

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF SURANA INDUSTRIES LIMITED

Registered Office: 29 Whites Road, IInd Floor, Royapettah, Chennai – 600 014. Tamil Nadu.India

This Public Announcement (PA) is being issued by the Manager to the Offer i.e., SAL Securities Private Limited on behalf of the Acquirers, namely, Mr. G.R. Surana, Mr. Shantilal Surana, Mr. Vijayraj Surana, Mr. Dineshchand Surana, Mrs.Chandanbala Surana, Mrs. Saraladevi Surana, Mrs. Alka Surana and Mrs. Vasantha Surana (hereinafter collectively referred to as "Acquirers") pursuant to and in Compliance with Regulation 11(2) and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "SEBI (SAST) Regulations, 1997") and subsequent amendments thereto. The Acquirers are part of the promoter group.

1. THE OFFER

- 1.1 This Open Offer (the "Open Offer" or "Offer") is being made by Mr. G.R. Surana, Mr. Shantilal Surana, Mr. Vijayraj Surana, Mr. Dineshchand Surana, Mrs.Chandanbala Surana, Mrs. Saraladevi Surana, Mrs. Alka Surana and Mrs. Vasantha Surana (hereinafter collectively referred to as "Acquirers") to the Equity Shareholders of Surana Industries Limited ("SIL" or "Target Company" or "Company"), a public limited company incorporated under the Companies Act, 1956 (the "Companies Act"), and having its registered office at 29 Whites Road, IInd Floor, Royapettah, Chennai – 600 014, TamilNadu, India pursuant to and in Compliance with Regulation 11(2) of the SEBI (SAST) Regulations, 1997 and subsequent amendment thereto. The offer is being made to acquire the equity shares of the Company.
- 1.2 There is no person acting in concert with the Acquirers in terms of Regulation 2(1)(e)(1) of the SEBI (SAST) Regulations, 1997 in relation to this Offer. All purchases in this public offer will be made by the Acquirers.
- 1.3 The Acquirers (Mr. G. R. Surana is the Chairman of the Target Company and Mr. Dineschand Surana is the Managing Director of the Target Company) are part of the promoter group of the Target Company and as on 27th. February 2010 the Acquirers were holding 1,04,00,825 Equity Shares representing 51.61% of the paid up Equity Share Capital of the Target Company. As on 27th. February 2010 entire Promoter Group was holding 1,23,53,675 Equity Shares representing 61.31% of the paid up Equity Share Capital of the target company. As of 27th. February 2010 the total paid up Equity Share Capital Of the Target Company was Rs. 20,15,00,000/- only representing 2,01,50,000 Equity Shares of Rs. 10 each.
- 1.4 In addition to Equity Shares mentioned above, the Acquirers were also holding 70,00,000 Share Warrants of Rs 300 each ("Share Warrants") which were allotted to them equally on August 29th.2008 on preferential basis, for which they had each paid an amount of Rs. 2,62,50,000 representing 10% deposit as prescribed. The total amount of deposit received from them against the issue of Share Warrants was Rs. 21,00,00,000. The warrants were issued with an option to convert them into an equal number of equity shares of Rs. 10 each at a premium of Rs. 290 per equity share, within a period of 18 months from the date of allotment.
- 1.5 The shareholding details of the Acquirers and the Promoter Group in the Target Company, as on 27th. February 2010 was as under :

Name Of The Acquirer	No. Of Equity Shares Held	% Of Shareholding To Total Shareholding
Mr. G. R. Surana	13,62,394	6.76
Mr. Shantilal Surana	13,82,780	6.86
Mr. Vijayraj Surana	13,82,515	6.86
Mr. Dineshchand Surana	14,38,936	7.14
Mrs. Chandanbala Surana	12,22,750	6.07
Mrs. Saraladevi Surana	12,40,750	6.16
Mrs. Alka Surana	11,88,350	5.90

Mrs. Vasantha Surana	11,82,350	5.87
Other Promoter Group	19,52,850	9.69
Total	1,23,53,675	61.31

- 1.6 The Target Company placed Foreign Currency Convertible Bonds (“FCCB”) with Foreign Institutional Investors for a total amount of US \$ 25 Million, in two tranches on 15th. June 2007 and December 7th. 2007 respectively. The FCCB’S are valid for a period of 5 years & 5 days from the date of issue, and are convertible into equity shares of face value of Rs. 10 each anytime within the said period at the option of the investors, at a price of Rs 140 per equity share. As per reset clause, reset will be done only downwards on 15th June of 2008, 2009, 2010 and 2011 based on the previous 30 trading day’s average of closing price. Accordingly as on 15th June 2009 the price has been fixed at Rs. 136.97.
- 1.7 Taking into the consideration the post conversion scenario and to protect and safe guard the stake of the Target Company, on August 29th. 2008, the Promoters were allotted, 70,00,000 share warrants on preferential basis, of Rs 300 each, to be converted into 70,00,000 equity shares of Rs 10 each at a premium of Rs 290 per equity share, within a period of 18 months from the date of allotment. The entire promoter’s group aggregate shareholding as on date of allotment of share warrants stood at 54.54%.
- 1.8 During the period February 17th. 2010 to February 26th. 2010, the Acquirers paid an amount of Rs. 189,00,00,000 pending against the Share Warrants allotted to them. The acquirers had earlier paid an amount of Rs. 21,00,00,000 as share application money which was appropriated against the payment to be received from them in respect of the said warrants. They intimated the Target Company their intention to exercise their option to convert the Share Warrants into Equity Shares as per the terms of the allotment. Accordingly, on February 28th. 2010, the Acquirers were allotted 70,00,000 Equity Shares in the Company, as per the terms of allotment of the Share Warrants.
- 1.9 Accordingly the total paid up Equity Capital of the Target Company was increased from 2,01,50,000 Equity Shares of Rs. 10 each to 2,71,50,000 Equity Shares of Rs. 10 each. After the allotment of 70,00,000 Equity Shares to the Acquirers, their equity share holding of the Acquirers in the Target Company has increased from 1,04,00,825 Equity Shares representing 51.61% of the paid up Equity Share Capital to 1,74,00,825 Equity Shares representing 64.09 % of the post conversion paid up Equity Share Capital of the Target Company.
- 1.10 The entire Promoter Group Shareholding has also increased from 1,23,53,675 Equity Shares representing 61.31 % of the paid up Equity Share Capital to 1,93,53,675 Equity Shares representing 71.28% of the post conversion paid up Equity Share capital of the target company.
- 1.11 This conversion has resulted in triggering of Regulation 11(2) of the SEBI (SAST) Regulation 1997. Post conversion the shareholding of the Acquirer’s and the entire Promoter Group (as on 28th. February 2010) in the Target Company is as under:

