PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

VERTEX SECURITIES LIMITED (VSL)

Regd. Office: Thottathil Towers, IInd Floor, Market Road, Ernakulam, Kochi 682 018
Tel. No. (0484) 4099699 Fax No. (0484) 4099600, E-mail ID: ranjanverghese@hotmail.com,
Website: www.vertexbroking.com

This Public Announcement is being issued by Fedex Securities Limited, on behalf of Transwarranty Finance Limited and Shri. Kumar Nair (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", SEBI(SAST) Regulations] and subsequent amendments thereto.

The Offer

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

b. Transwarranty Finance Limited, a Company incorporated under the Companies Act 1956 and having its registered office and principal place of business at 403, Regent Chambers, Nariman Point, Mumbai 400 021 (Tel No. (022) 6630 6090/91, 2204 7965/66 Fax Nos (022) 6630 6655, 4001 0888 E Mail ID: mail@transwarranty.com, Website: www.transwarranty.com) and Shri. Kumar Nair, S/o. Shri. C. Chandran, residing at 29B, 29th Floor, Belvedre Court, Sane Guruji Marg, Mahalakshmi, Mumbai 400 011 (Tel No. (022) 2301 3074, E Mail ID: kumar@transwarranty.com) (hereinafter collectively referred to as "the Acquirers") are making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirers, promoter group Shareholders of VSL and parties to the Agreement) of Vertex Securities Limited ("VSL", "the Target Company") to acquire 10, 35,601 Equity Shares of Rs. 10/- each representing 20 % of issued, subscribed, paid up and voting Capital of VSL. The Offer is at a price of Rs. 31/- (Rupees Thirty one only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

c. The Acquirers have entered into Share Purchase Agreement ("Agreement"), on November 2, 2007 with Shri. Ranjan Verghese, residing at 19D, Link Heritage, Kacheripadi, Kochi 682 018 (Tel No. (0484) 3211131, Fax No (0484) 4099600 E Mail Id: ranjanverghese@hotmail.com) one of the promoters of VSL and representing the entire promoter group shareholders (the transferors) of VSL to acquire 28, 50,343 Equity Shares, each fully paid up, representing 55.05% of the present voting capital of the Target Company, at a price of Rs. 25/- (Rupees Twenty five only) per fully paid Share for cash consideration. The Agreement also provides for payment of interest @ 6% p.a. to the sellers till date of transfer of Shares to the Acquirer. 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. The Agreement provides that (i) The Acquirers, through the Merchant Banker, shall ensure compliance of SEBI Regulations (Defined as "SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 as amended") in its letters and spirit (ii) The Transferors shall deposit with an Escrow Agent, appointed jointly by the Transferors and Transferee, delivery instructions addressed to DP with respect to the Transfer Lots (iii) The Acquirer shall deposit with the Escrow Agent such number of bankers cheques, of a scheduled commercial bank, of the such value in the name of the Transferors (iv) The Escrow Agent will hold the Delivery Instructions as well as the Cheques in trust for the Transferors and Acquirers (v) 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, the Escrow agent will facilitate transfer of the Shares in favor of the Acquirers and hand over the Cheques towards consideration to the Transferors (vi) Within two days of the issuance of certificate of completion of formalities of SEBI Guideline by the Merchant Banker, the Target Company shall inform the same in writing to all the Stock Exchange and shall also convene a meeting of the Board of Directors of the Target Company by giving 7 days advance written notice to all the Directors and the Stock Exchange, if necessary, or securing the resignation of Directors representing the promoter group from the Board of the Target Company and in such meeting shall procure the resignation of these above persons and in place thereof shall ensure the appointment of nominees of the Acquirer and file the appropriate Form No 32 with the Registrar of Companies for such resignations and appointments. (vii) The change in Board in favor of Acquirers / Transfer of control in favor of Acquirers shall be subject to compliance with Regulation 22(7) of Takeover Regulations (viii) 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.

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

e. The consideration shall be paid in cash.

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

g. This is not a competitive bid.

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

i. In case of non-compliance with any of the provisions of the Regulations, the Agreement for Purchase through the Agreement shall not be acted upon by the sellers or the Acquirers.

