

PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF SHAKTI MET-DOR LIMITED

Registered Office : Plot No.20, Sriपुरi Colony, Karkhana, Secunderabad 500 015, Andhra Pradesh
Tel. No. +91-40-27840394; Fax No. +91-40-27892327; Email: info@shaktimetdor.com

This Public Announcement ("PA") is being issued by Kavy Investor Services Limited ("Manager to the Offer") on behalf of (1) Mr. M V S Subba Raju, (2) Mr. C Shashidhar Reddy, (3) Mr. U Pradeep Kumar, (4) Mrs. M Uma Raju, (5) Dr. C Anupama Reddy (6) Smt. V Rama Devi and (7) Mr. V Ravi Kumar (hereinafter referred to as the "Main Acquirers") and (1) Mr. M Bhava Raju, (2) Mr. M V S N Raju, (3) Mr. M Vikram, (4) Mr. V Vivek, (5) Mrs. V Anupama, (6) Ms. V Shruthi, (7) Mrs. C Amrita Reddy, (8) Mrs. C Sumathi Reddy (hereinafter referred to as the "Persons Acting in Concert" or "PACs") HERINAFTER COLLECTIVELY REFERRED TO AS THE "ACQUIRERS" in respect of the proposed acquisition of fully paid up equity shares and consequent delisting of Equity Shares of Shakti Met Dor Limited (the "Company" or "SML") pursuant to the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "Regulations") (hereinafter referred to as the "Delisting Offer" / "Offer").

1. BACKGROUND OF THE DELISTING OFFER

1.1 SML is a public limited company incorporated under the Companies Act, 1956 and having its Registered Office at Plot No.20, Sriपुरi Colony, Karkhana, Secunderabad-500 015, Andhra Pradesh. Tel. No. 040-27840394, Fax No. 040-27892327, Email: info@shaktimetdor.com. The Equity shares of the Company are presently listed on Bombay Stock Exchange Limited ("BSE").

1.2 The Authorised Share Capital of the Company is Rs. 400,00,000 Lakhs comprising of 40,00,000 equity shares of Rs. 10/- each. The Issued capital of the Company is Rs. 360,73 Lakhs comprising of 36,07,295 Equity Shares of Rs. 10/- each. The subscribed share capital is Rs. 349,93 Lakhs comprising of 34,99,295 Equity Shares of Rs. 10/- each of which 27,53,845 Equity Shares were fully paid and 7,45,450 Equity Shares were paid up to the extent of Rs. 2,50 per Equity Shares and the same were forfeited on 28th September, 2001. The Acquirers hold 15,44,124 equity shares as on date representing 56.07% of the paid-up equity capital of the Company.

1.3 The Acquirers being Promoter Group are making this voluntary offer ("Delisting Offer") to acquire 12,09,721 fully paid up equity shares of Rs. 10/- each of the Company representing 43.93% of the paid up equity share capital of the Company (non-promoter holding) at a Price to be determined under the Reverse Book Building Process ("RBBP"), subject to terms and conditions mentioned hereafter.

1.4 The Acquirers vide their letter dated June 09, 2010 expressed their intention to the Board of Directors of the Company to make a voluntary Delisting Offer to the shareholders of the Company. The Board of Directors of the Company have vide its resolution dated June 18, 2010, taken on record and approved the proposal received from the Acquirers to make a voluntary Delisting Offer to the public shareholders of the Company in accordance with the Regulations.

1.5 The Acquirers seek to acquire 12,09,721 equity shares of Rs. 10/- each aggregating to Rs. 120.97 lakhs representing 43.93% of the paid-up equity share capital at a floor price of Rs. 195/- per share held by the public shareholders of the Company. If and when offered by the public shareholders, pursuant to the Delisting Offer under the Regulations and proposes to apply for delisting of the equity shares from the Stock Exchange where the shares of the Company are listed: viz. Bombay Stock Exchange Limited.

1.6 Accordingly, a special resolution has been passed by the shareholders of the Company through postal ballot in accordance with the provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 and the results of which were declared on July 30, 2010, approving the delisting of the Company's shares pursuant to the Regulations. In terms of the proviso to the regulation 8(1)(b) of the Regulations, the said special resolution has been passed with a requisite majority. The Acquirers reserve the right to withdraw the Delisting Offer in the event all or any of the conditions for the Delisting Offer as mentioned in paragraph 13 below, have not been fulfilled.

1.7 The Company has made an application to BSE seeking an in-principle delisting approval vide its letter dated August 03, 2010. BSE has granted in-principle approval for the proposed delisting vide its letter dated August 30, 2010.

1.8 This Public Announcement is being issued in the following newspapers as required under the Regulations.

Newspaper	Language	Editions
The Financial Express	English	All
Jansatta	Hindi	All
Loksatta	Marathi	Mumbai

1.9 Any changes, modifications or amendments to this Public Announcement, if any will be notified by issuing corrigendum in all of the aforesaid Newspapers.

2. OBJECTIVE FOR DELISTING

The Acquirers propose to delist the equity shares of the Company for the following reasons:-

(1) The compliance formalities, procedures and costs are very high compared to the utility derived from the listing.

(2) The Acquirers have no plans for raising any equity from the Capital Markets in the near future.

(3) The Acquirers are proposing to further consolidate their holding

3. BACKGROUND OF THE ACQUIRERS

3.1 Mr. M V S Subba Raju, son of Mr. M Bhava Raju, aged about 56 years is residing at Flat No.401, Gayatri Exotica, Plot No.56, Road No.2, West Marredpalay, Secunderabad-500 026, Phone No. 91 40 27805809. He is a Post Graduate in Commerce from Pune University. He is the Promoter and Managing Director of Shakti Met Dor Limited. Prior to establishing Shakti Met-Dor Limited, he held key positions in Nagarjuna Steels Limited and other Companies for 14 years.

