within 15 days of obtaining all necessary approvals from the concerned regulatory authority or the Central Government, if required, whichever is later.

g) The Acquirers belong to the Promoter Group of the Target Company, which in aggregate owns 2,00,151 shares constituting 2.36% the voting capital of the Target Company. As a result of the above Preferential Issue, the Acquirers can acquire upto a maximum of 98,21,200 shares and the total voting rights of the Promoter Group therefore stand increased to 1,00,21,351 shares constituting 49.87% the voting capital of the Target Company. The voting rights before and after Preferential Issue (on a fully expanded voting capital) is given below:

Particulars	No. of Shares & Voting Capital (%) before Preferential Issue		No. of Shares & Voting Capital (%) after Preferential issue (fully expanded voting capital and entire subscription)	
	No. of Shares	Voting Capital (%)	No. of Shares	Voting Capital (%)
Promoter Group	2,00,151	2.36	1,00,21,351	49.87
Non-Promoters/Others	82,72,449	97.64	1,00,72,449	50.13
TOTAL	**84,72,600**	**100.00**	**2,00,93,800**	**100.00**

2. THE OFFER:

a) Pursuant to the aforesaid Preferential Issue, the Acquirers making this Open Offer ('Offer') to the Shareholders of SCSL ('except Promoters and proposed allottees') and propose to acquire upto 40,18,800 equity shares of Rs. 10/- each, representing 20% of the fully expanded voting capital of the Target Company (including the proposed allotment of Shares as well as Warrants under the Preferential Issue), at a price of Rs. 30/- per share ('Offer Price') payable in cash in terms of regulation 20 of the Regulations. However, the partly paid-up equity shares are proposed to be acquired at a price of Rs. 25/- per share.

b) The equity shares of SCSL are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and Madhya Pradesh Stock Exchange, Indore (MPSE). The company has applied for delisting of its shares from MPSE. Based on the information available (Source: bseindia.com), the Shares of the Target Company, within the meaning of explanation (i) to Regulation 20(5) of the Regulations, are frequently traded on BSE and infrequently traded on MPSE. Hence, the Offer Price has been determined taking into account the following parameters:

i)	Negotiated Price under the Agreement	:	Not Applicable
ii)	Highest Price paid by the Acquirers for acquisition, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of PA	:	Rs. 30/- per share
iii)	The average of the weekly high and low of closing prices of the shares during 26 weeks period preceding the Board Meeting Date (August 24, 2007)	:	Rs. 14.50
iv)	The average of the daily high and low of the prices of the shares during two weeks period preceding the Board Meeting Date (August 24, 2007)	:	Rs. 29.82
v)	**Other Parameters based on the Audited Accounts for the year ended 31.03.2007**		
	Book Value per Equity Share (Rs.)	:	11.66
	Earnings Per Equity Share (Rs.)	:	1.42
	Return on Net worth (%)	:	12.18
	Price/Earnings Ratio (considering the Offer Price of Rs. 30/- per share)	:	21.13
	The average industry P/E for the sector in which SCSL operates *(Source: Capital Market, Volume XXII/10, Dated Jul 16-29, 2007; Industry:-Finance & Investments)*	:	28.60

In view of the above, the Offer Price of Rs. 30/- is justified in terms of regulation 20 of the Regulations.

c) As on date of this PA, the Manager to the Offer does not hold any equity share in the Target Company. The Manager to the Offer undertakes not to deal in the equity shares of SCSL upto a period of fifteen days after closure of the Offer.

d) For the purpose of this Offer, there is no Person Acting in Concert.

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

f) This is not a competitive bid.

g) The shares acquired under the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.

3. INFORMATION ABOUT THE ACQUIRERS:

a) Superstar Exports Private Limited ('SEPL'), having registered office at 2nd Floor, J.K. Somani Building, British Hotel Lane, Fort, Mumbai 400 023, was incorporated on 19.01.2004 under the Companies Act, 1956 in the Sate of Maharashtra.

i) SEPL was originally promoted by Mr. Vijay Dargar and Mr. Shri Sanjay Gupta and the management/ control of the company has been taken over by the present promoters/directors, Mr. C. P. Khandelwal, Mrs. Anju Khandelwal and Mr. Nikhil Khandelwal during the financial year 2004-05.

ii) The main Object Clause of SEPL includes carrying on business of traders, distributors, importers, exporters, etc. and presently the company is investing its surplus funds in long term investments and earning the income from Dividend and Interest.

