

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF SHAREHOLDERS OF HINDUSTHAN NATIONAL GLASS & INDUSTRIES LIMITED

(Registered Office: 2, Red Cross Place, Kolkata – 700 001)

This Public Announcement is being issued by UTI Bank Ltd. ("Manager to the Offer"), on behalf of Ace Glass Containers Ltd. and Mr. C. K. Somany (the "Acquirer") pursuant to the Regulation 11 (1) and in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI (SAST) Regulations, 1997") and SEBI order no. CO/474/TO/01/2003 dated January 28, 2003.

BACKGROUND

In the terms of SEBI order no. CO/474/TO/01/2003 dated January 28, 2003, mentioned below is the background of the case:

- Hindusthan National Glass & Industries Ltd. (hereinafter referred to as "HNG"/ "Target Company") was promoted by the Somany family. The Somany family, comprising the groups of Mr. H.L. Somany, Mr. S. K. Somany, Mr. C.K. Somany and Mr. R.K. Somany arrived at a family settlement in the year 1994. As a part of this settlement, around 40% of the then paid-up capital of the Target Company was retained /transferred by other groups to the C. K. Somany group and hence the ownership rights and management control of the Target Company was acquired by the C. K. Somany group, the present promoter group of the Target Company from 29th December 1994.
- In the year 1997, the groups of Mr. H.L. Somany, Mr. S. K. Somany and Mr. R.K. Somany filed a suit before the Hon'ble Calcutta High Court [suit no. 35 of 1997] for purchase of their shareholdings in the Target Company by the C.K. Somany group as a result of which the Calcutta High Court vide an interim order dated 4th February 1997 restrained the C.K. Somany group from dealing in, disposing of or creating any third party rights in respect of their shareholding [1410273 equity shares] in the Target Company until the disposal of the suit.
- The C.K. Somany group also approached the Hon'ble Calcutta High Court and obtained a similar order of injunction dated 25.02.97 against the groups of Mr. H. L. Somany, Mr. S. K. Somany and Mr. R.K. Somany restraining them from selling, transferring or pledging any of the 29,70,926 equity shares of the Target Company held by them and their relatives and associates, being the subject matter of the aforesaid suit until disposal of the suit.
- The S.K. Somany group, one of the petitioners in the aforesaid Civil Suit no. 35 of 1997, holding 8,56,192 equity shares in the Target Company offered to sell 8,06,192 equity shares in the Target Company to the C.K. Somany group vide their letter dated 22nd August 2002 at a price to be mutually agreed upon and subject to the C.K. Somany group getting the said order dated 25th February 1997 vacated to the extent of 8,06,192 equity shares held by the S. K. Somany group.
- The Calcutta High Court vide its order dated 13th September 2002 modified its earlier order dated 25th February 1997, thus permitting the C. K. Somany group to acquire 8,06,192 equity shares of the Target Company held by the S. K. Somany group.

2. The shareholders are required to take the note of the following :

- The groups of Mr. H. L. Somany, Mr. R. K. Somany & Mr. S. K. Somany [being the plaintiffs] filed a suit with the High Court at Calcutta for specific performance of an unsigned agreement dated 5th August 1994 allegedly entered into by the four Somany brothers for purchase of about 40% shares in HNG by the C.K. Somany Group from the plaintiffs at a price of Rs.267/- per share. It was alleged by the plaintiffs that while the plaintiffs have complied with all their obligations under the agreement and had permitted the C.K. Somany Group to acquire the majority shareholding in HNG and establish majority control over the company but the C.K. Somany Group had failed to purchase the balance 29,70,926 shares in HNG at a rate of Rs. 267/- within 30th September 1996.
- A counter claim was filed by C.K. Somany Group in the said suit seeking specific performance under the said family settlement in respect of sale and transfer of 340000 equity shares in HNG held by R.K. Somany Group in favour of C.K. Somany Group at Rs. 15/- per share, being the market price prevailing on 28th February 1995 on the grounds that the similar number of shares i.e. 340000 equity shares each was transferred by the groups of H.L. Somany, and S. K. Somany in favour of C.K. Somany Group on 28th February 1995 at a price of Rs.15/- per share as part of the aforesaid family settlement.
- In the Counter Claim C.K. Somany Group also claimed that under the family settlement C.K. Somany Group had a right of pre-emption over the entire balance shares held by the other three groups and by filing the suit the three groups have evinced an intention to sell their shares in HNG and accordingly C.K. Somany Group also claimed that the said three groups be directed to sell and transfer the balance 26,30,926 equity shares of HNG to C.K. Somany Group at the rate of Rs.40/- per share being the market price thereof on the date of filing of the suit i.e. 4th February 1997
- In August 2002 some of the relatives of the three groups, but not parties to the suit, offered and sold their holding in HNG being 23300 equity shares to C.K. Somany Group. Thereafter, S.K. Somany Group also offered to sell 806192 equity shares in HNG to C.K. Somany Group and upon applications filed by C.K. Somany Group the Hon'ble High Court at Calcutta modified the earlier restraint orders and granted leave to C.K. Somany Group to purchase and acquire such shares.