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. Among the Acquirers, Shri. Kumar Nair shall acquire 2,00,000 Equity Shares (3.86%) of the Shares covered under the Agreement. The balance 26,50,343 Equity Shares (51.18%) shall be acquired by TFL. The entire Shares accepted through the open offer shall be acquired by TFL.

l. The Equity Shares of the Target Company are listed at Bombay Stock Exchange Ltd, Mumbai (BSE), Madras Stock Exchange (MSE) and Coimbatore Stock Exchange (CbSE). The Shares are not admitted as permitted Security in any other Stock Exchange.

m. The Acquirers presently do not hold any Equity Shares in VSL.

n. Post acquisition, there will be conflict of interest between the Acquirers and Target Company as one of the subsidiaries of TFL is also engaged in the Share broking , the same activity carried out by the Target Company.

Justification of Offer Price

a. The Acquirers have not been allotted any Equity Share of VSL 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 not acquired Equity Shares of VSL in any other manner. The Equity Shares of VSL are not infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, at BSE during the 6 months preceding the month in which this Public Announcement is made (i.e. during the months May 2007 to October 2007) as the annualized trading volume was more than 5% of the voting capital. The offer price is higher than the average of the weekly high and low of the closing prices of VSL in the preceding 26 weeks from the date of this Public Announcement and is also higher than the average of the daily high and low of the traded prices during the 2 weeks preceding this Public Announcement at BSE. The Offer price is also higher than the price being paid by the Acquirers for acquisition of Shares through the Share Purchase Agreement. The offer price is also higher than the price being paid by the Acquirer for the Shares under the Share Purchase Agreement + interest as contemplated in the Agreement, even if the transfer of Shares under the Agreement takes place only after a significantly long time from the date of despatch of consideration under the Offer. In respect of the other Stock Exchanges, the Equity Shares are infrequently traded and the Offer price has been determined considering Book Value, EPS, Return on Net worth etc.

b. The offer price has been determined taking into account the parameters as set out under Regulations 20(4) of the Regulations with respect to BSE and Reg. 20(5) with respect to MSE and CbSE. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 31/- 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 VSL during the period of 7 working days, prior to the date of closure of the Offer.

Information about the Acquirers

a. Transwarranty Finance Ltd. (TFL) is a public limited Company incorporated on 09-08-1994 in the State of Maharashtra under the Companies Act 1956. The registered office of the Company is situated at 403, Regent Chambers, Nariman Point, Mumbai 400 021 (Tel No. (022) 6630 6090/91, 2204 7965/66 Fax No (022) 6630 6655, 4001 0888 E Mail ID: mail@transwarranty.com, Website: www.transwarranty.com).

TFL has, as its main objects, "to carry on the business of Leasing, Hire purchase, Finance Company, Venture Capital, to undertake bill discounting business, act as discount and acceptance house, trading in immovable property, to borrow, lend , negotiate loans etc, to carry on the business of Merchant banking, to act as Brokers for Stocks, Shares , Securities, Derivatives , to act as underwriters and sub underwriters" etc

TFL is promoted by Shri. Kumar Nair.

TFL belongs to the Transwarranty Group of Mumbai. Apart from the Subsidiaries of TFL, the other Companies in the group are Transwarranty Private Ltd, & Transwarranty Advisors Pvt. Ltd, which are yet to commence any commercial activity.

TFL made its maiden Public Issue in January-February 2007 and got its Equity Shares listed at BSE and NSE.

The Directors of TFL are Shri. Suresh N Talwar (Chairman, Non Executive), Shri. Kumar Nair (Managing Director- Executive) Shri. Raghu R Palat (Non Executive, Independent), Shri. Pravin Khatau (Non Executive, Independent), Shri. N R Achan (Non Executive, Independent) and Shri. K Jay Chandran (Non Executive, Independent). Shri. Suresh N Talwar, aged 70 years, residing at 10, Shiv Shanti Bhuvan, 146, M K Road, Churchgate Reclamation, Mumbai 400 020 (Tel. No. (022) 6613 6900, Fax No (022) 6613 6901, Emil ID: sureshtalwar@thalwarthakore.com) is having over 40 years experience as a solicitor and corporate lawyer, Shri. Kumar Nair aged 44 years, B Sc., ACA, residing at 29B, 29th Floor, Belvedre Court, Sane Guruji Marg, Mahalakshmi, Mumbai 400 011(Tel No. (022) 2301 3074 E Mail ID: kumar@transwarranty.com) is having about 21 years experience in Capital Market and Investment Banking. Shri. Raghu R Palat, aged 57 years, FCA (from India as well as England and Wales), residing at 5, Kamani House, 3D, Peddar Road, Mumbai 400 026 (Tel. No. (022) 2282 6463, Fax No. (022) 2351 2186, Emil ID: raghupalat@hotmail.com) is a Banking and Financial Consultant. Shri. Pravin Khatau, aged 45 years, residing at 1, Rue Des Genets, Le Millefiori, Monaco, Shri. K Jay Chandran, aged 38 years, residing at 44, Woodlands Terrace, Singapore (Emil ID: k_jay_c@yahoo.com) is in service and is a Software professional. Shri. N R Achan, B Com CAIIB, aged 63 years, residing at D-8, Block 8, Sidharti Heights, 55, Arcot Road, Chennai 600 093 (Tel. No. (044) 6453 2162) is having over 35 years experience as a Banker and retired as Chairman of Catholic Syrian Bank Ltd.

