

SUPPLEMENTARY PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF
SHRIRAM CITY UNION FINANCE LIMITED

Registered Office: 123, Angappa Naicken Street, Chennai - 600 001

**CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF
 SHRIRAM CITY UNION FINANCE LIMITED ("Target Company" or "Target" or "SCUFL")**

This Supplementary Public Announcement is in the continuation with the Public Announcement dated September 17, 2003 and should be read in conjunction with the Public Announcement.

This Supplementary Public Announcement is being issued by Enam Financial Consultants Private Limited ("Enam" or the "Manager to the Offer") on behalf of Shriram Chits & Investments Private Limited (hereinafter referred to as "SCIL" or "the Acquirer") pursuant to regulation 10, in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("the Regulations").

1. The Offer

The Offer price of Rs. 15.35/- per fully paid-up Equity Share of SCUFL in terms of regulation 20(4) and 20(5) of the Regulations, has been additionally justified by the following:

- a. The Adjusted Book Value per share based on the audited accounts for year ended March 31, 2003 is 18.32 (Pre Preferential Issue basis) and 16.17 (Post Preferential Issue basis).

Calculation of Adjusted Book Value per share (Rs. Lacs)		
	Pre Preferential Issue	Post Preferential Issue
Share Holders Funds		
Equity Share Capital	750.00	2710.00
Reserves and Surplus	2088.07	3136.67
Less: Unprovided Liabilities		
Incremental Deferred Tax Liability	1260.91	1260.91
Contingent Liability on Account of Income Tax	192.00	192.00
Miscellaneous Expenses	11.14	11.14
Net Worth	1374.02	4382.62
Number of Shares	7500000	27100000
Book Value per share (Rs.)	18.32	16.17

- b. Value Per Share on a weighted basis, of Rs. 14.73 as detailed below:

Parameters	Value per share	Weights	Weighted Value per share
	(a)	(b)	(a) x (b)
Market Based Value per share	15.33	2	30.66
Earning Based Value per share (PECV)	12.33	2	24.66
Net Asset Value per share (NAV)	18.32	1	18.32
Total	45.98	5	73.64
Value per share (73.64/5)			14.73

Accordingly Mr. Nandu Redij of M/s. N.P. Redij & Co., Chartered Accountants, Mumbai (Membership No. 36600) have vide their report dated January 13, 2004 stated that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995, (83 Com case 30) and precedences where weighted average has been used the Value Per Share on a weighted basis as per table above would be Rs. 14.73 per share, considering the pre preferential Net Asset Value of SCUFL of Rs. 18.32 per share, the post preferential Earning Based Value per share (PECV) of Rs. 12.33 and Average Market Price of Rs. 15.33 per share for the 2 weeks prior to August 05, 2003 (i.e. 30 days prior to September 4, 2003 the date of AGM approving the Preferential Issue).

Accordingly the valuation based on the above parameters works out to be Rs. 14.73/- per equity share.

- c. The Industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies, which have varied, and different businesses compared to SCUFL and also vary widely in terms of financial parameters with SCUFL.

2. Information on Shriram City Union Finance Limited ("SCUFL"), the Target Company

SCUFL is promoted by Mr. R. Thyagarajan, Mr. T. Jayaraman and Mr. A.V.S. Raja alongwith their relatives. Prior to the initial public offering of SCUFL, Integrated Enterprises (India) Ltd. and Integrated Advisory Services Ltd., companies belonging to the Integrated Group jointly held 58% of the paid up equity capital of SCUFL. As on September 11, 2003 Integrated Holdings Ltd., an Integrated Group company held 28.35% of the paid up equity capital of SCUFL.

The Integrated Group has in the past always supported the Promoters of SCUFL namely Mr. R. Thyagarajan, Mr. T. Jayaraman and Mr. A.V.S. Raja. It is with this support that the Promoters of SCUFL manage control of SCUFL.

3. Funding Arrangement for the Offer

City Union Bank Limited having its Registered office at 149, TSR Big Street, Kumbakonam - 612 001 has through its branch office at No. 67, Mandaveli Street, Mandaveli, Chennai - 600 028, extended the bank guarantee forming part of the Escrow arrangement from February 03, 2004 to April 30, 2004 in favour of Enam, the Manager to the Offer, on behalf of the Acquirer, to be enforced in the event of the Acquirer failing to meet their obligations under this Offer and the Regulations.