Name Of The Acquirer	No. Of Equity Shares Held	% Of Shareholding To Total Shareholding
Mr. G. R. Surana	22,37,394	8.24
Mr. Shantilal Surana	22,57,780	8.32
Mr. Vijayraj Surana	22,57,515	8.31
Mr. Dineshchand Surana	23,13,936	8.52
Mrs. Chandanbala Surana	20,97,750	7.73
Mrs. Saraladevi Surana	21,15,750	7.79
Mrs. Alka Surana	20,63,350	7.60
Mrs. Vasantha Surana	20,57,350	7.58
Other Promoter Group	19,52,850	7.19
Total	1,93,53,675	71.28

- 1.12 Out of the total Equity Shares held by the Acquirers 70,00,000 shares are held in a lock in period of 18 months, with the lock in period ending on 28th. August 2011. These shares are not listed and have been issued to the Acquirers upon conversion of 70,00,000 Share Warrants into 70,00,000 Equity Shares on February 28th. 2010.
- 1.13 Out of the total Equity shares held by the Acquirers and the other promoter group, 58,50,000 Equity shares are pledged with Industrial Finance Corporation of India Limited against the Corporate Loan to Surana Industries Limited and 25,00,000 Equity Shares are pledged with IDBI Bank Ltd against the term loan granted to Surana Industries Limited for modernisation of plant at Gummidipoondi. '
- 1.14 Out of the total Equity Shares held by the Acquirers and the other Promoter Group 40,00,000 Equity Shares are pledged with SAL Securities Private Limited, the manager to offer, pursuant to this open offer.
- 1.15 The Acquirers had earlier made an Open Offer in terms of Regulation 11(1) of the SEBI (SAST) Regulations 1997 to the equity shareholders of Surana Industries Limited. This Open Offer was made on 31st. December 2009 and closed on 1st. February 2010 and was made to acquire 40,30,000 Equity Shares of Surana Industries Limited, of Rs 10 each. The Open Offer was triggered on account of the Acquirers converting 30,00,000 share warrants of Rs. 150/- each into 30,00,000 fully paid equity shares of Surana Industries Limited. The warrants were issued with an option to convert them into an equal number of equity shares of Rs. 10/- each at a premium of Rs. 140 per equity share, within a period of 18 months from the date of allotment. There was a delay of 431 days by the Acquirers in making the Open Offer and accordingly the Acquirers had paid interest @ 10% p.a. to the Equity Shareholders. The Offer Price of Rs. 150/- per equity share was increased by interest of Rs. 17.70/- per equity share, for the delay of 431 days and the consolidated offer price was Rs. 167.70/- per equity shares. Out of the total number of 40,30,000 shares proposed to be acquired in the open offer, the Acquirers received applications for 7,24,354 equity shares, out of which valid applications for 7,14,370 shares were accepted by the Acquirers and cash payment was made to these Equity Shareholders by the Acquirers.
- 1.16 These 7,14,370 shares acquired through the open offer, were transferred to the Acquirers, equally, on March 4th. 2010.
- 1.17 Accordingly the shareholding of the Acquirer's and the entire Promoter Group (as on the date of the Public Announcement) in the Target Company is as under:

Name Of The Acquirer	No. Of Equity Shares Held	% Of Shareholding To Total Shareholding
Mr. G. R. Surana	23,26,692	8.57
Mr. Shantilal Surana	23,47,076	8.64
Mr. Vijayraj Surana	23,46,811	8.64
Mr. Dineshchand Surana	24,03,232	8.85
Mrs. Chandanbala Surana	21,87,046	8.06
Mrs. Saraladevi Surana	22,05,046	8.12
Mrs. Alka Surana	21,52,646	7.93
Mrs. Vasantha Surana	21,46,646	7.91
Other Promoter Group	19,52,850	7.19
Total	2,00,68,045	73.91

- 1.18 The Offer is not as a result of global acquisition resulting in indirect acquisition of the target company.

