PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

VAGHANI TECHNO - BUILD LIMITED (VTL)

Regd. Office: 278/281 Kamalanagar House, village- Badarakha, Tal. Dholka. Dist, Ahmedabad - 382270, E-mail ID: vtblcs@gmail.com
Corporate Office: 401, Swagat Complex, Near Lal Bugalow, C.G. Road, Ahmedabad - 380006, Tel (079) 32948834, E-mail Id: bjvaghani@gmail.com
Mumbai Corporate Office: 126/12, Shiv Center, Sector 17, Plot No. 72, Vashi, Navi Mumbai 400 703, Tel (022) 27891905, E-mail Id: bjvaghani@gmail.com

This Public Announcement is being issued by Fedex Securities Limited, on behalf of Mr. Kantilal Manilal Savla, Ms. Pratiksha Popatlal Gala and Mr. Kartik Popatlal Gala (hereinafter referred to as "the Acquirers") pursuant to and in compliance with Regulations 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [hereinafter referred to as "Regulations"] and subsequent amendments thereto.

The Offer

a. This Offer is in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").

b. Mr. Kantilal Manilal Savla, residing at 1003/1004, Kailash Palace, Upashray Lane, Ghatkopar (East), Mumbai 400077 (Tel No. (022)25116139, Fax No. (022)25119157, Email id : kanti.savla@pranaygroup.com), Ms. Pratiksha Popatlal Gala, residing at 402, Krishna Baug, Near Madhu Park, 8th & 11th Cross Road, Khar (West), Mumbai - 400 052, (Tel No. (022) 67518800, Fax (022) 67518855, Email id: pratiksha.gala@pranaygroup.com) and Mr. Kartik Popatlal Gala, residing at 402, Krishna Baug, Near Madhu Park, 8th & 11th Cross Road, Khar (West), Mumbai - 400 052 (Tel No.(022) 67518800, Fax (022) 67518855, Email id: kartik.gala@pranaygroup.com) (hereinafter referred to as "the Acquirers") are making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirers, parties to the Agreement and promoter group Shareholders of VTL) of Vaghani Techno-Build Limited ("VTL", "the Target Company") to acquire 10,44,000 Equity Shares of Rs. 10/- each representing 20.00 % of paid up & voting Capital of VTL ("the Offer"), at a price of Rs. 5/- (Rupees Five only) ("the Offer Price"), payable in cash, subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

c. The Acquirers presently hold 5, 92,706 Equity Shares in VTL, constituting 11.35% of the paid up and voting Capital. The Acquirers have, on July 10, 2008, entered into a Share Purchase Agreement (SPA) with Mr. Bavchandbhai J Vaghani, Chairman & Managing Director, residing at Sector 21, Plot No. 199, "Samudra" Nerul, Navi Mumbai 400706 ((Tel No. 022 27724144, E Mail ID: bjvaghani@gmail.com) one of the present promoters of the Target Company and representing the entire promoter group Shareholders, to acquire 3,20,814 Equity Shares of VTL, constituting 6.15% of the total paid up and voting Capital of the Target Company at the price of Rs.3/-(Rupees Three only) per Equity Share for cash consideration(the Negotiated Price). The Agreement also provides that the Acquirers will also be given joint control of VTL alongwith the present promoters. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI (SAST) Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws and Regulations in force.