The Equity Shares of TFL are listed at BSE and NSE. The Equity Shares are not admitted as a permitted security in any other Stock Exchange.

TFL is a Non Banking Finance Company (NBFC) and is engaged in financing, investments , bill discounting etc. TFL also extends corporate advisory services & foreign exchange advisory services etc. to corporates, retail and institutional clients. TFL is registered with RBI as an NBFC vide Certificate of Registration no. 13.00971 dated 6.8.1998.

TFL has Subsidiaries, which are (i) Transwarranty Capital Pvt. Ltd (TCL), engaged in Share broking business and Merchant Banking. TCL is a member of BSE and NSE in Capital Market segment. TCL is also registered as a Merchant Banker with SEBI and is extending services of a Merchant Banker. The relevant SEBI registration details are INM000010965 (Merchant Banker). No action has been taken by SEBI or Stock Exchanges against TCL and no penalty imposed in the past. There are no arrears of fee payable to SEBI. (ii) Transwarranty Forex & Commodities Pvt. Ltd(TFCPL), is a member of Multi Commodity Exchange (MCX) and is engaged in extending services to clients for dealing in commodities (iii) Transwarranty Credit Care Private Ltd (TCCPL) is yet to commence any activity and is proposing to set up a Venture capital Fund after obtaining necessary regulatory approvals.(iv) Transwarranty Forex & Commodities DMCC, UAE , incorporated in Dubai is a member in Dubai Gold and Commodities Exchange as a member, after getting necessary approvals/registration.

TFL has no overdue liabilities to Banks/FIs /Deposit holders. There was no default in the past.

As on 31.03.2007 date of last audit, TFL had a paid up Equity Share Capital of Rs. 1400 Lacs, divided into 1,40,00,000 equity shares of Rs 10 each, out of which 78,65,650 Equity Shares constituting 56.18% is held by the promoter group and balance 43.82% is held by the public (including Banks, FIs, FIIs, Mutual Funds and NRIs). The Reserves and Surplus as on 31.03.2007 is Rs. 2846.11 Lacs. In the year 2006-07, on a stand alone basis, the total Income was Rs. 571 Lacs, the total expenditure was Rs. 175.66 Lacs, Depreciation charges were Rs. 5.90 Lacs and Interest and finance charges Rs. 10.93 Lacs. The Net Profit after tax was Rs. 250.87 Lacs. The EPS (fully diluted) was Rs. 1.79 and Return on Net Worth 6.50%. The Net worth (Net of Misc. exp. not written off) as on 31.03.2007 was Rs. 3858.20 Lacs giving the Equity Shares, a Book Value of Rs. 27.56. As per unaudited (subjected to limited review) on 30.09.2007, the total Income was Rs. 277.60 Lacs and Net Profit Rs. 96.60 Lacs. The EPS (Annualized) is Rs. 1.38.

b. Shri. Kumar Nair, B Sc, ACA aged 43 years, S/o Shri. C Chandran, residing at 29B, 29th Floor, Belvedre Court, Sane Guruji Marg, Mahalakshmi, Mumbai 400 011 (Tel No. (022) 2301 3074 E Mail ID: kumar@transwarranty.com) has about 21 years experience in capital Market and Investment Banking. Prior to promoting TFL, he was with Kotak Mahindra Finance Ltd as its Vice President. He served Kotak Mahindra Finance Ltd for about 9 years. He is well versed in Corporate Finance, Investment Banking, Money and Forex Research in Equities, Commodities trading etc. He is the promoter of Transwarranty Group and is Managing Director of TFL since 1994.

c. There are no persons on the Board of the Target Company, representing the Acquirers.

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

e. There are no pending litigations against the Acquirers.