- 1.19 **The Open Offer was triggered on 28th. February 2010 and accordingly the Acquirers should have issued the Public Announcement in this regard, not later than 3rd. March 2010 in compliance with SEBI (SAST) Regulation 1997. Accordingly there has been a delay of 101 days on part of the Acquirers in issuing this Public Announcement.**
- 1.20 The Acquirers intend to make an Open Offer in terms of Regulation 11(2) of the SEBI (SAST) Regulations 1997, to the shareholders of Surana Industries Limited to acquire 54,30,000 Equity Shares of Rs 10 each representing 20% of the total post conversion paid up Equity Share Capital of Surana Industries Limited at a consolidated offer price of Rs. 309.00 (Rupees Three Hundred and Nine Only) per fully paid up Equity Share ("**Consolidated Offer Price**") payable in cash subject to the terms & conditions mentioned hereinafter, whose names appear on the register of members on **Specified Date i.e. 12th. July, 2010.**
- 1.21 The Consolidated offer price of Rs. 309.00 per fully paid Equity Share comprises of the **Offer Price** of Rs. 300 per fully paid up Equity Share and interest on the offer price @ 10% p.a. for 101 days, which works out to Rs. 9.00 per fully paid up Equity Share of the Target Company in respect of the delay in issuing the Public Announcement.
- 1.22 There are no partly paid up Equity Shares in the Target Company.
- 1.23 In terms of Regulations 11(2A) and 21(3) of the regulations read with clause 40A of the listing agreement entered into with the stock exchanges by the Target Company, the Promoters of the Target Company along with persons acting in concert with them cannot hold more than 75% of the total share capital/voting rights of Surana Industries Limited. In other terms, the Promoters of Surana Industries Limited will have to maintain the minimum public shareholding level of 25% in order to ensure continual listing of the shares of Surana Industries Limited in the stock exchanges, where the shares of Surana Industries Limited are listed namely, The Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and the Madras Stock Exchange Limited (MSE).
- 1.24 The Equity Shares of Surana Industries Limited are at present listed on Bombay Stock Exchange Limited (BSE), The National Stock Exchange of India Limited (NSE) and on Madras Stock Exchange Limited (MSE). Trading on the BSE has commenced from 12th. September 1994 and on the NSE from 28th. December 2006.
- 1.25 Except as mentioned in para 1.8 & 1.15 above, the Acquirers, have not acquired any share in the Target Company including by way of allotment in public or rights issue or by way of preferential allotment by the Target Company during the 26-weeks period prior to the date of this Public Announcement. There is no negotiated price under any agreement for acquisition of shares of the Target Company by the Acquirers in the 12-month period prior to the date of this Public Announcement.
- 1.26 The shares of Surana Industries Limited are listed on BSE, NSE and Madras Stock Exchange. The annualised trading turnover in the Shares of Surana Industries Limited during preceding six calendar months prior to the month of the PA is 12.06 % and 14.25 % of the listed number of shares of Surana Industries Limited on the BSE and the NSE respectively. (Source: www.bseindia.com and www.nseindia.com). There has been no trading in the shares of Surana Industries Limited on the Madras Stock Exchange during the relevant period. Accordingly the shares of the Target Company are frequently traded on the BSE and the NSE, within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations 1997.
- 1.27 Pursuant to the conversion of 30,00,000 share warrants into 30,00,000 equity shares of the Target Company, the total capital of the Target Company was increased from 1,71,50,000 equity shares to 2,01,50,000 equity shares. These 30,00,000 equity shares were listed on the BSE on December 3rd. 2008 and were listed on the NSE on May 17th. 2010. For the purpose of calculating the annualised trading turnover in the shares of Surana Industries Limited, on the NSE, during preceding six calendar months prior to the month of the PA, the weighted average number of shares listed during the said six months has been considered.

- 1.28 The shares of Surana Industries Limited are most frequently traded on the NSE, within the meaning of Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997. Therefore the trading turnover on the NSE has been considered for the purposes of Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997. Hence the open offer price of Rs.300/- per share has been determined under Regulation 20(4) of the Regulations, taking into account the following factors:

(a)	The Negotiated Price under Regulation 14(1)	Not Applicable
(b)	Highest Price paid by Acquirer for acquisition, including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement	Rs. 300 per share
(c)	The average of weekly high and low of the closing prices for the shares of the target company as quoted on NSE, being the stock exchange where the shares of the target company are most frequently traded during the 26 weeks prior to the date of the PA	Rs. 234.30 per share
(d)	The average of the daily high and low prices for shares of the target company as quoted on NSE, being the stock exchange where the shares of the target company are most frequently traded during the 2 weeks period preceding the date of the PA	Rs. 275.80 per share
(c)	Other Parameters: Book Value Per Share (as on 31 st . March 2010) Earnings Per Share (as on 31 st . March 2010) Return On Net worth (%)	Rs. 190.44 Rs. 16.73 6.71 %

- 1.29 The Offer Price of Rs. 300 per equity share offered by the Acquirers to the shareholders of Surana Industries Limited under the proposed Open Offer is justified in terms of Regulations 20(11) of the SEBI (SAST) Regulations, 1997. In the opinion of the Manager to the Offer and the Acquirers, the Offer Price is justified.
- 1.30 The Offer is not conditional upon any minimum level of acceptance, i.e. the Acquirers will acquire all the fully paid-up equity shares of the Target Company that are tendered in terms of the Offer, subject to the conditions specified in this Public Announcement, Letter of Offer and Form of Acceptance-cum-Acknowledgement.
- 1.31 The Offer is not a competitive bid.
- 1.32 As on the date of this Public Announcement, SAL Securities Private Limited, the Manager to the Offer does not hold any share of the Target Company.

2. INFORMATION ABOUT THE ACQUIRERS

- 2.1 Mr. G.R.Surana is part of the existing Promoter Group of the Target Company and is presently the Chairman of the Target Company. He is son of Mr. Udairaj Surana and aged 58 years, an Indian Citizen residing at No. 2, Vimala Street, Ayyavoo Colony, Aminjikalai, Chennai – 600 029. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mr. G.R.Surana belongs to business family and hails from Rajasthan. He has 32 years of experience in banking, hire purchase and leasing and the jewellery business. He also has over 15 years of experience of trading in steel. He is the founder member of Surana Group and he along with his three brothers has been instrumental in the steady growth of the Target Company over the last 15 years.

Mr. G.R. Surana is also a director in Surana Power Limited, Surana Green Power Limited and Surana Foundation Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mr. G.R. Surana as on 31-03-2010 is Rs. 53.25 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to him and he has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mr. G.R.Surana is holding 23, 26,692 equity shares in the Target Company. Out of these shares 89,298 equity shares have been acquired by him through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.2 Mr. Shantilal Surana is part of the existing Promoter Group of the Target Company. He is son of Mr. Udairaj Surana and aged 56 years, an Indian Citizen residing at New Door No.23,Old Door No.13A, Mandapam Road,Kilpauk,Chennai-10. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mr. Shantilal Surana has 32 years of experience in banking, hire purchase and leasing and the jewellery business. He also has over 15 years of experience of trading in steel. Currently he is the Chairman of Surana Corporation Limited, a company engaged in the business of manufacturing and export of jewellery. The Company is listed on the BSE, NSE and MSE.

Mr. Shantilal Surana is also a director in Surana Power Limited, Surana Green Power Limited and Surana Foundation Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mr. Shantilal Surana as on 31-03-2010 is Rs. 43.96 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to him and he has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mr. Shantilal Surana is holding 23,47,076 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by him through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.3 Mr. Vijayraj Surana is part of the existing Promoter Group of the Target Company. He is son of Mr. Udairaj Surana and aged 47 years, an Indian Citizen residing at Flat No.2D,IIInd.Floor,' Orchid Villa', 15,Harrington Road, 6th. Avenue Corner, Chetpet, Chennai-600 031. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mr. Vijayraj Surana has more than 22 years of experience in banking, hire purchase and leasing and the jewellery business. He also has over 15 years of experience of trading in steel. Currently he is the Managing Director of Surana Corporation Limited, a company engaged in the business of manufacturing and export of jewellery. The Company is listed on the BSE, NSE and MSE.