Mr. Y. Prabhu of M/s. Y Prabhu & Co., Chartered Accountants, 45, Poes Road, Chennai - 600 018 (Membership no. 016213), Tel.: (+91 44) 24359085 have certified vide their revised letter dated January 20, 2004, that the Acquirer has adequate resources to meet the financial requirements of the Open Offer.

4. Other Terms of the Offer

Shareholders may kindly note the following changes in the collection centres:

Name & Address of the Collection Centre	Contact Person	Mode of Delivery	Tel. No.	Fax. No.
MCS Limited 101, Shatdhal Complex, 1st Floor, Opp. Bata Showroom, Ashram Road, Ahmedabad 380 009	Mr. Mahendra Singh	Hand Delivery	079-6582878	079-6584027

MCS Limited Sri Venkatesh Bhavan, W - 40, Okhla Industrial Area, Phase II New Delhi 110 020	Mr. D C Verma	Hand Delivery	011-26384909	011-26384907
MCS Limited C/o Pal Associates 1/3222, Besides S.P. Agencies, Mominawad Goppipura Main Road, Surat 395 001	Mr. Vahed Y Malek	Hand Delivery	0261-2412766	0261-2412766

The revised schedule of some of the key events in respect of the Offer is given below:

Activity	Day and Date (Original)	Day and Date (Revised)
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Tuesday, September 30, 2003	Tuesday, September 30, 2003
Last date for a Competitive Bid	Thursday, October 09, 2003	Thursday, October 09, 2003
Date by which Letter of Offer will be despatched to shareholders	Thursday, October 30, 2003	Saturday, January 24, 2004
Date of Opening of the Offer	Thursday, November 06, 2003	Thursday, January 29, 2004
Last date for revising the Offer Price/ No. of equity Shares	Monday, November 24, 2003	Monday, February 16, 2004
Last date of withdrawal of tendered application by the shareholders of SCUFL	Tuesday, December 02, 2003	Tuesday, February 24, 2004
Date of Closure of the Offer	Friday, December 05, 2003	Friday, February 27, 2004
Date by which acceptance/rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted Equity Shares/Share Certificate(s) will be despatched/credited.	Friday, January 02, 2004	Thursday, March 25, 2004

For further details please refer to the Letter of Offer, Form of Acceptance and the Form of Withdrawal.

5. Declaration by the Acquirer

The Board of Directors of the Acquirer accepts full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirer as laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments made thereto.

A copy of the Public Announcement dated September 17, 2003, this Public Announcement and any subsequent Public Announcements if any will be available on SEBI's website at <http://www.sebi.gov.in>. Eligible persons who wish to participate in the Offer may also download the Letter of Offer, Form of Acceptance and Form of Withdrawal from the above mentioned website of SEBI, from the date of Opening of the Offer, i.e. January 29, 2004 and can apply on the same.

Registrars to the Offer:

MCS Limited, Sri Venkatesh Bhavan, Plot No. 27, Road No. 11, M.I.D.C. Andheri (East), Mumbai - 400 093 Tel.: (+91 22) 2821 5235 Fax: (+91 22) 2835 0456
 Email: mcsmum@vsnl.com
 Contact Person: Mr. Ashok Gupta

ISSUED BY MANAGER TO THE OFFER



ENAM FINANCIAL CONSULTANTS PRIVATE LIMITED
 801/ 802 Dalamal Tower, Nariman Point, Mumbai-400 021
 Tel.: (+91 22) 5638 1800 Fax: (+91 22) 2284 6824
 Email: scuflopenoffer@enam.com
 Contact Person: Ms. Shilpa Jhaveri

ON BEHALF OF THE ACQUIRER



Shriram Chits & Investments Private Limited
 Registered Office: 123, Angappa Naicken Street,
 Chennai - 600 001

Administrative Office: No. 1, Club House Road, Mount Road,
 Chennai - 600 002
 Tel.: (+91 44) 5201 1833/34 Fax: (+91 44) 2846 0045/0157
 Email: scil@vsnl.com

Place: Mumbai

Date: January 21, 2004