Information about the Target Company

a. VSL was incorporated on 15.09.1993 as a private limited Company in the State of Kerala under the Companies Act, 1956. The Company was converted to Public limited Company on 3.2.1995 .VSL made its initial public offer of Equity Shares in June 1996 and listed the same in Cochin, Coimbatore, Madras and Mumbai (BSE) Stock Exchanges.

b. The Registered Office of VSL is at Thottathil Towers, IInd Floor, Market Road, Ernakulam, Kochi 682 018. (Tel. No. (0484) 4099699 Fax No. (0484) 4099600, E-mail ID: ranjanverghese@hotmail.com, Website: vertexbroking.com)

c. VSL is a registered Share Broker with BSE and NSE in both cash and derivative segments. VSL has about 130 branches/franchisee/sub broker arrangements, spread across the Country, but predominantly in Southern States. VSL is also extending dematerialization facility and is a Depository Participant registered with National Securities Depository Ltd (NSDL).

d. The Authorized Capital of VSL is Rs. 944 Lacs, divided into 94,40,000 Equity Shares of Rs 10/- each .The paid up Equity Share Capital as on date is 51,78,001 Equity Shares of Rs. 10/- each aggregating Rs. 517.80 Lacs. All the outstanding Equity Shares are fully paid up. All the Equity Shares are listed and admitted for trading. Post Public Issue, VSL had 49,77,700 Equity Shares outstanding as partly paid Equity Shares. The members of VSL vide Special Resolution dated 15.01.2001 resolved to issue 1 fully paid Equity Share for every 4 partly paid Equity Share held. VSL moved petition before the Hon'ble High Court of Kerala for effecting the reduction/restructuring under Section 101 of the Companies Act and the Hon'ble Court, vide its order dated 19.7.2001 approved the proposed reduction in capital consequent to allotment of 1 fully Equity Share for every 4 partly paid Equity Shares. The same was given effect to and consequently the issued capital reduced to the present level.

e. The Fixed Assets held by VSL are Land & Building, Furniture and Fixtures, Equipments, computer systems, V Sat, Air Conditioners, Software and membership rights.

f. As on date of this Public Announcement, the promoter group/persons in control, hold 30,50,343 Equity Shares, each fully paid up, representing 58.91% of the listed Capital.

g. VSL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form. The ISIN Number is INE 316D01016. The Marketable lot for the Shares of VSL for the purpose of this Offer shall be 1 (one only).

h. The Directors of VSL are Shri. Ranjan Varghese (Managing Director), Dr. George Varkey Thalody, Shri. Dilip Varghese, Dr. Lucyamma Thalody, Shri. Joseph Francis Xavier, Dr. Thomas Alappat, Shri. Ivan J Coelho, Shri. Thomas J Vayalat (Non Executive, Independent), Smt. Thressiyamma Nemri, Shri. A Anup Kumar (Non Executive, Independent) and Shri. M V Satheesan (Non Executive, Independent).

i. VSL has, as its main objects, "to carry on the business of an investment company, investment trust company , promoters, finance and stock brokers, sub brokers, dealers in financial securities etc."

j. VSL is presently engaged in Stock Broking business. VSL is a member of the National Stock Exchange of India Ltd (NSE) in the Capital market and derivative segments. VSL is also a member of The Bombay Stock Exchange Ltd (BSE) and Cochin Stock Exchange (CSE). VSL is registered with Securities and Exchange Board of India as a Share Broker and the registration numbers are INB090725935 (CSE), INB10725936 (BSE), and INB230725936 (NSE). The registration is valid as on date of this Public Announcement. VSL is also extending dematerialization facility and is a Depository Participant attached to National Securities Depository Ltd (NSDL).The relevant SEBI registration no is In-DP-NSDL-146-2000. SEBI/Stock Exchanges has not taken any action against VSL with respect to conduct of its broking/DP business.

k. VSL has one Subsidiary "Vertex Commodities and Finpro Private Ltd VCFPL)". VCFPL is a member of MCX and NCDEX, Commodity Exchanges and is engaged in commodity broking. On a standalone basis, VCFPL had a gross income of Rs. 166.05 Lacs in the financial year 2006-07 and Net Profit of Rs. 26.92 Lacs. VCFPL has a paid up capital of Rs. 86.15 Lacs and Reserves and Surplus as on 31.3.2007 was Rs. 26.05 Lacs.

l. The Equity Shares of VSL are listed, currently only at BSE. VSL had , at the time of initial public offer, got its Equity Shares listed at Madras, Coimbatore and Cochin Stock Exchanges also. After due resolution by members of VSL, VSL got itself delisted from Cochin Stock Exchange and CSE has confirmed delisting w.e.f from 27.09.2007, vide its letter No. SE/LIST/155/2007 dated October 11, 2007. The Shares are not admitted as a permitted security at any other Stock Exchange. All the outstanding issued Equity Shares of VSL are listed and admitted for trading. There are no partly paid Equity Shares or outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in.