Mr. Vijayraj Surana is also a director in Surana Power Limited, Surana Green Power Limited and Surana Foundation Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mr. Vijayraj Surana as on 31-03-2010 is Rs. 53.86 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to him and he has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mr. Vijayraj Surana is holding 23,46,811 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by him through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.4 Mr. Dineshchand Surana is part of the existing Promoter Group of the Target Company and is presently the Managing Director of the Target Company. He is son of Mr. Udairaj Surana and aged 45 years, an Indian Citizen residing at New No.49, Old No.A-34, "A" Block, 6th Street, Anna Nagar East, Chennai-600 102 . Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mr. Dineshchand Surana has been the Managing Director of the Target Company since 2000 and is a founder promoter of the Target Company. He has 22 years of experience in steel trading and manufacturing as well as finance and jewellery. He looks after the day to day operations and management of the business of the Target Company.

Mr. Dineshchand Surana is also a director in Surana Power Limited, Surana Foundation Limited, Surana Mines and Minerals Limited, Surana Green Power Limited and 6th. Sense Infrastructure Private Limited,

Mr. S.Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S.Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mr. Dineshchand Surana as on 31-03-2010 is Rs. 55.85 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to him and he has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mr. Dineshchand Surana is holding 24,03,232 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by him through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.5 Mrs. Chandanbala Surana is part of the existing Promoter Group of the Target Company. She is the wife of Mr. G.R. Surana and aged 53 years, an Indian Citizen residing at No. 2, Vimala Street, Ayyavoo Colony, Aminjikarai, Chennai – 600 029. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mrs. Chandanbala Surana is a partner in Rukma Investments. The other partners in the firm are Mrs. Saraladevi Surana, Mrs. Alka Surana and Mrs. Vasantha Surana. She is also a director in Rukma Devi Investment Private Limited.

Mr. S.Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S.Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mrs. Chandanbala G.R. Surana as on 31-03-2010 is Rs. 25.81 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to her and she has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mrs. Chandanbala Surana is holding 21,87,046 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by her through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.6 Mrs. Saraladevi Surana is part of the existing Promoter Group of the Target Company. She is the wife of Mr. Shantilal Surana and aged 47 years, an Indian Citizen residing at New Door No.23, Old Door No.13A, Mandapam Road, Kilpauk, Chennai-10. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mrs. Saraladevi Surana is a partner in Rukma Investments. The other partners in the firm are Mrs. Chandanbala Surana, Mrs. Alka Surana and Mrs. Vasantha Surana. She is also a director in Rukma Devi Investment Private Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mrs. Saraladevi Surana as on 31-03-2010 is Rs. 27.17 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to her and she has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mrs. Saraladevi Surana is holding 22,05,046 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by her through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.7 Mrs. Alka Surana is part of the existing Promoter Group of the Target Company. She is the wife of Mr. Vijayraj Surana and aged 37 years, an Indian Citizen residing at Flat No.2D, IInd.Floor, 'Orchid Villa', 15, Harrington Road, 6th. Avenue Corner, Chetpet, Chennai-600 031. Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mrs. Alka Surana is a partner in Rukma Investments. The other partners in the firm are Mrs. Chandanbala Surana, Mrs. Saraladevi Surana and Mrs. Vasantha Surana. She is also a director in Rukma Devi Investment Private Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mrs. Alka Surana as on 31-03-2010 is Rs. 24.02 Crores. .

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to her and she has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mrs. Alka Surana is holding 21,52,646 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by her through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

- 2.8 Mrs. Vasantha Surana is part of the existing Promoter Group of the Target Company. She is the wife of Mr. Dineshchand Surana and aged 38 years, an Indian Citizen residing at New No.49, Old No.A-34, "A" Block, 6th Street, Anna Nagar East, Chennai-600 102 . Tel No: 044-28525127, 28525596. Fax No: 044-28520713.

Mrs. Vasantha Surana is a partner in Rukma Investments. The other partners in the firm are Mrs. Chandanbala Surana, Mrs. Saraladevi Surana and Mrs. Alka Surana. She is also a director in Rukma Devi Investment Private Limited.

Mr. S. Sunil Kumar Jain, Chartered Accountants (Membership No. 204883) Proprietor S. Sunil Kumar Jain having office at 123,(Old 60), N.S.C Bose Road, Chennai - 600079, Tel No.: 044-25355320 has certified vide their certificate dated (09-06-2010) that the Net Worth of Mrs. Vasantha Surana as on 31-03-2010 is Rs. 24.67 Crores.

The compliances under Chapter II of the SEBI (SAST) Regulations, 1997 are applicable to her and she has made timely disclosures to the Target Company and to the Stock Exchanges.

As on the date of the PA, Mrs. Vasantha Surana is holding 21,46,646 equity shares in the Target Company. Out of these shares 89,296 equity shares have been acquired by her through an earlier Open Offer, in terms of Regulation 11(1) of the SEBI (SAST) Regulations, 1997.

3. INFORMATION ABOUT THE TARGET COMPANY – SURANA INDUSTRIES LIMITED.

- 3.1 The Target Company was incorporated on March 25, 1991 as SURANA METALS & STEELS (INDIA) LIMITED. The name was subsequently changed to SURANA INDUSTRIES LIMITED vide fresh certificate of incorporation dated February 5, 2002 issued by the Registrar of Companies, Chennai, Tamil Nadu. It is primarily into the business of manufacturing of steel. The registered office of SIL is located at "29 Whites Road, IInd. Floor, Royapettah, Chennai – 600 014, Tamil Nadu, India. The shares of Surana Industries Limited are listed on the BSE, NSE and MSE.