d. **The major terms and conditions of the Agreement are** (i)The Acquirers, through a Merchant Banker, shall ensure compliance of SEBI Regulations (Defined as " SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 as amended") (ii) Within two working days of issuance of a Certificate by the Merchant banker certifying the fulfillment of all obligations by the Acquirers of the SEBI Regulations, Delivery instructions to the Depository Participant shall be delivered to the DP for transfer of the Shares in favor of the Acquirers. (iii) Within two working days of the issuance of Certificate of completion of formalities of SEBI Regulations by the Merchant Banker under Regulation 23(6) of Takeover Regulations, the promoters of the Target Company shall secure the resignation of 2 Directors representing the promoter group from the Board of the Target Company and in places thereof shall ensure the appointment of nominees of the Acquirers. The said change in Board in favor of Acquirers/Transfer of joint control in favor of Acquirers shall be subject to compliance with Regulation 22(7) of Takeover Regulations (iv) In case of non-compliance with any of the provisions of the Takeover Regulations, the Agreement for acquisition of Shares and change in control shall not be acted upon by the sellers or the Acquirers.(v) The consideration will be paid after issuance of a Certificate by the Merchant Banker certifying the fulfillment of all obligations by the Acquirers of the SEBI Regulations.

e. There are no Persons acting in Concert (PAC) with the Acquirers.

f. The consideration shall be paid in cash.

g. The Offer is not conditional on any minimum level of acceptance.

h. This is not a competitive bid.

i. The Acquirers will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the Share Purchase Agreement or its related conditions.

j. Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

k. There is no agreement by the Acquirers with any other person/entity in connection with the Offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirers and no other person/entity proposes to take part in the acquisition. There is no agreement among the Acquirers with respect to the quantum of Shares that will be acquired by each of the Acquirers and the same be decided later.

l. The Equity Shares of the Target Company are at present listed only at Bombay Stock Exchange Ltd, Mumbai (BSE) but at present suspended for trading. The Company's Equity Shares were listed at the Ahmedabad Stock Exchange Assn. Ltd (ASE) but were voluntarily delisted subsequently. The Shares are not admitted as permitted Security in any other Stock Exchange.

m. As on date of this Public Announcement, the Acquirers hold 5,92,706 Equity Shares of VTL, constituting 11.35% of the present voting capital.

n. During the 12 months period preceding this Public Announcement, the Acquirers have, on 3rd July, 2008, acquired 5,92,706 Equity Shares aggregating 11.35% of the paid up and voting Capital of VTL through off market deals. The Highest price paid for the said acquisition is Rs. 3/- per Share and average price Rs. 3/-.

Justification of Offer Price

a. The Acquirers have not been allotted any Equity Shares of VTL by way of allotment in a Public or Rights issue or preferential allotment in the 26 weeks preceding this Public announcement. In the 26 weeks preceding this Public Announcement, the Acquirers have acquired 5, 92,706 Equity Shares of VTL through Off Market deals. The highest price paid for the said acquisitions is Rs. 3/- and average price Rs. 3/- The Equity Shares of VTL are infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, during the 6 months preceding the month in which this Public Announcement is made (i.e. during the months January 2008 to June 2008) at BSE as the traded volume is NIL, since the trading in shares has been suspended. The Equity Shares of VTL are thus infrequently traded in terms of Explanation (i) to Regulation 20 (5) and offer price has been determined taking into account the parameters as set out under Regulations 20 (5) of the Regulations viz. Book Value, EPS, Return on Net worth, price paid by the Acquirers for acquisition through the Agreement, Highest price paid by the Acquirers for acquisition of Shares through Off Market deals in the 26 weeks preceding this Public Announcement etc. PE Ratio of the Industry/activity of the Target Company is not considered as the Target Company has returned Net loss in the last three years. The Offer price is also higher than the fair value arrived at as per the parameters laid down in Supreme Court decision in HLL vs. Employees case.

b. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 5/- per fully paid Equity Share is justified.

c. There is no non-compete agreement for payment to any person.

d. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.

e. In the event of any further acquisition of Equity Shares by the Acquirers upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirers shall not be acquiring any Equity Shares of VTL during the period of 7 working days, prior to the date of closure of the Offer.