iii) The present Board of Directors of the company consists of Mr. C. P. Khandelwal, Mrs. Anju Khandelwal and Mr. Nikhil Khandelwal. The shares of SEPL are not listed on any of the Stock Exchange(s).

iv) As per the audited financial results for the year ended 31.03.2007, the Authorised, Issued, Subscribed & Paid up Share Capital is Rs. 5.25 Lakhs comprising of 10,000 equity shares of Rs.10/- each & 42,500 6% redeemable preference shares of Rs. 10/- each. For the year ended 31.03.2007, SEPL has generated a Total Income of Rs. 41.56 Lakhs and Profit After Tax of Rs. 41.35 Lakhs. The Networth, Book Value per Equity Share, Earnings Per Equity Share and Return on Networth as on 31.03.2007 are Rs. 463.95 Lakhs, Rs. 459.70, Rs. 41.35 & 8.99% respectively.

v) The Networth of the company as on 29.08.2007 is Rs. 1664.35 Lakhs as certified by Mr. Prashant Wakhariya (Membership No. 048877) Proprietor of M/s. Prashant Wakhariya & Co, Chartered Accountants having office at B-1, Sadichha Apt, Ground Floor, Rokadia Lane, Borivali (W), Mumbai-400 092; Tel.: 022-2892 2369; E-mail: pwco@hotmail.com vide certificate dated 29.08.2007.

b) Mr. C. P. Khandelwal, son of Sri R. S. Khandelwal, aged about 48 years is residing at 41-B, Embassy Apartments, Nepeansea Road, Mumbai-400 036. He is a Member of The Institute of Chartered Accountants of India. He is having around 25 years of experience in the areas of Merchant Banking, Investment Banking, Capital Markets, etc. His Networth as on 29.08.2007 is Rs. 82.59 Lakhs as certified by Mr. K. V. Srinivasan (Membership No. 204368) Partner of M/s. Maharaj N. R. Suresh & Co, Chartered Accountants having office at 9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai-600 024; Tel.: 044-2472 4932; Fax:044-2481 3734; E-mail: nsuresh@eth.net vide certificate dated 29.08.2007.

c) Mrs. Anju Khandelwal, wife of Shri C. P. Khandelwal, aged about 41 years is residing at 41-B, Embassy Apartments, Nepeansea Road, Mumbai-400 036. She completed her Master of Engineering (M. E.) in the year 1991 from GSITS University. She is having around 10 years of experience in the areas of capital and stock market operations, etc. Her Networth as on 29.08.2007 is Rs. 40.29 Lakhs as certified by Mr. K. V. Srinivasan (Membership No. 204368) Partner of M/s. Maharaj N. R. Suresh & Co, Chartered Accountants having office at 9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai-600 024; Tel.: 044-2472 4932; Fax:044-2481 3734; E-mail: nsuresh@eth.net vide certificate dated 29.08.2007.

d) Mr. Nikhil Khandelwal, son of Shri C. P. Khandelwal, aged about 23 years is residing at 41-B, Embassy Apartments, Nepeansea Road, Mumbai-400 036. He completed his Bachelor of Engineering (B. E.) in Electronics and Communications Engineering in the year 2006 from Manipal Institute of Technology, Manipal Academy of Higher Education, Karnataka. He is having more than one year of experience in the areas of Equity Research, Risk Management, etc. His Networth as on 29.08.2007 is Rs. 13.69 Lakhs as certified by Mr. K. V. Srinivasan (Membership No. 204368) Partner of M/s. Maharaj N. R. Suresh & Co, Chartered Accountants having office at 9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai-600 024; Tel.: 044-2472 4932; Fax:044-2481 3734; E-mail: nsuresh@eth.net vide certificate dated 29.08.2007.

e) The Acquirers belongs to the Promoter Group of the Target Company and presently they are controlling the management of the Target Company. The Acquirers belongs to 'Systematix Group' comprising Target Company, Systematix Capital Services Private Limited, Systematix Shares and Stocks (I) Limited, Southern Commodities Brokers Private Limited and Shiva Sakthi Real Estate Private Limited.

f) The individual Acquirers are family members and they are promoter/director of the Corporate Acquirer.

g) As on date, Mr. C. P. Khandelwal & Mrs. Anju Khandelwal are the Directors of the Target Company.

h) The Acquirers have not entered into any formal agreement with respect to the acquisition of shares through this Offer and acting together under an informal understanding.