m. VSL has no arrears of listing fee to BSE. VSL faced action of suspension of trading of its shares by the BSE from 14.09.1998 for non-compliance with Clause 15/16 of the listing agreement. Trading was reinstated w. e. from 18.01.2000. VSL is at present complying with various clauses of listing agreement. The listing fee with respect to Madras and Coimbatore Stock Exchanges are in arrears from 1999-2000.

n. VSL is complying with the provisions of Clause 49 of the Listing Agreement.

o. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made by VSL from 1997 to 2007. The filings under Reg. 6(2) & 6(4) for 1997 and 8(3) from 1998 to 2007 were made late, on 25th May 2007. For non compliance with the provisions of Chapter II of SEBI (SAST) Regulations, for the years 1997 to 2007, SEBI may initiate suitable action against VSL at a later stage.

p. As per the Audited results of VSL as on 31.03.2007, VSL had a Gross Income of Rs. 701.56 Lacs, comprising of income from broking and Depository operations Rs. 527.94 Lacs, Sale of Shares Rs. 80.86 Lacs, other Income of Rs. 91.67 Lacs and closing stock of Shares Rs. 1.08 Lacs. The total expenditure was Rs. 602.67 Lacs, comprising of Purchases Rs. 80.58 Lacs, Opening Stock Rs. 1.20 Lacs, Remuneration to employees Rs. 135.84 Lacs , operational expenses Rs. 245.13 Lacs, administrative expenses Rs. 126.55 Lacs and interest and finance charges Rs. 13.37 Lacs. The depreciation charges was Rs. 25.13 Lacs. VSL made adjustments for prior period expenses for Rs. 0.69 Lacs. The Net Profit after tax was Rs. 51.13 Lacs, giving an EPS of Rs. 0.99. The Reserves and surplus as on 31.3.2007 is Rs. 11.38 Lacs. The Net Worth was Rs 529.18 Lacs, giving the Equity Shares a Book Value of Rs 10.22. The return on Net Worth for the year ended 31.03.2007 was 9.66%. As per unaudited (subjected to limited review by Auditors) results for the 6 months ended 30.09.2007, the Gross income was Rs. 379.29 Lacs and Net Profit Rs. 15.94 Lacs. The EPS (annualized) based on 6 months results as on 30.09.2007 is Rs. 0.62 and Return on Net Worth (annualized) 5.85%.

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

r. VSL has no overdue liabilities to Banks/FIs. There are no pending litigations against VSL. Other than what is stated in para "m" above, no action has been taken by the Stock Exchanges, SEBI or any other authority against VSL, its promoters or Directors.

s. The Compliance Officer of VSL is Shri. K J Thomas, residing at E-56, Changampuzha Nagar, Kochi- 682 033 (Tel No. (0484) 2543023) who will be available at the registered office address of VSL 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 VSL followed by change in control. The Acquirers propose to take control of VSL.

b. Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth. VSL is presently engaged in Stock Broking business and is also extending depository services as a Depository Participant. The Acquirers propose to continue with the existing activities. TFL is well versed with these activities as one of its subsidiaries is in same line of business. Further, the promoter of TFL and one of the Acquirers, Shri. Kumar Nair is a Chartered Accountant with experience in Investment Banking and holds certificate of MCFM, issued by Stock Exchanges, after successful completion of written test and interview. The Acquirers are confident of utilizing their experience to further the prospects of VSL and ensure steady business and growth.

c. 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 VSL. It is proposed to induct new Directors on the Board of VSL by the Acquirers. The likely changes in the management /taking 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 VSL 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 off 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 approval other than what is stated in Clause "b" below is 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. The acquisition of Shares and taking control by the Acquirers is subject to Stock Exchange guidelines relating to Dominant Promoter Group as stipulated by BSE and NSE. The present promoters/Target Company/Acquirers declare and undertake that they have initiated steps to obtain necessary approvals for transfer of Shares/change in Dominant promoter group from the Stock Exchanges/SEBI.

c. Barring unforeseen circumstances, the Acquirers would endeavor to obtain all the 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.