- 3.2** The authorised capital of Surana Industries Limited constitutes of 7, 00, 00,000 equity shares of Rs. 10/- each. The issued and paid up equity share capital of the Company constitutes of 2,71,50,000 fully paid Equity Shares of Re. 10/- each aggregating Rs. 27.15 crores, which includes 70,00,000 Equity Shares allotted to the Acquirers, arising out of conversion of Share Warrants into Equity Shares on February 28th. 2010.
- 3.3** There are no partly paid up Equity Shares in the Target Company.
- 3.4** During the year 2009-10, the Target Company has taken the approval of the shareholders, to issue 7,40,000 equity shares on a preferential basis to a select group of persons, not related to the promoter group, at a price of Rs. 500 per equity share (Rs. 10 paid up and a premium of Rs. 490 per share). The Target Company has received an amount of Rs. 38.13 crores as application money in respect of these shares. However the allotment of these shares is still pending.
- 3.5** Surana Industries Limited is engaged in the manufacture of thermo mechanically treated bars and other mild steel products used in construction industry. The Company has its manufacturing facility at Gummidipondi, 45kms North of Chennai. The said unit produces 30,000 tonnes of steel ingots and the rolling mill with the capacity of 1,09,800 tonnes of hot rolled mill and 60000 tonnes per annum capacity of cold rolling mill. The latter is situated at madhavaram. The Company has important clients like Infosys Technologies, TVS Group, L&T, Ford Motors etc.
- 3.6** Surana Industries Limited has also set up an integrated steel complex at Raichur, in the state of Karnataka, 580 kms from Chennai, which is well connected by rail and road. The integrated steel complex consists of the following facilities:

Direct Reduction of Iron Plant	1,28,000 TPA
Steel Melting Shop	2,25,000 TPA
Rolling Mill	2,00,000 TPA
Power Plant	35 MW

The DRI plant and the Steel Melting shop have started functioning and commercial production is in full flow.

- 3.7** The estimated cost of the project is around Rs. 570 crores, which has been financed through term loans from Banks and equity contributions in the form of Promoters contribution, FCCB besides internal cash generations.
- 3.8** Surana Industries Limited also has a Wind Mill Division and the Company has established eight wind mills in Tirunelveli district in Tamil Nadu at a cost of Rs. 73 crores. The combined capacity of the wind mills is 11.40 MW. Till now the mills have produced 6,69,89,299 units of electricity. Besides captive consumption the Company has also been able to export the surplus electricity to the Electricity Boards.
- 3.9** Surana Industries Limited has formed a wholly owned subsidiary – Surana Power Limited. The 35 MW Power Plant, at Raichur Complex, has been hived off to Surana Power Limited for a total consideration of around Rs.237 crores. Surana Power Limited has allotted their shares to the extent of Rs.56.25 crores and the remaining amount of Rs.168.75 crores was paid by them by way of funds to Surana Industries Ltd.
- 3.10** Besides this, Surana Power Limited is also setting up a 2 x 210 MW totaling 420 MW thermo power plant in the Industrial Growth Centre in Raichur, Karnataka. The total cost of the 455 MW power plant inclusive of the 35 MW comes to Rs.2,635 crores. For this purpose, Surana Power Limited has got sanctions of term loans from IDBI Bank and other banks to the extent of Rs.1,968.75 crores. The remaining amount of Rs. 666.25 crores is being subscribed as equity capital. Out of this a sum of Rs.366.25 crores is coming from Surana Industries Limited as an equity and around Rs.300 crores is being subscribed by Overseas Ventures.

- 3.11** In terms of projections given by Surana Power Limited, from the year 2015 they will be producing a total of 3557 Million Units p.a. The Information Memorandum prepared by the appraising unit has indicated total cash accruals of Rs. 274 crores for the company. This will be sufficient for the company to repay the loans taken by them.
- 3.12** Further, Surana Power Limited has also invested a sum of Rs. 51 crores in its wholly owned subsidiary viz., Surana Mines and Minerals Limited. Surana Mines and Minerals Limited has already acquired 51% of the shares of PT Agate Resources who is having mining rights in Indonesia for exploiting coal. The total coal reserve is estimated at 62 million tones. Out of the total Coal exploited 51% will be supplied by them to Surana Mines and Minerals Limited, who in turn will sell the coal to Surana Power Ltd for its Raichur Unit.
- 3.13** There are no partly paid up Equity Shares in the Target Company.
- 3.14** The Board Of Directors of Surana Industries Limited, as on date of the PA is as below:

Name of Director	Address
Mr. G.R.Surana Chairman	No. 2, Vimala Street, Ayyavoo Colony, Aminjikarai, Chennai – 600 029.
Mr. Dineshchand Surana Managing Director	New No.49, Old No.A-34, "A" Block, 6th Street, AnnaNagar East, Chennai - 600 102
Mr. V.M.Swami Whole time Director	No. 13, 4 th . Cross Street, Sastri Nagar, Chennai – 600 020
Mr. Krishna Udappa	137, AICOBOO Nagar, 13 th . Main, II Cross, BTM Layout, Bengaluru – 560 068
Dr. B. Samal	1101, Lokhandwala, Galaxy Junction, Off KK Marg, NM Joshi Marg, Byculla (West), Mumbai – 400 011
Dr. S.K.Gupta	No. 14, Singapore Garden, Kanakapura Road, P.O., Doddakalasangra, Bengaluru – 560 062
Mr. K.N.Prithviraj	Flat No. 3, Second Floor, 265, Dr. Srinivas Ayya Road, 8 th . Main, BEML Layout, Rajeshwari Nagar, Bengaluru – 560 098
Mr. V.Aranganathan	No. 12/42, Kalaimagal Nagar, IInd Street, Ekkatuthangal, Chennai – 600 097
Mr. Biju George Nominee Director - IDBI	A6, IDBI Quarters, 4, Rameswaram Street, T.Nagar, Chennai – 600 017
Mr. B.S Patil	149, 5 th . Cross, 10 th . Main, RMV Extension, Bengaluru – 560 080

- 3.15** Brief Financials of SIL for the year ended March 31, 2010 as per the Annual Report are as under:
(Rs. In Lakhs except per share data)

Particulars	Year Ended 31-03-2010 (Audited)
Total Income	1,00,381.33
Profit After Tax	3,471.14
Reserves & Surplus (Excluding Revaluation Reserve)	45,176.11
Net Worth	51,704.93
Basic Earnings Per Share (Rs)	16.73
Diluted Earnings Per Share (Rs)	12.40
Return on Networth (%)	6.71%
Book Value Per Share (Rs).	190.44