Information about the Acquirers

a. Mr. Kantilal Manilal Savla, S/o. Mr. Manilal J Shah, aged 47 years, B. Com, residing at 1003/ 1004, Kailash Palace, Upashray Lane, Ghatkopar (East), Mumbai 400 077 (Tel No. (022) 25116139, Fax (022) 25119157, Email id: kanti.savla@pranaygroup.com) is in construction and real estate business. He started his business career in the year 1979 looking after furniture business. In 1982 he started his construction business in the Eastern Suburbs of Mumbai. He is a Director in Pranay Leasing & Finance Ltd engaged in leasing and finance and trading in Transfer of Development Rights (TDR) activities, Integrated Coreinfra Limited, engaged in identifying, developing and promoting infrastructural development projects and Escube Ports Limited, engaged in construction of ports, docks, jettys, wharfs and to deal with matters related thereto.

Ms. Pratiksha Popatlal Gala, D/o. Mr. Popatlal Gala, aged 32 years, B Com, residing at 402, Krishna Baug, Near Madhu Park, 8th & 11th Cross Road, Khar (West), Mumbai - 400 052, (Tel No. (022) 67518800, Fax (022) 67518855, Email id: pratiksha.gala@pranaygroup.com), was initially a Director in a private limited company which was undertaking turnkey Electrical Installation Projects. Since 1999, she is a working partner in Pranay Group of Companies and ventures, which are engaged in Construction and real estate business and is looking after Finance & Marketing Activities. She is also Director in Pranay Leasing & Finance Ltd, engaged in leasing and finance and trading in Transfer of Development Rights (TDR) activities.

Mr. Kartik Popatlal Gala, S/o. Mr. Popatlal Gala, aged 37 years, B.E, MBA, residing at 402, Krishna Baug, Near Madhu Park, 8th & 11th Cross Road, Khar (West), Mumbai - 400 052 (Tel No. (022) 67518800, Fax (022) 67518855, Email id: kartik.gala@pranaygroup.com) started the career in 1998 with Larsen & Toubro Ltd. In its automation division and was with them till 2002. From 2002 he is involved in the family business, as a Partner in Pranay Group of entities, handling technical matters. He is also Director in Pranay Leasing & Finance Ltd, engaged in leasing and finance and trading in Transfer of Development Rights (TDR) activities.

b. The Acquirers belong to the Pranay Group of Mumbai, engaged in Construction, Real Estate and trading in Transfer of Development Rights (TDR).

c. None of the Acquirers are on the Board of Directors of any listed Company.

d. Among the Acquirers, Ms. Pratiksha Popatlal Gala is sister of Mr. Kartik Popatlal Gala.

e. There is no person on the Board of the Target Company, representing the Acquirers.

f. There is no person acting in concert with the Acquirers.

g. The Acquirers/Companies or ventures promoted by them or in which they have substantial interest or in which they are Directors are not registered with SEBI as a market intermediary.

h. No action has been taken by SEBI or Stock Exchanges against the Acquirers or ventures promoted by them or in which they are Directors.

Information about the Target Company

a. VTL was incorporated on 6th October 1994 as a public limited Company in the State Gujarat in the name and style " Dhruv Makan(India) Ltd". VTL made its Initial Public Offer of Equity Shares in February 1996 and got its Equity Shares listed at Ahmedabad Stock Exchange Association Ltd (ASE) and The Bombay Stock Exchange Ltd (BSE). The members of VTL, vide Special Resolution adopted in the Annual General Meeting held on 12th August, 2006, resolved to change the name to " Vaghani Techno-Build Ltd" and the Company obtained fresh Certificate in this regard from the Registrar of Companies, Gujarat, Dadra and Nagar Haveli on 10th October 2006.

b. The Registered Office is at 278/281 Kamalanagar House, village- Badarakha, Tal. Dholka. Dist, Ahmedabad - 382270 (E-mail ID: vtblcs@gmail.com). The members at their meeting held on 08.09.2007, through a Special Resolution adopted on 08.09.2007, resolved to shift the registered office from State of Gujarat to State of Maharashtra. VTL has filed necessary petition with the Company Law Board (CLB) and decision is awaited.