3. THE OFFER

- Ace Glass Containers Ltd. (AGCL) and Mr. C. K. Somany (hereinafter jointly referred to as "Acquirer") are part of the promoter group of HNG. Mr. C.K. Somany holds 728610 equity shares of Rs. 10/- each being 6.60% of the paid-up capital of the Target Company whereas AGCL does not hold any shares of the Target Company as on the date of PA. The Acquirer alongwith the other persons in the promoter group are holding 8067512 fully paid up equity shares of Rs. 10/- each representing 73.05 % of the paid-up equity capital of the Target Company. For the purpose of this offer the persons in the promoter group other than the Acquirer are Mr. Sanjay Somany, Mr. Mukul Somany, Mrs. Sudha Somany, Mrs. Amrita Somany, Mrs. Rashmi Somany, Mrs. Jaya Kanoria, Noble Enclave & Towers Pvt. Ltd., Rungamatee Trexim Pvt. Ltd., Spotlight Vanija Ltd., Spolme Tracon Pvt. Ltd., Topaz Commerce Ltd. and Giri Commercial Co. Pvt. Ltd. and will be considered to be Persons deemed to be Acting in Concert ("PAC") with the Acquirer.
- Ace Glass Containers Ltd., a company incorporated on 22nd April 1994 under the Companies Act, 1956 and presently having its registered office at "Gururav", W-27, Greater Kailash – II, New Delhi – 110048 alongwith Mr. C.K. Somany residing at 2, Ironside Road, Kolkata 700 019 is making an open offer pursuant to Regulation 11 (1) and in compliance with the SEBI (SAST) Regulations, 1997 and amendments thereof and in terms of SEBI Order No. CO/474/TO/01/2003 dated January 28, 2003.

- On 7th October 2002, Mr. C.K. Somany on behalf of the C.K. Somany group entered into a Memorandum of Understanding (MoU) with S. K. Somany group, the shareholders of HNG to acquire from them 806192 fully paid-up Equity Shares of Rs 10/- each representing 7.30 % of the issued, subscribed & paid-up equity capital ("the acquisition") for cash at a price of Rs. 40/- (Rupees Forty only) per share ("the negotiated price").

- Prior to entering into the aforesaid MoU with the S. K. Somany group, the Acquirer made an application to SEBI under Regulation 4 of SEBI(SAST) Regulations on 14th September 2002, seeking exemption from the compliance of Regulations 12, 14, 15, 16, 18, 21, 22(3), 22(4), 22(5) and 22(8) for making a public announcement to the shareholders of HNG for the (then) proposed acquisition. The said application sought exemption from the procedural formalities of making an open offer under SEBI (SAST) Regulations, contending that due to the operation of the aforesaid restraint order of Hon'ble High Court at Calcutta, the groups of R.K. Somany and H.L. Somany, being majority public shareholders will not be eligible to participate in the open offer and as such, the offer can be made only to remaining 136 public shareholders holding 0.65% of the equity share capital of HNG and such offer would impose unjustifiable costs and efforts on the Acquirer especially in view of small number [136] of shareholders without yielding any corresponding benefits to the shareholders, whose rights and interests are sought to be protected by making individual offers. In order to protect the interest of public shareholders, the Acquirer proposed to make individual offers to the 136 public shareholders, by sending individual letters of offer by registered post and at a price which shall not be less than the negotiated price paid by the Acquirer for aforesaid acquisition of shares from S. K. Somany group and the pricing shall be in accordance with the provisions of the erstwhile Regulation 20(3) of SEBI(SAST) Regulations.

The aforesaid exemption application was forwarded to the Takeover Panel and vide its report dated 17th October 2002 the Takeover Panel recommended grant of exemption from the requirements of making an open offer, subject to the Acquirer making individual offers to each of remaining shareholders at a price determined in accordance with SEBI (SAST) Regulations.