- 3.16** The Shareholding Pattern of the Target Company as on the date of Public Announcement is as follows:

Category	No. Of Shares Held
Promoters, Directors and their Relatives	2,00,68,045
Foreign Institutional Investors	39,209
NRI	28,93,692
Foreign Corporate Bodies	7,00,000
Bodies Corporate	22,85,626
Individuals	9,86,765
Mutual Fund	53,539
HUF	1,07,807
Clearing Members	15,317
Total	2,71,50,000

4 Reasons For The Acquisition And The Offer And Future Plans About The Target Company

- 4.1** The Acquirers were holding 1,04,00,825 Equity Shares representing 51.61 % of the paid up Equity Share Capital of the Target Company and the entire Promoter Group was holding 1,23,53,675 Equity Shares representing 61.31 % of the paid up Equity Share Capital of the Target company. On February 28th. 2010, by exercising the option to convert the Share Warrants into Equity Shares, the Acquirers have acquired additional 70,00,000 Equity Shares of the Target Company and the shareholding of the Acquirers has increased to 1,74,00,825 Equity Shares representing 64.09% of the post conversion paid up Equity Share Capital of the Target Company. The shareholding of the entire Promoter Group has increased to 1,93,53,675 Equity Shares representing 71.28 % of the post conversion paid up Equity Share Capital of the target company. Subsequently on March 4th. 2010, the 7,14,370 shares acquired by the Acquirers through the earlier open offer were also transferred in the names of the Acquirers. Accordingly the shareholding of the entire promoter group increased to 2,00,68,045 Equity Shares representing 73.91% of the total paid up capital of the Company. Hence consolidation of the holdings is the reason for the acquisition.
- 4.2** The Offer is not due to any global acquisition resulting in indirect acquisition.
- 4.3** The Offer to the shareholders of SIL is being made in accordance with Regulation 11 (2) of the SEBI (SAST) Regulations, 1997.
- 4.4** Consolidation of the shareholding is the only object and purpose of the acquisition.
- 4.5** The Acquirers at present have no intention to sell, dispose of or otherwise encumber any substantial assets of Surana Industries Limited in the succeeding two years, except in the ordinary course of business of Surana Industries Limited. However the future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of SIL.
- 4.6** The acquirers are part of the existing promoter group of the Company and as on date, have no specific future plan about the target Company.

5 Statutory Approvals / Other Approvals Required For The Offer

- 5.1** The Offer is subject to the Acquirers obtaining the approval(s) from the Reserve Bank of India (RBI), if any required, under the Foreign Exchange Management Act, 1999. The Acquirers will make applications for the requisite approval(s) from the RBI, if any, at the appropriate time.
- 5.2** To the best of the knowledge of the Acquirers, as on the date of this Public Announcement, there are no other statutory approvals required to implement the Offer, other than those indicated above. If any other statutory approvals become applicable, the Offer would be subject to such

statutory approvals. The Acquirers in terms of Regulation 27 of SEBI (SAST) Regulations, 1997, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.

- 5.3** In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirers for payment of consideration to the shareholders of the Target Company, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations, 1997. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.
- 5.4** To the best of their knowledge, the Acquirers do not require any approvals from financial institutions or banks for the Offer.

6 Continuous Listing of Shares in terms of Regulation 21(2)

- 6.1** The Offer (assuming full acceptance) would result in public shareholding in the Target Company being reduced below the minimum level required as per the Listing Agreement with the Stock Exchanges for the purpose of listing on continuous basis. The Acquirers in terms of the provisions of regulation 21(2) of the SEBI (SAST) Regulations, 1997 will facilitate the target company to raise the level of Public shareholding to the level specified for continuous listing as specified in the listing agreement with the stock exchange within the time mentioned therein. Accordingly, the Acquirers undertake to comply with the provisions of the listing agreement so as to maintain the minimum % of public shareholding in the Target Company required for continuous listing.

7 Financial Arrangements

- 7.1** The Total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be Rs. 167,78,70,000/- (Rupees One Hundred Sixty Seven Crores Seventy Eight Lakhs and Seventy Thousand Only) i.e. consideration payable for acquisition of 54,30,000 fully paid equity shares of Target Company at an Consolidated Offer Price of Rs. 309.00/- (Rupees Three Hundred and Nine Only) per equity share.
- 7.2** In terms of Regulation 16(xiv), firm arrangement for financial resources required to implement the offer has already been put in place by the Acquirers. The Acquirers have already received an amount of Rs. 175,00,00,000/- (Rupees One Hundred and Seventy Five Crores Only) through sale of properties owned by them. The Acquisition will be financed through these resources.
- 7.3** Mr. S. Sunil Kumar Jain , Proprietor (Membership no. 204883) of S. Sunil Jain & Company, Chartered Accountant, 123, Old 60, N.S.C Bose Road, Chennai – 600 079 has certified, vide certificate dated 9th. June 2010 that the acquirers have adequate financial resources for fulfilling all the obligations under the Open Offer.
- 7.4** By way of security for performance of the Acquirers obligations under the Regulations, the Acquirers have pledged with SAL Securities Private Limited, 40,00,000 (Fourty Lakh only) fully paid equity shares of Surana Industries Limited of the face value of Rs 10./- each having a closing market price of Rs. 289.85/- per Equity Share on June 10th. 2010 at NSE. The total value of Equity Shares pledged is Rs. 115,94,00,000/- (Rupees One Hundred Fifteen Crores and Ninety Four Lakhs Only) and as on June 10th.2010, exceeds the Escrow amount requirement stipulated under regulation 28(2). The Acquirers have undertaken to maintain a margin of 25% at all times during the Offer Period over the minimum requisite Escrow requirement as stipulated under Regulation 28(2). SAL Securities Private Limited is empowered to realize the value of the shares by sale or otherwise, provided if there is any deficit on realization of the value of shares, such deficit if any shall be made good by SAL Securities Private Limited. The Acquirers has authorised SAL Securities Private Limited to realize the value of the Escrow Account as required under the Regulations. The above mentioned securities held in the name of Acquirers and Other Promoter Group, pledged for the Escrow account are free from any lien/encumbrances and carry voting rights.