c. The Corporate Office is at 401, Swagat Complex, Near Lal Bugalow, C.G. Road, Ahmedabad - 380006 (Tel (079) 32948834 E mail Id: bjvaghani@gmail.com the Mumbai Corporate Office is at 126/12, Shiv Center, Sector 17, Plot No. 72, Vashi, Navi Mumbai 400 703(Tel (022) 27891905, E mail Id: bjvaghani@gmail.com.

d. The Authorized Capital is Rs.1000 Lacs, divided into 1,00,00,000 Equity Shares of Rs 10/- each. The issued, subscribed and paid up Equity Share Capital after the Public Issue was 87,00,000 Equity Shares of Rs. 10/- each. The members of VTL, vide Special Resolution adopted on 12.08.2006, resolved to approve a restructuring proposal by reducing the paid up capital to 52,20,000 Equity Shares of Rs. 10/- each aggregating to Rs. 522.00 Lacs . The same was approved by the Gujarat High Court; vide its order dated 10-07-2007. All the outstanding Equity Shares are fully paid up and the entire post IPO Capital was listed and admitted for trading at BSE. However, the trading in Equity Shares is suspended at BSE from 02nd May, 2000, for non compliances with various clauses of the listing agreement. VTL has also received the permission from BSE for the reduction in Capital.

e. There are no warrants or options or convertible instruments, convertible into Equity Shares, at a later stage.

f. The Fixed Assets held, includes Land, Building, Computers, furniture and fixtures.

g. VTL was originally promoted by Mr. Shailesh R Thakkar, Mr. Navin R Thakkar and their associates/family members. Mr. Bavchandbhai J Vaghani, Mr. Govindbahi J Vaghani, Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani, entered into a Share Purchase Agreement with the then promoters and others, on 17-06-2005, to acquire 25,12,790 Equity Shares, (excluding disputed shares) constituting 28.88% of the then paid up and voting capital and to take control of VTL. An Open Offer, in compliance with Regs. 10 & 12 of SEBI (SAST) Regulations was made by them, which was opened on 17-08-2005 and closed on 05-09-2005, to acquire 20% of the then paid up and voting capital. The then Acquirers, who are now in control of VTL, thus acquired 25,12,790 Equity Shares constituting 28.88% of then paid up and voting Capital and took over control of VTL. As on date of this Public Announcement, the promoter group/persons in control, hold 22,78,314 Equity Shares(post Reduction) each fully paid up, representing 43.65 % of the present paid up and voting Capital.

h. VTL has signed agreements with NSDL for offering Shares in dematerialized form. The ISIN Number is INE554H01021. Necessary steps have been taken to sign agreement with CDSL also. The Marketable lot for the Shares of VTL for the purpose of this Offer shall be 1 (one only).

i. The Directors of VTL are Mr. Bavchandbhai Vaghani (Chairman & Managing Director, Executive), Mr. Govindbhai J Vaghani (Wholetime Director, Executive), Mr. Mahendra D. Ganatra (Non Executive), Mr. Dilipbhai Hiralal Siddhapura (Non Executive, Independent), Mr. Kishore S Dudhatra (Non Executive, Independent) and Mr. Babubhai N Dhamelia (Non Executive, Independent).

j. VTL has, as its main objects, (1) to carry on business as manufacturers, importers, exporters, traders packers, agents, distributors etc. of dairy products, chocolates, other milk preparations etc. (2) To carry on business as developers, owners, occupiers , purchasers, sellers etc. of land, Agricultural farms, Agro Food Processing Parks, real estate etc (3) to carry on the business of construction, and to build , take on lease , purchase, acquire, convert, improve, etc. of buildings, reservoirs, canals, roads and other infrastructure etc. (4) to carry of IT and IT enabled services etc.

k. VTL was originally engaged in processing/ manufacture and marketing of dairy products such as Ghee, Butter Milk, and Condensed Milk etc. VTL was also having own cattle farm. The activity has been discontinued since 2006.. Presently, VTL is engaged in construction business and is setting up Office Godowns, Industrial Park etc., which are in an early stage of implementation.