The SEBI Chairman ordered a personal hearing in terms of Regulation 4(6) of SEBI (SAST) Regulations. The SEBI Chairman vide his order dated 28th January 2003 rejected the exemption application and directed the Acquirer to make an open offer in compliance with Regulation 11(1) of SEBI(SAST) Regulation alongwith the provisions of Chapter III of the SEBI(SAST) Regulation.

The Acquirer, vide their letters dated 17th May 2003 and 21st July 2003 submitted to SEBI that no open offer can be made to the R. K. Somany group and H.L. Somany group in view of the Civil Suit No. 35 of 1997 pending before the Hon'ble High Court at Calcutta regarding their shareholding in HNG. SEBI, vide their letter dated 22nd September 2003, advised the Acquirer to make an open offer in compliance with Regulation 11(1) of SEBI(SAST) Regulation, to all public shareholders including the groups of R.K. Somany and H.L. Somany. The Acquirer were further directed to pay interest @ 10% p.a on the offer price from 4th February 2003 till the actual date of payment of consideration to the shareholders.

- By reason of the said order and / or direction of SEBI, the Acquirer, without prejudice to their rights in the said civil suit to purchase 340000 equity shares of R.K. Somany Group in HNG at a price of Rs.15/- per share and 1798734 equity shares held by plaintiffs in the said suit in HNG at a price of Rs. 40/- per share, are making the present offer and accordingly participation of the plaintiffs in the present offer will be subject to the decision of the Hon'ble High Court at Calcutta in the said civil suit. It is pertinent to state that by reason of the interim order dated 25th February 1997, the plaintiffs in the said suit, holding 2138734 equity shares in HNG continue to be restrained from selling, transferring or pledging such shares in HNG.

- The Acquirer is now making this open offer, consequent to the order of SEBI dated 28th January 2003 and the letter dated 22nd September 2003 received from SEBI to acquire 219664 fully paid equity shares of Rs. 10/- each, representing 19.19% of the voting equity capital, of the Target Company at a price of Rs. 47.70/- (Rupees Forty seven and paise seventy only) per fully paid up equity share payable in cash. (" Offer"). This includes interest @ 10% per annum from 4th February, 2003 till 6th March, 2004 the date of actual payment of consideration to the shareholders.

- The Target Company does not have any partly paid up equity shares. The Offer is not subject to any minimum level of acceptance and is not a conditional offer.
- The equity shares of Target Company are listed on The Calcutta Stock Exchange Association Ltd. (Regional Stock Exchange) and The Stock Exchange, Mumbai (BSE). The equity shares of the company are infrequently traded in terms of explanation (i) to Regulations 20(5) of the SEBI (SAST) Regulations, 1997. The price of Rs. 47.70 per share has been determined as per Regulation 20(5) taking into account the following factors:

- The Negotiated price in terms of the MoU entered into on 7.10.2002 is Rs. 40/-
- Acquirer has not acquired shares of HNG during the 26 week period prior to the date of the Public Announcement by way of allotment in a public or rights or preferential issue.
- As per the audited results for the financial year 2001-2002 and 2002-2003, the other parameters of HNG are as follows:

Particulars	As on 31.3.2002	As on 31.3.2003
Earnings per share (Rs.)	6.81	2.83
Return on Networth (%)	5.38%	2.26%
Book Value (Rs.)	75.77	77.29

The Industry Price Earning Ratio in which the Target Company operates is 20.9(source: Capital Market dated November 10-23, 2003, Sector: Glass and Glass Products).

M/s Deloitte Haskins and Sells, Chartered Accountants, Park Plaza, South Block, Flat No. 4A, 4th Flr, 71, Park Street Kolkata : 700 016 have carried out a valuation of the equity shares of Hindusthan National Glass & Industries to arrive at a fair value of the said equity shares . The relevant extract from their valuation report dated 11.11.2003 are reproduced below:

" As per principles of valuation considered in the Hon'ble Supreme Court decision in the case of Hindustan Lever Employee Union Vs Hindustan Lever Limited, 1995 (83 Com Case 30) ("HLL case"), for amalgamation of companies, the Honorable Court had upheld the valuation methodology adopted by the Valuers using a combination of Book Value (Net Asset Value), Yield (Earning capacity) and Market Price.