4. INFORMATION ABOUT THE TARGET COMPANY:

a) SCSL was originally incorporated on 21.08.1985 in the name & style of 'Systematix Consultancy Services Private Limited' and its name was changed to 'Systematix Consultancy Services Limited' and received the Certificate of Change of Name from Registrar of Companies, Madhya Pradesh on 20.07.1993. Subsequently, the name of the company was further changed to the present name 'Systematix Corporate Services Limited' and received the Fresh Certificate of Incorporation consequent on change of name from Registrar of Companies, Madhya Pradesh on 21.12.1993. The Registered Office of the company is situated at 206-207, Bansi Trade Center, 581/5, M. G. Road, Indore-452 001.

b) SCSL is presently carrying on business of Financial Services. SCSL is a Category I Merchant Banker registered with SEBI. The Company is providing the services like Merchant Banking, Corporate Strategy Planning, Project Finance, Project Promotion & Implementation, Corporate Consultancy, Project Appraisal & Evaluation and Capital Market strategies and so on.

c) As on date of PA, the Authorised Share Capital of the company is Rs. 1000.00 Lakhs comprising of 1,00,00,000 equity shares of Rs. 10/- each and the Issued & Subscribed Share Capital is Rs. 867.88 Lakhs comprising of 86,78,800 fully paid up equity shares of Rs. 10/- each and Paid up Share Capital is Rs. 857.57 Lakhs comprising of 84,72,600 fully paid up equity shares of Rs. 10/- each and 2,06,200 partly paid-up equity shares (paid-up to the extent of Rs. 5/-). As per Article 148 of the Articles of Association of the Target Company, no member shall be entitled to exercise any voting rights in respect of shares on which any calls or other sums presently payable by him have not been paid.

d) The Board of Directors of SCSL in its meeting held on August 24, 2007 ('Board Meeting Date'), has agreed and passed a resolution for increase in Authorised Share Capital from Rs. 1000.00 Lakhs comprising of 1,00,00,000 equity shares of Rs. 10/- each to Rs. 2500.00 Lakhs comprising of 2,50,00,000 equity shares of Rs. 10/- each, subject to the approval of the shareholders of the company.

e) The equity shares of SCSL are listed on Bombay Stock Exchange Limited, Mumbai (BSE) and Madhya Pradesh Stock Exchange, Indore (MPSE). The company has applied for delisting of its shares from MPSE.

f) As per Audited Accounts for the year ended 31st March 2007, the company earned gross revenue of Rs. 422.31 Lakhs and Profit After Tax of Rs. 123.66 Lakhs. The Networth, Book Value per Equity Share, Earning Per Equity Share and Return on Networth for the year ended 31.03.2007 was Rs. 1011.96 Lakhs, Rs. 11.66 per share, Rs. 1.42 and 12.18% respectively.

5. REASONS FOR THE ACQUISITION AND THE OFFER:

a) As stated in para of 'Background to the Offer' above, pursuant to the Preferential Issue the Acquirers (Promoter Group) can acquire upto a maximum of 98,21,200 shares of Rs.10/- each of the Target Company. As a result the voting rights available to the Promoter Group would increase from 2.36% to 49.87%. Hence, this Offer is pursuant to Regulation 10 and other applicable provisions of the Regulations involving substantial acquisition of shares or voting rights without change in control or management.

b) The Target Company plans to expand its present operations. The funds raised by way of issue and allotment of Subscription Instrument(s) under the Preferential Issue will be utilised for investment in wholly owned subsidiary, which is engaged in Non-Banking Financial Company (NBFC) activities, investment in group companies which are engaged in securities market activities and to meet long term working capital requirement of the Target Company.

c) The Acquirers does not have any plans to sell, dispose off or otherwise encumber any assets of SCSL in the next two years, except in the ordinary course of business. The Acquirers undertake not to sell, dispose off or otherwise encumber any substantial Assets of SCSL except with the prior approval of the shareholders and in accordance with and subject to the applicable laws, permissions and consents, if any.

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

a) The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India under Foreign Exchange Management Act, 1999 and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders.

b) As on date of this PA, to the best of the knowledge of the Acquirers, no other statutory approvals are required to acquire the shares that are tendered pursuant to the Offer.

c) In case of delay in receipt of Statutory Approvals, SEBI has power to grant extension of time to the Acquirers for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirers agreeing to pay interest for the delayed period as directed by SEBI under regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by Acquirers in obtaining the Approvals, regulation 22(13) of the Regulations will also become applicable.