l. VTL has no Subsidiaries.

m. The Equity Shares of VTL are at present listed at only The Bombay Stock Exchange Ltd (BSE). The Shares were originally listed at ASE but got itself delisted from the Exchange and ASE, vide its letter dated June 4, 2007 has confirmed delisting/removal from the list of the Exchange. The Shares are not admitted as a permitted security at any other Stock Exchange. The Shares are suspended from trading at BSE from 02nd May, 2000 for non compliance with various clauses of the listing agreement. VTL is at present complying with the various clauses of the listing agreement except signing Agreement with CDSL for offering Shares in dematerialized form, for which necessary steps will be taken shortly. Steps will also be initiated to get suspension revoked.

n. All the outstanding issued Equity Shares of VTL post IPO are listed and admitted for trading. There are no partly paid Equity Shares. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in. VTL has obtained approval of BSE for the reduction in capital and got the post reduction of capital listed. The Shares continue to be under suspension for trading.

o. VTL has no arrears of listing fee to Stock Exchange. Except for the suspension of trading since 02nd May, 2000, no action is taken by BSE or SEBI against VTL, its promoters or Directors.

p. VTL is complying with the provisions of Clause 49 of the Listing Agreement.

q. VTL has been complying with the filing requirements under Reg. 6 & Reg. 8 of Chapter II of SEBI (SAST) Regulations and there has not been any delay/default. The present promoters of VTL have complied with filing requirements under Regs. 6 & 8 of Chapter II, in time.

r. As per the Audited results as on 31.03.2008, VTL had a Gross Income of Rs. 50.83 Lacs, comprising of income from operations Rs. 49.86 Lacs and other income Rs. 0.97 Lacs. The total expenditure was Rs. 94.19 Lacs, which includes Depreciation Rs. 39.74 Lacs and land converted into Stock Rs. 43.21 Lacs. The Net Loss after tax for the year was Rs. 43.37 Lacs. The EPS is negative at -Rs. 0.83. The accumulated losses as on 31.3.2008 are Rs. 60.10 Lacs. The Net Worth is Rs 461.90 Lacs, giving the Equity Shareholders a Book Value of Rs 8.85. The Return on Net Worth for the year ended 31.03.2008 is negative at -Rs.9.39 %.

s. There has not been any merger or demerger or spin-off of activity in the preceding 3 years.

t. VTL is not a Sick Company. VTL does not have any overdue liabilities to Banks/FIs. VTL has no overdue liabilities to Banks/FIs or Deposit holders. However, there is a past case of overdue liabilities to Dena Bank, the Bank had attached certain immovable properties and had filed petition before the Debt Recovery Tribunal(DRT), Ahmedabad. Consequent to a consent term agreed to between the VTL and Dena Bank, necessary petition was filed before DRT, Ahmedabad and DRT vide order dated 02-09-2004, ordered release of the securities upon payment of dues as per the consent terms. The dues as per consent terms(OTS) were paid by VTL, securities were released by the Bank and there are no liabilities now.

u. A Criminal Complaint has been filed by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on 30-01-2003 against the then Directors of VTL in the Court of Additional Chief Metropolitan Magistrate, Ahmedabad alleging offenses under Sections 63, 68 and 628 of the Companies Act 1956, (admitted as Case No. 57 of 2003) alleging failure to implement the project for which funds were raised through Public Issue. The case is pending. A Criminal Complaint was filed by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli, on 03-03-2007 against VTL and Shri. Shailesh Thakkar, erstwhile Managing Director, in the Court of Additional Chief Metropolitan Magistrate, Ahmedabad alleging violation of Sections 211(3A) and 211(2B) of the Companies Act 1956, (admitted as Case No. 62 of 2007) in the years 2001-02, 02-03 and 2003-04 and the case is pending. For the same alleged offence, a petition filed before the Company Law Board, Western Region was compounded with a fine of Rs. 1000/- on 27.01.2008. There are a few Income Tax related notices, orders and appeals pending, which are routine in nature.

v. The Compliance Officer of VTL is Mr. Bavchandbhai J Vaghani, Chairman & Managing Director , residing at Sector 21, Plot No. 199, " Samudra" Nerul, Navi Mumbai 400706 (Tel No. 022 2772 4144, E Mail ID: bjvaghani@gmail.com) who will be available at the Mumbai Corporate Office address of VTL and shall attend to all investor grievances.