Accordingly, after considering the various methods of valuation mentioned earlier as well as the guidance provided by Hon'ble Supreme Court in HLL's case, and assigning appropriate weightage to each method based on its relative suitability in the context of current assignment, in our opinion and best judgment, the fair value of the equity share of HNG should be Rs.43.02 per share as summarised in the table given below:"

	Value Per share (Rs.)	Weight	Total
Profit Earning Capitalisation Method	14.10	2	28.20
Net Asset Value	77.00	1	77.00
Market Price Method	66.87	1	66.87
Total		4	172.07
Value per share	Rs. 43.02		

Based on the above, the Price is fixed at Rs. 47.70 per fully paid up share of HNG (Offer Price is Rs. 43/- and Rs. 4.70 is interest @10% p.a. for a period from 4.2.2003 to 6.3.2004).

Thus, the offer price is justified taking the above factors into account.

The Acquirer has not acquired shares of HNG during the 12 month period prior to the date of Public Announcement.

- The Acquirer along with the Persons Deemed to be Acting in Concert hold 8067512 shares representing 73.05 % in the Target Company as on the date of Public Announcement.

4. Information about Acquirer

4.1 Information on AGCL

- AGCL was incorporated on 22nd April 1994 under the Companies Act 1956 as a public limited joint venture company between Owens-Illinois Inc., U.S.A (OWI) and Ballapur Industries Ltd in 1994 as Owens – Bill Limited. In 1998 OWI purchased the entire shareholding of the Company. The name of the Company was subsequently changed to Owens Brockway (India) Ltd. In January 2002, the entire shareholding of the Company was acquired by HNG and M/S Ceramic Decorators Limited. C.K.Somany Group Company and the name of the Company was changed to Ace Glass Containers Ltd. AGCL now belongs to the C.K. Somany group and also forms the part of promoter group of the Target Company. Presently, the registered office of the Company is located at "Gururav", W-27, Greater Kailash – II, New Delhi – 1100 48. AGCL is engaged in the manufacture of glass bottles and containers. The production facilities of AGCL are located at Pondichery, Rishikesh (Uttaranchal) and Pune (Maharashtra).

- The financial details of AGCL as on 31st March 2003 are as follows: Total income and profit after tax for the year ended 31st March, 2003 are Rs. 16449.72 lacs and Rs. 638.57 lacs respectively. As on 31st March 2003 the equity share capital is Rs. 29980.28 lacs, Reserves are Rs. 17495.84 lacs, Accumulated Losses are Rs. 26629.02 lacs Networth is Rs. 20844.84 lacs. The earnings per share is Rs. 0.29, Return on Networth is 3.06% and the Book Value per share is Rs. 6.95. The shares of AGCL are not listed on any of the stock exchanges.
- AGCL has on 20th November 2002, filed Form C under Regulation 36 of the BIFR Regulations 1987 with the Board for Industrial & Financial Reconstruction at New Delhi.

4.2 Information about Mr. C.K. Somany

- Mr. C. K. Somany is residing at 2, Ironside Road, Kolkata 700 019
- The personal networth as on 30th June 2003 of Mr. C.K. Somany is Rs.169.02 lacs(approx. Rupees One hundred sixty nine lacs.) as certified by Mr. Hemant Kumar Agarwal of M/s Hemant K. Agarwal & Co., Chartered Accountants, 32, Ezra Street (North Block) 9th floor, Room No. 952, Kolkata 700001, (Ph. No. 033-22218404) Membership No.: 61250 vide certificate dated 16th October 2003.
- Mr. C. K. Somany is the Chairman (Non- Executive) of the Target Company. He holds a FBIM (London) Degree and a Degree in Glass Plant instrumentation from Honeywell Brown, Minneapolis, U.S.A. He is an industrialist having an experience of more than 50 years. Mr. C.K. Somany is currently holding 728610 equity shares of Rs. 10/- each of HNG representing 6.60% of the paid up capital.