7. OPTION IN TERMS OF REGULATION 21:

In the event, pursuant to this Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirers will, in accordance with regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

8. FINANCIAL ARRANGEMENTS:

a) The total fund requirement for the Offer is Rs. 12,05,64,000/- (Rupees Twelve Crores Five Lakhs Sixty Four Thousand only). In accordance with regulation 28 of the Regulations, the Acquirers have opened an Escrow Account in HDFC Bank Ltd. and made a Cash deposit of Rs. 3,05,00,000/- (Rupees Three Crores and Five Lakhs only) in the account, being more than 25% of the total consideration payable to the shareholders under the Offer. A lien has been marked on the said Escrow Account in favour of the Manager to the Offer by the bank. The Manager to the Offer i.e. Ashika Capital Limited has been solely authorised by the Acquirers to operate and realise the value of Escrow Account in terms of the Regulations.

b) The Acquirers have adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged. Mr. Prashant Wakhariya (Membership No. 048877) Proprietor of M/s. Prashant Wakhariya & Co, Chartered Accountants having office at B-1, Sadichha Apt, Ground Floor, Rokadia Lane, Borivali (W), Mumbai-400 092; Tel.: 022-2892 2369; E-mail: pwco@hotmail.com and Mr. K. V. Srinivasan (Membership No. 204368) Partner of M/s. Maharaj N. R. Suresh & Co, Chartered Accountants having office at 9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai-600 024; Tel.: 044-2472 4932; Fax:044-2481 3734; E-mail: nsuresh@eth.net vide certificate(s) dated 30.08.2007 have confirmed that sufficient resources are available with the Acquirers for fulfilling the obligations under this 'Offer' in full.

c) Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

9. OTHER TERMS OF THE OFFER:

a) The Letter of Offer relating to the Offer ('LOO') together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of the Target Company (except the Promoters and proposed allottees), whose names appear on the Register of Members of the Target Company and to the beneficial owners of the equity shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective depositories, in either case, as of the close of business on September 14, 2007 ('Specified Date').

b) Shareholders of the Target Company who are holding equity shares in physical form and who wish to tender their equity shares will be required to send the Form of Acceptance cum Acknowledgement, Original Share certificate(s) and Transfer Deed(s) duly signed to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach on or before the close of the Offer, i.e., no later than November 7, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

c) The Registrar to the Offer, has opened a special depository account with National Securities Depositories Ltd. ('NSDL') as Depository, Indian Overseas Bank as Depository Participant called, 'Cameo Corporate Services Ltd - Escrow A/c - SCSL Open Offer. The DPID is IN 302437 and Client ID is 20120544. For equity shares which are tendered in electronic form, the bank account as obtained from the beneficiary provided by the Depositary will be considered and the payment instrument will be issued with the said bank particulars. Shareholders of the Target Company having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the special depository account with NSDL.

d) Beneficial owners (holders of shares in dematerialized form) who wish to tender their equity shares of the Target Company will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post acknowledgement due, so as to reach on or before the close of the Offer, i.e., no later than November 7, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before the close of the Offer, i.e., no later than November 7, 2007.

e) All owners (registered or unregistered) of equity shares of the Target Company (except the Promoters and proposed allottees) are eligible to participate in the Offer anytime before the closing of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their shares. No indemnity is required from unregistered owner.

f) In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the same from the SEBI website, (ii) obtain a copy of the same by writing to the Registrar to the Offer at Cameo Corporate Services Limited, 'Subramanian Building', No.1, Club House Road, Chennai-600002, or (iii) make an application to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e., no later than November 7, 2007, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy of the delivery instruction in 'Off-market' mode or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than November 7, 2007.

g) Applications in respect of equity shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

h) The Registrar to the Offer will hold in trust the Equity Shares/Share Certificates, Equity Shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted equity shares/share certificates are dispatched/returned.

i) If the aggregate of the valid responses to the Offer exceeds the Offer size of 40,18,800 equity shares of the Target Company (representing 20% of the fully expanded voting capital), then the Acquirers shall accept the valid applications received on a proportionate basis, in accordance with Regulation 21(6) of the SEBI (SAST) Regulations, subject to a minimum of 100 Shares or the entire holding if less than 100 shares, in case of physical mode. Incase, the equity shares are surrendered in dematerialized mode, minimum acceptance will be one (1) equity share only.