- 7.5** The Acquirers, SAL Securities Private Limited, and HDFC Bank Limited ("HDFC"), a banking corporation incorporated under the laws of India and having one of its branch offices at No. 115, Radhakrishna Salai, 9th. Floor, Mylapore, Chennai – 600 004, India have entered into an Open Offer Escrow Agreement (the "Escrow Agreement") in accordance with Regulation 28 of the SEBI (SAST) Regulations. The Manager to the Offer has been duly authorised by the Acquirers to operate and realize the value of Escrow Account in terms of the Regulations.
- 7.6** As per Regulation 28(10), the Acquirers have also made a cash deposit ("Security Deposit") of Rs. 1,75,00,000/- (Rs. One Crores and Seventy Five Lakhs only) (being not less than 1% of the Maximum Consideration) in Escrow Account with HDFC Bank No. 115, Radhakrishna Salai, 9th. Floor, Mylapore, Chennai – 600 004, India (the "Escrow Account"). In accordance with Regulation 28 of the SEBI (SAST) Regulations.
- 7.7** SAL Securities Private Limited has been duly authorized by the Acquirers to operate and realize the value of the Escrow Account in terms of the Regulations.
- 7.8** SAL Securities Private Limited is satisfied with the ability of Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations.

8 Other Terms of The Offer

- 8.1** The Offer is not subject to any minimum level of acceptances from shareholders.
- 8.2** A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum- Acknowledgement will be mailed on or before Tuesday, 29th. July 2010 to the shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the owners of the shares of the Target Company whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Monday, 12th July 2010 (**the Specified Date**). No Letter of Offer together with a Form of Acceptance-cum- Acknowledgement will be mailed to the Acquirers and the Promoter Group of Surana Industries Limited.
- 8.3** All owners of Shares, registered or unregistered, except the Acquirers and the Promoter Group of Surana Industries Limited, are eligible to participate in the Offer anytime before closure of the Offer.
- 8.4** Shareholders who hold Shares in the physical form and wish to offer the Shares for sale pursuant to the Offer, shall be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and transfer deed(s) duly signed to Cameo Corporate Services Limited, No 1, Club House Road, 5th Floor, Subramanian Building, Chennai – 600 002, India, Tel: 044-284603950, Fax: 044-28460129, Contact Person: Ms. Sreepriya K, email: investor@cameoindia.com, who are acting as the Registrar to the Offer, either by hand delivery during business hours (Mondays to Saturdays between 10.00 a.m. to 5.00 p.m.) or by registered post so that the same are received on or before the close of the Offer, i.e. by 25th August 2010, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement.
- 8.5** The Registrar has opened a special depository account with SAL Securities Private Limited, 629/1243, Uttar Bhartiya Sangh Building, 1st Floor, Behind Teacher's Colony, Bandra (East), Mumbai-400 051 the Depository Participant in Central Depository Services (India) Limited (CDSL), as "Cameo Corporate Services Limited-Escrow A/c- SIL Open Offer". The DP ID is 12055000 and Beneficiary Client ID is 00000971. Shareholders holding their beneficiary account in National Securities Depository Limited (NSDL) will have to use an inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the special depository account with CDSL.

- 8.6** Beneficial owners (holders of Shares in dematerialised 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 instructions in off-market mode, duly acknowledged by the Depository Participant (DP), in favour of the above mentioned special depository account, to the Registrar to the Offer Cameo Corporate Services Limited, No 1, Club House Road, 5th Floor, Subramanian Building, Chennai – 600 002, either by hand delivery during business hours (Mondays to Saturdays between 10.00 a.m. to 5.00 p.m.) or by registered post so as to reach on or before the close of the Offer, i.e. by Wednesday, 25th August 2010, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement. Beneficial owners should ensure that they credit their Shares in favour of the aforementioned special depository account before the close of the Offer i.e. before Wednesday, 25th August 2010.
- 8.7** Persons who own Shares and whose names do not appear on the Register of members of the Company on the Specified Date are also eligible to participate in this Offer. Unregistered owners of shares of the Target Company can 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, distinctive numbers, folio numbers, together with the original share certificate(s), 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.
- 8.8** Owners of Shares who have sent their Shares for transfer should enclose, Form of Acceptance-cum-Acknowledgement duly completed and signed, copy of the letter sent to the Target Company for transfer of Shares and valid share transfer form(s). Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialised is completed well in time so that the credit in the aforesaid special depository account is received on or before the date of close of the Offer, i.e. by Wednesday, 25th August 2010, else the application will be rejected.
- 8.9** 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, number of Shares held, number of Shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the close of the Offer, i.e. by Wednesday, 25th August 2010 or in the case of beneficial owners, they may send the 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, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in off- market mode or counterfoil of the delivery instruction in the off-market mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e. by Wednesday, 25th August 2010.
- 8.10** All owners of shares of the Target Company, registered or unregistered, who wish to avail of and accept the Offer can also hand deliver the Form of Acceptance-cum-Acknowledgement along with all the relevant documents at the collection centre below in accordance with the procedure as set out in the Letter of Offer. The collection centre mentioned herein below would be open on all working days as follows:
Business Hours: Mondays to Saturdays 10.00 a.m. to 5.00 p.m. The centre will be closed on Sundays and any other public holidays.