4.3 Information about Persons deemed to be acting in concert with the Acquirer.

Name and Address	Relation Mr. C.K. Somany	No. of with Shares held in the target company	% of total voting capital of the Target Company	NetWorth as on 30 th June 2003 Rs. in Lacs	Line of business
Mr. Sanjay Somany W-27, Greater Kailash-II New Delhi 110 048	Son	867556	7.86	170.29	Industrialist
Mr. Mukul Somany 2, Iron Side Road, Kolkata 700 019	Son	788555	7.14	266.72	Industrialist
Mrs Sudha Somany 2, Iron Side Road, Kolkata 700 019	Wife	309964	2.81	99.52	Business Executive
Mrs Amita Somany W-27, Greater Kailash-II New Delhi 110 048	Daughter in Law	180000	1.63	84.93	Business Executive
Mrs. Rashmi Somany 2, Iron Side Road, Kolkata 700 019	Daughter in Law	259000	2.35	98.45	Business Executive
Mrs. Jaya Kanoria 41, Las Palmas, 20, Little Gibbs Road, Mumbai 400006	Daughter	70000	0.63	237.04	Housewife
Noble Enclave & Towers Pvt. Ltd. 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	1029441	9.32	1161.04	Share investment & trading
Rungamatee Trexim Pvt. Ltd. 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	853352	7.73	654.9	Share investment & trading
Spotlight Vanija Limited 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	1123035	10.17	401.31	Share investment & trading
Spotme Tracon Private Limited 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	853351	7.73	638.6	Share investment & trading
Topaz Commerce Ltd. 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	919648	8.33	618.44	Share investment & trading
Giri Commercial Co. Pvt. Ltd. 2, Red Cross Place, Kolkata 700 001	Company of C.K. Somany group	85000	0.77	539.67	Share investment & trading

Noble Enclave & Towers Pvt. Ltd. is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 44.85 Lacs, Net Profit of Rs. 22.93Lacs and a Paid-up capital of Rs. 337.01 Lacs.

Rungamatee Trexim Pvt. Ltd. is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 28.59 Lacs, Net Profit of Rs. 14.10 Lacs and a Paid-up capital of Rs. 188.09 Lacs.

Spotlight Vanija Limited is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 21.20 Lacs, Net Profit of Rs. 6.84 Lacs and a Paid-up capital of Rs. 24.00 Lacs.

Spolme Tracon Private Limited is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 31.25 Lacs, Net Profit of Rs. 15.91 Lacs and a Paid-up capital of Rs. 187.90 Lacs.

Topaz Commerce Ltd. is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 26.20 Lacs, Net Profit of Rs. 15.67 Lacs and a Paid-up capital of Rs. 80.62 Lacs.

Giri Commercial Co. Pvt. Ltd. is engaged in share investment & trading business. As per audited results for the year 2002-03, it had gross income of Rs. 1.83 Lacs, Net Profit of Rs. 0.86 Lacs and a Paid-up capital of Rs. 123.86 Lacs.

- The relationship of the other Acquirer i.e. AGCL with the Persons deemed to be Acting in concert is that they are the part of the promoter group of the Target Company.

5. Information about the Target Company

- The Target Company is a Public Limited Company incorporated under the Companies Act, 1932 on 23rd February 1946 under the name "Hindusthan National Glass Mfg. Co. Ltd." Subsequently the name was changed to "Hindusthan National Glass & Industries Ltd." on 22nd November, 1971. The registered office of the company is situated at 2, Red Cross Place, Kolkata 700 001.

- The total equity share capital of HNG as on the date of this "PA" is Rs. 110435080 comprising of 1,10,43,368 fully paid-up shares of Rs. 10/-each and 280 forfeited shares of Rs. 10/- each. There are no partly paid-up shares of the target company.

- The Target Company is engaged in the manufacture of glass bottles and containers. The manufacturing facilities of the Company are located at Rishra (West Bengal) and Bahadurgarh (Haryana).
- The equity shares of the target company are listed on The Calcutta Stock Exchange Association Ltd., Kolkata, and The Stock Exchange, Mumbai (BSE).

- As per the audited results for the year ended 31st March, 2003 the target company earned total revenue of Rs.27048.36 lacs and reported profit after tax of Rs.312.03 lacs. The Networth of the Target Company as on 31st March 2003 is Rs. 13815.80 lacs The earnings per share is Rs. 2.83 and Return on Networth is 2.26 %. The Book value is Rs.77.29 (Book value is calculated excluding the revaluation reserves.)

6. Reasons for the Acquisition & Offer

- The Acquisition is for substantial acquisition of shares and voting rights without change in control/management.
- This offer will result into consolidation of holding by the acquirer.
- The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring or rationalization of assets, investments, liabilities or otherwise of the target company.
- Further the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of HNG except in the ordinary course of business of HNG, except with the prior approval of shareholders of HNG.

7. Statutory Approvals/ other approvals required for the offer:

- To the best of the knowledge of the Acquirer, there are no other statutory approvals required as on date of this "PA" to acquire the shares tendered pursuant to this Offer. The Offer will be subject to all other statutory approvals that may become applicable at a later date before the completion of Offer.
- In case of non receipt of any approvals, SEBI may, if satisfied that non receipt of the requisite approvals

was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders as directed by SEBI, in terms of Regulation 22(12) of SEBI (SAST) Regulations, 1997.