j) 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. Unaccepted equity shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective Depository Participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

k) Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting their equity shares dematerialized is completed in time for the credit in the special depository account to be received on or before the closing date of the Offer, i.e., no later than November 7, 2007, or else their application will be rejected.

l) While tendering the equity shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have been required to submit to acquire the equity shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirers reserves the right to reject such equity shares tendered. While tendering shares under the Offer, NRI/ OCBs/ foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirers under the Income Tax Act, 1961 ('Income Tax Act'), before remitting the consideration. In case the aforesaid Tax Clearance certificate is not submitted, the Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, on the entire consideration amount payable to such shareholder.

m) As per the provisions of section 196D(2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ("FII") as defined in section 115 AD of the Income Tax Act.

n) The payment of acquisition of shares will be made by the Acquirers in Cash through a crossed Demand Draft/Pay Order to the equity Shareholders of Target Company whose equity share certificates and other documents are found in order and accepted, within 15 Days from the date of Closing of the Offer.

o) Pursuant to Regulation 22(5A) of the Regulations, equity shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before November 2, 2007.

i. The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

ii. In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:

- In case of physical shares: Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Distinctive Numbers, Folio Number, Number of Shares offered; and
- In case of dematerialised shares: Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, DP name, DP ID, Number of Shares offered, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account.

p) The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

q) A Schedule of some of the major activities in respect of the Offer is given below:

Activities	Date	Day
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	September 14, 2007	Friday
Last Date for a Competitive Bid, if any	September 24, 2007	Monday
Date by which the Letter of Offer to be Despatched to the shareholders	October 12, 2007	Friday
Date of Opening of the Offer	October 19, 2007	Friday
Last date for revising the Offer Price/ Number of Shares	October 29, 2007	Monday
Last date for Withdrawal of Acceptance by shareholders who have accepted the Offer	November 2, 2007	Friday
Date of Closing of the Offer	November 7, 2007	Wednesday
Date by which communicating acceptance /rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	November 22, 2007	Thursday

10. GENERAL:

a) Shareholders of the Target Company who have accepted the Offer by tendering the requisite documents, in accordance with the terms of this Public Announcement and the Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closing of the Offer, in terms of the Regulations i.e. November 2, 2007.

b) The Acquirers can revise the Offer Price upwards up to seven (7) working days prior to the closing of the Offer. If there is any upward revision in the Offer Price by the Acquirers until the last date of revision i.e., October 29, 2007 the same will be informed by way of a Public Announcement in the same newspapers in which this Public Announcement has appeared. The Acquirers would pay such revised price for all the equity shares validly tendered any time during the Offer and accepted under the Offer.

c) If there is a withdrawal of the Offer by the Acquirers, the same will be informed by way of a Public Announcement in the same newspapers in which this Public Announcement has appeared.

d) If there is a Competitive Bid:

i) The Public Offers under all the subsisting bids shall close on the same date.

ii) As the Offer Price cannot be revised during 7 working days prior to the Closing date of the Offers/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

e) Neither the Acquirers nor the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

f) Pursuant to regulation 13 of the Regulations, the Acquirers have appointed **Ashika Capital Limited,** as Manager to the Offer.

g) The Acquirers have appointed **Cameo Corporate Services Limited** as Registrar to the Offer having office at 'Subramanian Building', No.1, Club House Road, Chennai-600002; Tel: 044-2846 0390/2252 0464; Fax: 044-28460129. E-mail:rdr@cameoindia.com. The Contact Person is Mr. R. D. Ramasamy.

h) The Acquirers and the Directors of SEPL accept full responsibility jointly and severally for the information contained in this Public Announcement and also for the obligations of the Acquirer as laid down in terms of the Regulations.

i) This Public Announcement will also be available on SEBI's website (www.sebi.gov.in). Eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at (www.sebi.gov.in) from the opening date of the Offer, i.e., October 19, 2007 and apply in the same.

j) For further details, please refer to the Letter of Offer and Form of Acceptance cum Acknowledgement.

Issued by Manager to the Offer on behalf of the Acquirers:

ASHIKA CAPITAL LIMITED

1008, 10th Floor, Raheja Centre,
214, Nariman Point, Mumbai-400021.
Tel: +91-22-66111700; Fax: +91-22-66111710
E-mail: mbd@ashikagroup.com

ASHIKA
Growing & Sharing with You

Contact Person: Mr. Narendra Kumar Gamini

Place: Mumbai
Date: September 3, 2007.

Aditya