Reasons for the Acquisition and Offer and future plans of the Target Company

a. The objects of the acquisition are substantial acquisition of Shares of VTL and taking joint control of VTL. The Acquirers are proposing to acquire joint control with the present promoters.

b. Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth. VTL was originally carrying on dairy and related business but performance was not satisfactory. Since the present promoters took over, the Company has decided to enter the real estate and construction business and has commenced the activities in the construction and real estate sector, albeit in a limited way. VTL has also signed MoU with Gujarat Government to set up an Industrial Park. The Acquirers are well experienced in the construction and real estate business and VTL will utilize their experience to further its prospects. Their experience and expertise will help VTL in this line of activity.

c. The Offer will result in change in control of VTL to the extent that the Acquirers will take joint control alongwith the present promoters. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or any other Regulation(s), the Acquirers intend to make changes in the management of VTL. It is proposed to induct 2 Directors representing the Acquirers on the Board of VTL but the Acquirers are yet to decide on the name of the persons who will be so inducted to the Board. The likely changes in the management/taking joint control by the Acquirers shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

d. The Acquirers do not have any plans to dispose off or otherwise encumber any assets of VTL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.

Statutory Approvals/ other approvals required for the Offer

a. As on the date of this Public Announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

b. Barring unforeseen circumstances, the Acquirers would endeavor to obtain all approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirers agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirers fails to obtain requisite statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

Option to the Acquirers in terms of Regulation 21(2)/Compliance with Clause 40A of the Listing Agreement

a. The acquisition of 20 % of the voting capital of VTL under this Offer, the Shares presently held by the Acquirers, Shares being acquired through the Share Purchase Agreement alongwith the Shares held by the present promoters will not result in public Shareholding falling below the level required for continued Listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 24.9996% of the paid up and voting Capital, which is marginally lower than the limit required for continued listing. If consequent to this offer, the public holding falls below the level required for continued listing, then the Acquirers/promoter group Shareholders will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein. The Acquirers/promoter group shareholders undertake and declare that they do not have any intention to delist the Equity Shares of Target Company after this Open Offer. They also undertake that they will comply with the provisions of Clause 40A of the listing agreement, in this regard, within the time limits stipulated therein.

Financial Arrangements

a. The Acquirers have adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged

b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 52,20,000/- (Rupees Fifty Two Lacs Twenty Thousand only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have created an Escrow Account in the form of Deposit for Rs.13,05,000/- (Rupees Thirteen Lacs Five Thousand only), which is 25 % of the total consideration payable under the Offer, with The Federal Bank. Ltd, Manickpur, Vasai West, 401202 on July 10, 2008 and lien has been marked on the said account in favour of Fedex Securities Ltd., Manager to the Offer.

c. The Acquirers have authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

d. As per Certificate dated 24th June, 2008 from Mr. Kamlesh Gajaria (Membership No.39280), Chartered Accountant, having his office at 3, Laxmi Niwas, 1st Floor, Zaver Road, Mulund (W) Mumbai - 400 080 (Tel. Nos. (022) 25605536, Fax No. (022) 25643844, Email ID: k.gajaria@rediffmail.com, Net worth of Mr. Kantilal Manilal Savla as on 31st March, 2008 is Rs.996.80 Lacs.