- The Acquirer do not require any approval of Bank / FI for making this open offer.

8. Delisting option to the Acquirer:

In terms of provisions of Regulation 21(3) of SEBI (SAST) Regulations, 1997, if the public shareholding falls below 10% of the voting capital of the Target Company the Acquirer shall make an offer to buy the outstanding shares remaining with the shareholders in accordance with the Guidelines specified by SEBI in respect of Delisting of Securities.

9. Financial Arrangements :

- The Acquirer has adequate resources to meet the financial requirements of the offer in terms of Regulation 16 (iv) of the SEBI (SAST) Regulations, 1997. The Acquirer proposes to implement this offer by the liquidating part of its current investment.
- The total funds required to implement the offer, assuming full acceptance shall be Rs. 10,11,07,972.80. A lien has been marked in favour of the Manager to the Offer in terms of Regulation 28 (4) (c) for 1046500 units of JM Income Fund (G) amounting to Rs. 27513112.90 (Rupees Two crores seventy five lacs thirteen thousand one hundred twenty and paise ninety) based on the NAV of Rs. 26,2906 as on 13.11.03 being 25% of the total consideration under the Open Offer with a margin of 8.85%. The Acquirer has deposited Rs. 10.12 lacs, being 1 % of the total consideration payable under the open offer assuming full acceptance, in an Escrow Account in terms of Regulation 28 opened with ABN Amro Bank N V at ITC Centre, 4 Russel Street, Kolkata 700 071.
- The Acquirer has duly authorized UTI Bank Limited - Manager to the Offer to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997.
- Mr. Hemant Agarwal of M/s Hemant K. Agarwal & Co., Chartered Accountants, 32, Ezra Street (North Block), 9th floor, Room No. 952, Kolkata 700001. (Ph. No. 033-22218404) Membership No.: 61250 has certified that the Acquirer has sufficient resources to meet all required financial obligations under the Offer. Based on this, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer as firm financial arrangement through verifiable means is in place to fulfill the offer obligations in accordance with SEBI (SAST) Regulations, 1997.

10. Other Terms of the Offer

- This is not a conditional offer and is not subject to any minimum level of acceptance.
- The Letter of Offer together with Form of Acceptance cum Acknowledgement will be mailed to the shareholders whose names appear on the Register of Members of the Target Company (except parties to the MoU and deemed PACS) and the beneficial owners of the Equity Shares of the Target Company, whose names appear on the beneficial records of the respective depositories, at the close of business on 1st December 2003 (the "Specified Date").
- All the shareholders who own the shares of the Target Company anytime before the closure of the offer, (except parties to the MoU and deemed PACS) are eligible to participate in the Offer.
- Shareholders holding shares in physical form and who wish to tender their 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, Niche Technologies Pvt. Ltd. at the following collection center either by Hand Delivery on Monday to Friday between 10.00 a.m. and 5.00 pm and on Saturday between 10.00 am and 2.00 pm or by Registered Post on or before the close of the Offer, i.e. 6th February, 2004. In accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

Address	Contact Person	Phone Nos.	Fax Nos.	E-mail ID
Niche Technologies Pvt. Ltd., 511, Bagri Market, 71, B.R. B. Basu Road, Kolkata 700 001	Mr. Said Abbas	(033) 22357271	(033) 22156823	nichetech@vsnl.com

- The Registrar to the Offer, Niche Technologies Pvt. Ltd. have opened a special depository in NSDL with Trans Scan Securities Pvt. Ltd. The DP ID is IN 302496 and the Beneficiary ID is 10019453. Shareholders having their beneficial account in CDLS will have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

- Beneficial owners (holders of equity shares in Dematerialized Form) who wish to tender their equity 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 the special depository account, to the Registrar to the Offer, Niche Technologies Pvt. Ltd. either by hand delivery on Monday to Friday between 10.00 a.m. and 5.00 pm and on Saturday between 10.00 am and 2.00 pm or by Registered Post on or before the close of the Offer, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

- All owners of equity shares, registered or unregistered, (except parties to the MoU and deemed PACS) are eligible to participate in the offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of Shares held, No. of shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds and the original contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners. Shareholders should ensure to credit their shares in favour of depository before closure of the offer.

- In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of Shares held, Distinct