Contact Person	Address	Tel No.	Fax No.	Mode Of Delivery
Ms. K Sreepriya	Cameo Corporate Services Limited, No 1, Club House Road, 5 th Floor, Subramanian Building, Chennai – 600 002	044-2846 0390 044-28461989/82	044- 28460129	Post and Hand Delivery
Mr. Ashish Binsale	Cameo Corporate Services Limited, 304, Sai Sadan, 76-78 Mody Street, Fort,	022- 2264 4325 022- 2264 2979	022- 2264 4325	Hand Delivery Only

	Mumbai – 400 001			
Mr. M Bala Subramanian	Cameo Corporate Services Limited, C/o Shree Vidya Consultancy, 101, Shatadal Complex, Opp. Bata Showroom, Ashram Road, Ahmedabad – 380 009	079- 6522 0996 09327055153 09898176213		Hand Delivery Only
Mr. Krishna Gopal Parashar	Cameo Corporate Services Limited, C/o Saraswat India Limited, G-4 & g-5, Ground Floor, Jaipur Tower, Opp. All India Radio, Mirza Ismail Road, Jaipur – 302001	0141- 2204100 09829063961		Hand Delivery Only
Mr. R Sridhar	Cameo Corporate Services Limited, C/o Sterling Services, F-63, First Floor, Bhagat Singh Market, Near Gole Market, Connaught Place, New Delhi –110001	011- 4156 1305 093137 96360 093125 46905		Hand Delivery Only

- 8.11** The Registrar to the Offer will hold in trust the Shares / share certificates, shares lying in the credit of the special depository account, Form of Acceptance-cum-Acknowledgement, if any, and the transfer form on behalf of the shareholders of The Target Company until the Acquirers complete its obligations in accordance with the Regulations.
- 8.12** Friday, 6th August 2010 shall be the date of opening of the Offer and Wednesday, 25th August 2010 shall be the closing date of the Offer.
- 8.13** The payment of consideration to those shareholders whose Shares or share certificates and / or other documents are found complete, valid and in order will be made by way of a crossed account payee cheque, demand draft or pay order. The decision regarding the acquisition (in full or part), or rejection of, the Shares offered for sale by the shareholders of the Target Company pursuant to the Offer and (i) any corresponding payment for the acquired Shares and / or; (ii) share certificates for any rejected Shares or Shares withdrawn, will be communicated and despatched to the shareholders by registered post or by ordinary post as the case may be, at the shareholder's sole risk. Shares held in dematerialised form to the extent not acquired or Shares withdrawn will be credited back to their beneficiary account with their respective depository participants as per the details furnished by their beneficial owners in the Form of Acceptance cum - Acknowledgement.
- 8.14** Despatches involving payment of a value in excess of Rs. 1,500 will be made only by registered post at the shareholder's sole risk.
- 8.15** All Shares tendered in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.
- 8.16** Any Shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of the Target Company may be precluded from transferring the Shares during pendency of the said litigation, are liable to be rejected unless directions / orders regarding the free transferability of such Shares are received together with the Shares tendered under the Offer prior to the date of closure of the Offer.
- 8.17** While tendering the Shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for

acquiring the shares of the Target Company. In case the previous RBI approvals are not submitted, the Acquirers reserve the right to reject such Shares tendered.

- 8.18** As per the provisions of Section 196D (2) of the Income Tax Act, 1961 (the Income Tax Act), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor (FII) as defined in section 115AD of the Income Tax Act. However, while tendering their Shares under the Offer, NRIs, OCBs and other non-resident shareholders (excluding FIIs) will be required to submit a No Objection Certificate (NOC) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.
- 8.19** In case the Shares offered in the Offer are more than the Shares to be acquired under the Offer, the acquisition of Shares from each shareholder will be on a proportionate basis in accordance with Regulation 21(6) of the Regulations.
- 8.20** Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholder's / unregistered owner's sole risk to the sole / first shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise.
- 8.21** A schedule of some of the major activities in respect of the Offer is given below:-

SNO	ACTIVITY	DATE	DAY
1	Date of Publication Of Public Announcement	14-6-2010	Monday
2	Specified date (for the purpose of determining the names of shareholders)	12-7-2010	Monday
3	Last date for announcement of a competitive bid	5-7-2010	Monday
4	Date by which Letter of Offer will be posted to shareholders	29-7-2010	Tuesday
5	Date of Opening of the Offer	6-8-2010	Friday
6	Last date for revising the offer price / number of Shares	16-8-2010	Monday
7	Last date for withdrawing acceptance from the Offer	20-8-2010	Friday
8	Date of Closure of the Offer	25-8-2010	Wednesday
9	Date of communicating rejection / acceptance and payment of consideration for applications accepted.	1-9-2010	Wednesday

9 General

- 9.1 The Acquirers reserves the right to withdraw the Offer pursuant to Regulation 27 of the SEBI (SAST) Regulations, 1997. Any such withdrawal will be notified in the form of a public announcement in the same newspapers in which this Public Announcement appears.
- 9.2 In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations, 1997, shareholders who have accepted the Offer by tendering the requisite documents in terms of the public announcement / Letter of Offer can withdraw the same up to three working days prior to the date of closure of the Offer i.e. Friday, 20th August 2010.
- 9.3 Should the Acquirers decide to revise the Offer Price or Shares upwards, such upward revision will be made in accordance with Regulation 26 of the SEBI (SAST) Regulations, 1997 not later than Monday, 16th August 2010 which is 7 (seven) working days prior to the date of closure of the Offer.

If the Offer Price is revised upwards, such revised price will be payable to all shareholders who have accepted this Offer and submitted their Shares at any time during the period between the date of opening of the Offer and the date of closure of the Offer to the extent that their Shares have been verified and accepted by the Acquirers. Any such upward revision will be announced in the same newspapers where this Public Announcement appears.

9.4 If there is a competitive bid:

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

(ii) As the Offer Price cannot be revised during the seven working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final offer price of each bid and tender their acceptances accordingly.

- 9.5 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992.
- 9.6 Pursuant to Regulation 13 of the SEBI (SAST) Regulations, 1997, the Acquirers have appointed SAL Securities Private Limited as the Manager to the Offer.
- 9.7 The Acquirers accept full responsibility for the information contained in this Public Announcement. The Acquirers are jointly and severally responsible for fulfilment of their obligations under the SEBI (SAST) Regulations, 1997.
- 9.8 Please note that some financial data contained in this public announcement has been rounded off to the nearest lacs or crores (as the case may be), except where stated otherwise.
- 9.9 For further details please refer to the Letter of Offer and the Form of Acceptance-cum-Acknowledgement.
- 9.10 Shareholders can also download a copy of this public announcement, a copy of the Letter of Offer, the Form of Acceptance-cum-Acknowledgement which will be available on SEBI's website <http://www.sebi.gov.in> from the Offer opening date, i.e. Friday, 6th August 2010 and send in their acceptance by filing the same.

Issued on behalf of the Acquirers by
Manager to the Offer



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