e. As per Certificate dated 19th May, 2008 from Mr. Bharat Parikh(Membership No. 37776), Chartered Accountant, having his office at C-412, Kailash Esplanade, LBS Marg, Opp. Shreyas Cinema, Ghatkopar (West) Mumbai - 400086 (Tel. Nos. (022) 25002037, Fax No. (022) 25005395, Email ID: dineshpatel1234@hotmail.com), the Net worth of Ms. Pratiksha Popatlal Gala as on 31st March, 2008 is Rs. 919.31 Lacs

f. As per Certificate dated 19th May, 2008 from Mr. Bharat Parikh(Membership No. 37776), Chartered Accountant, having his office at C-412, Kailash Esplanade, LBS Marg, Opp. Shreyas Cinema, Ghatkopar (west) Mumbai - 400086 (Tel. Nos. (022) 25002037, Fax No. (022) 25005395, Email ID: dineshpatel1234@hotmail.com), the Net worth of Mr. Kartik Popatlal Gala and Mr. Kartik Gala as on 31st March, 2008 is Rs.105.98 Lacs.

g. Mr. Bharat Parikh (Membership No. 37776), Chartered Accountant, having his office at C-412, Kailash Esplanade, LBS Marg, Opp. Shreyas Cinema, Ghatkopar (west) Mumbai - 400086 (Tel. Nos. (022) 25002037, Fax No. (022) 25005395, Email ID: dineshpatel1234@hotmail.com) , has, vide his Certificate dated 10th July 2008, certified that Ms. Pratiksha Gala and Mr. Kartik Gala have adequate liquid resources to meet the funds requirements of the Offer.

h. Mr. Kamlesh Gajaria (Membership No. 39280), Chartered Accountant, having his office at 3, Laxmi Niwas, 1st Floor, Zaver Road, Mulund (W) Mumbai - 400 080 (Tel. Nos. (022) 25605536, Fax No. (022) 25643844, Email ID: k.gajaria@rediffmail.com, has, vide his Certificate dated 10th July 2008, certified that Mr. Kantilal Savla has adequate liquid resources to meet the funds requirements of the Offer.

i. The details of liquid resources available with the Acquirers are as follows:

Name of the Acquirer	Nature of liquid sources	Amount (Rs in Lacs)
Kantilal Savla	Capital account with partnership firm, Loans, Investment in mutual funds	921.52
Pratiksha Gala	Capital account with partnership and Proprietorship firm, Loans and advances, Cash and bank balances and shares	844.44
Kartik Gala	Capital account with partnership and proprietorship firm, Loans and advances, cash and bank balances and shares	97.73

j. Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

Other terms of the Offer

a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

b. The Letter of Offer shall be mailed to all shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of VTL) whose name appear in the Register of Target Company as on Friday, August 8, 2008, the Specified Date.

c. All shareholders/ beneficial owners holding Shares in dematerialized form (except the Acquirers, parties to the Agreement and promoter group Shareholders of VTL) who own Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

d. Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Intime Spectrum Registry Ltd, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup(W), Mumbai - 400 078 Telephone Nos. (022) 25963838 Fax No. (022) 25960329/28 email id: vaghanioffer@intimespectrum.com **(Contact Person: Ms. Awani Thakkar)**either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Wednesday, September 17, 2008 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with VTL/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by VTL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

e. Beneficial owners (holders of shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off -market" mode or counterfoil of the delivery instruction in "Off -market" mode, duly acknowledged by the Depository Participant (DP) in favour of a Special Depository account to be opened by the Registrar to the Offer, in accordance with instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-acknowledgement.

f. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of VTL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

g. In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to The Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", 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 closure of the Offer.

h. Persons who hold Equity Shares of VTL on the Specified Date but who are not registered as Shareholders/beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (f) or (g) above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above.

i. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Intime Spectrum Registry Ltd, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup(W), Mumbai - 400 078 Telephone Nos. (022) 25963838 Fax No. (022) 25960329/28 email id: vaghani-offer@intimespectrum.com **(Contact Person: Ms. Awani Thakkar)** between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

j. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

k. Unregistered owners and those who hold Shares in Street Name can send their application in writing to the Registrar to the Offer on a plain paper stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio numbers together with the original share certificate(s) valid transfer deeds and the original contract notes issued by the SEBI Registered Broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

l. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.

m. The acceptance of this Offer by the Shareholders of VTL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

n. The Acquirers shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders is more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.

o. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

p. Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/Under Certificate of Posting.

q. The Equity Shares Certificate(s) and the transfer form(s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirers pay the Offer Price.

r. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Friday, September 12, 2008

s. The Withdrawal option can be exercised by making an application on plain paper along with the following details:
  1. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form
  2. Name, Address, DP Name, DP ID, Client ID No. of the Account from where Shares were tendered and number of Shares tendered/withdrawn, if held in electronic form (dematerialized form)

t. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

u. **The schedule of the activities pertaining to the Offer are given below: -**

Activity	Date
Public Announcement (PA)	Saturday, July 12, 2008
Specified date	Friday, August 08, 2008
Last date for a competitive bid	Saturday, August 02, 2008
Letter of Offer to be posted to shareholders	Monday, August 25, 2008
Date of opening of the Offer	Friday, August 29, 2008
Last date for withdrawing acceptance from the Offer	Friday, September 12, 2008
Date of closing of the Offer	Wednesday, September 17, 2008
Last date for revising the Offer price/ number of shares.	Monday, September 08, 2008
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Thursday, October 02, 2008

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 and all owners (registered or unregistered) of Shares of Vaghani Techno-Build Limited anytime before the closure of the Offer, are eligible to participate in the Offer

General

a. 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 3 working days prior to the date of closure of the Offer i.e. on or before Friday, September 12, 2008

b. The Acquirers can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. **The last date for such revision is Monday, September 8, 2008.**

c. If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.

d. 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 shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.

e. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirers have appointed Fedex Securities Ltd., 3rd Floor, Jay Chambers, Service Road, Adj. Western Express Highway Vile Parle (East), Mumbai 400 057 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Mr. R. Ramakrishnan. (Telephone Nos. (022) 26136460/61, Fax No. (022) 2618 6966, E mail Id : fedex@vsnl.com)

f. The Acquirers have appointed M/s. Intime Spectrum Registry Ltd, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup(W), Mumbai - 400 078 Telephone Nos. (022) 25963838 Fax No. (022) 25960329/28 email id: vaghani-offer@intimespectrum.com **(Contact Person: Ms. Awani Thakkar)** as Registrar to the Offer.

g. The Acquirers, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the Regulations made under the SEBI Act.

h. **Mr . Kantilal Manilal Savla, Ms. Pratiksha Popatlal Gala and Mr. Kartik Popatlal Gala,** the Acquirers, jointly and severally accept full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirers, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY MANAGER TO THE OFFER

FEDEX SECURITIES LIMITED

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers, Service Road,
Adj. Western Express Highway,
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460 /61,
Fax No. (022) 2618 6966,
E-Mail ID: fedex@vsnl.com
Contact Person: Shri. R. Ramakrishnan

On behalf of the Acquirers

MR. KANTILAL MANILAL SAVLA
Residing at 1003/1004, Kailash Palace, Upashray Lane,
Ghatkopar (East), Mumbai 400 077
Tel No. (022) 25116139, Fax No. (022) 25119157,
Email id : kanti.savla@pranaygroup.com

MS. PRATIKSHA POPATLAL GALA
& MR.KARTIK POPATLAL GALA
Both residing at 402, Krishna Baug, Near Madhu Park,
8th & 11th Cross Road, Khar (West), Mumbai – 400 052
Tel No. (022) 67518800, Fax (022) 67518855
Email id: pratiksha.gala@pranaygroup.com,
kartik.gala@pranaygroup.com

Place: Mumbai
Date: July 12, 2008