d. 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 VSL under this offer together with the Shares being acquired through the Share Purchase Agreement will result in public shareholding falling marginally below the level required for continued listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 24.95% of the voting Capital. If consequent to the shares proposed to be acquired under the Share Purchase Agreement, any further acquisition by the Acquirers and this Offer, the public shareholding falls below the level stipulated for continued listing, then the Acquirers will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein. The Acquirers 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. 3, 21, 03,631/- (Rupees Three Crores twenty one lacs three thousand six hundred and thirty one only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirers have created Escrow Account in the form of transfer of Certificate of Deposit with ICICI Bank Ltd in the name of Transwarranty Finance Ltd (one of the Acquirers) for Rs. 1,00,00,000/- (Rupees One Crore only), which is more than 25 % of the total consideration payable under the Offer, to the Demat account of Fedex Securities Ltd., Manager to the Offer on 2nd November 2007.

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 2.11.2007 from Shri. U. Ramachandran (Membership No. 33269), Haridas Associates, Chartered Accountants, 3, Air View Society, Off Nanada Patkar Road, Opp. Rane Hospital, Vile Parle (East), Mumbai - 400 0057 (Tel. No. (022) 26123749, Fax No (022) 2617 6995), Auditors of TFL, the Net worth of TFL as on 31.03.2007 is Rs. 3858.20 Lacs.

e. As per Certificate dated 2.11.2007 from Shri. U. Ramachandran (Membership No. 33269), Haridas Associates, Chartered Accountants, 3, Air View Society, Off. Nanada Patkar Road, Opp. Rane Hospital, Vile Parle (East), Mumbai - 400 0057 (Tel. No. (022) 26123749, Fax No (022) 2617 6995), Auditors of TFL, the Net worth of Shri. Kumar Nair as on 31.03.2007 is Rs. 1591.11 Lacs.

f. Shri. U. Ramachandran (Membership No. 33269), Haridas Associates, Chartered Accountants, 3, Air View Society, Off. Nanada Patkar Road, Opp. Rane Hospital, Vile Parle (East), Mumbai - 400 0057 (Tel. No. (022) 26123749, Fax No (022) 2617 6995), vide two separate Certificates dated November 1, 2007 has certified that the Acquirers have adequate liquid resources to meet the funds requirements of the Offer. The liquid resources available with the Acquirers as per the certificate are TFL Rs. 2558.40 Lacs and Shri. Kumar Nair Rs. 2249.78 Lacs.

g. 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 VSL, parties to the Agreement & the Acquirers) whose name appear in the register of Target Company as on Friday, November 30, 2007, the Specified Date.

c. All shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of VSL, parties to the Agreement & the Acquirers) 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 : kilitch-offer@intimespectrum.com (Contact Person: Shri. Sachin Achar) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Tuesday, January 8, 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 VSL/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 VSL/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 favor 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 VSL 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 favor 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 VSL 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 : kilitch-offer@intimespectrum.com (Contact Person: Shri. Sachin Achar) 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 Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.

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 VSL 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 are 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 Thursday, January 3, 2008.

s. The Withdrawal option can be exercised by making an application on plain paper along with the following details:
   a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form
   b. 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)	Monday, November 05, 2007
Specified date	Friday, November 30, 2007
Last date for a competitive bid	Monday, November 26, 2007
Letter of Offer to be posted to shareholders	Saturday, December 15, 2007
Date of opening of the Offer	Thursday, December 20, 2007
Last date for withdrawing acceptance from the Offer	Thursday, January 03, 2008
Date of closing of the Offer	Tuesday, January 08, 2008
Last date for revising the Offer price/ number of shares.	Friday, December 28, 2007
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Wednesday, January 23, 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 Vertex Securities 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 Thursday, January 3, 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 Friday, December 28, 2007

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 Shri. 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 : kilitch-offer@intimespectrum.com (Contact Person: Shri. Sachin Achar) 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. **Transwarranty Finance Ltd and Shri. Kumar Nair,** the Acquirers, and each of the Directors of Transwarranty Finance Ltd, jointly and severally accepts 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
Transwarranty Finance Limited
Regd Office: 403, Regent Chambers, Nariman Point, Mumbai 400 021
Tel Nos (022) 6630 6090/91, 2204 7965/66
Fax Nos (022) 6630 6655, 4001 0888
E Mail ID: mail@transwarranty.com, Website: www.transwarranty.com
&
Shri. Kumar Nair
29B, 29th Floor, Belvedre Court, Sane Guruji Marg,
Mahalakshmi, Mumbai 400 011
Tel No. (022) 2301 3074, E Mail ID: kumar@transwarranty.com

Place : Mumbai
Date : November 3, 2007