3.2 Mr. C Shashidhar Reddy, son of (Late) Mr. C G K Reddy, aged about 46 years is residing at Plot No. 18, Card Master Enclave, 205, Akbar Road, Sikh Village, Near Diamond Point, Secunderabad-500 009, Phone No. 91 40 32216224. He is a Graduate in Law from Delhi University, specialized in Corporate Law, International Business Law, Patents, Copy-Rights and IPRs. He is the Promoter and Executive Director of Shakti Met Dor Limited. Prior to establishing Shakti Met-Dor Limited, he worked as Project Manager with Podukodu Steels Limited.

3.3 Mr. U Pradeep Kumar, son of Late Mr. V Krishna Rao, aged about 50 years is residing at 1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029, Phone No. 91 40 27665766. He is an Engineering Graduate from Osmania University. He is a Non-Executive Director of the Shakti Met Dor Limited and is associated with the Company since its inception and is actively involved in strategic decisions of the Company. Mr. U Pradeep Kumar is into various businesses.

3.4 Mrs. M Uma Raju, wife of Mr. M V S Subba Raju, aged about 50 years is residing at Flat No. 401, Gayatri Exotica, Plot No.56, Road No.2, West Marredpalay, Secunderabad-500 026, Phone No. 91 40 27805809. She is a Post-Graduate in Arts from Nagarjuna University. She is a House Wife.

3.5 Dr. C Anupama Reddy, wife of Mr. C Shashidhar Reddy, aged about 40 years is residing at Plot No. 18, Card Master Enclave, 205, Akbar Road, Sikh Village, Near Diamond Point, Secunderabad-500 009, Phone No. 91 40 32216224 is a doctor by profession.

3.6 Mrs. V Rama Devi, wife of Mr. U Pradeep Kumar, aged about 42 years is residing at 1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029, Phone No. 91 40 27665766 is a Graduate. She is a House Wife.

3.7 Mr. V Ravi Kumar, son of Late Mr. V Krishna Rao, aged about 47 years is residing at 1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029, Phone No. 91 40 27665766 is a Businessman in Bullion and Jewellery Trading.

3.8 As per the certificate dated 4th October 2010 by Mr. V Sasidhar, Practising Chartered Accountant (Membership No.200954) having office at 413, 4th Floor, 1-7-323, Panchasheela Towers, Park Lane, Secunderabad - 500 003 Phone: 91 40 40200374 Email: sasidharvidyalag@gmail.com, the networth of the main acquirers as on 1st October 2010 is Rs. 27,32,63,000/- (Rupees Twenty Seven Crores Thirty Two Lakhs and Sixty Three thousand only).

Sl.No	Name of the Acquirer	Networth as on 1 st October 2010 (Rs.)
1	Mr M V S Subba Raju	3,07,99,000
2	Mr C Shashidhar Reddy	3,82,73,000
3	Mr U Pradeep Kumar	7,45,06,000
4	Mrs M Uma Raju	2,99,09,000
5	Dr C Anupama Reddy	1,95,76,000
6	Mrs V Rama Devi	1,90,30,000
7	Mr V Ravi Kumar	6,11,70,000
	Total	27,32,63,000

3.9 Mrs. M Uma Raju is the wife of Mr. MVSS Subba Raju; Dr. C Anupama Reddy is the wife of Mr. C Shashidhar Reddy; Mrs. V Rama Devi is the wife of Mr. U Pradeep Kumar and Mr. V Ravi Kumar is a brother of Mr. U Pradeep Kumar.

3.10 As on date, Mr. M V S Subba Raju is the Promoter and Managing Director of the Company and Mr. C Shashidhar Reddy is the Promoter and an Executive Director of the Company presently controlling the management of the Company.

3.11 The main Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

3.12 The main Acquirers do not hold any position on Board of Directors of any listed Company except Mr. MVSS Subba Raju is the Managing Director of the Company. Mr. C Shashidhar Reddy is the Executive Director of the Company and Mr. U Pradeep Kumar is Non-Executive Director of the Company.

3.13 The Persons Acting in Concert (PAC) constitute Mr. M Bhava Raju, Mr. M V S N Raju, Mr. M Vikram, Mrs. C Sumathi Reddy, Mrs. C Amrita Reddy, Mr. V Vivek, Ms. V Shruthi and Mrs. V Anupama.

3.14 Background of the Persons Acting in Concert ("PAC") is as under:

Sl. No.	Name of the PAC	Address & Phone no.	Line of business and experience	Relationship with Acquirers
1	Mr. M Bhava Raju	Door No.76-4-5, Gandhi Puram-2, Rajamundry-533 103, East Godavari District (AP) Phone No. 91 883 2442445	Agriculturist and businessman (in the field of Film Exhibition) Exp. 60 years	Father of Mr. M V S Subba Raju
2	Mr. V Vivek	1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029 Phone No. 91 40 27665766	In service with the Company as Management Trainee since August, 2009	Son of Mr. U Pradeep Kumar
3	Ms. V Shruthi	1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029 Phone No. 91 40 27665766	Student	Daughter of Mr. U Pradeep Kumar
4	Mr. M V S N Raju	Door No.76-4-5, Gandhi Puram-2, Rajamundry-533 103, East Godavari District (AP) Phone No. 91 883 2442445	Agriculturist and businessman (in the field of Film Exhibition) Exp. 28 years	Brother of Mr. MVSS Subba Raju
5	Mrs. C Amrita Reddy	14742, Chisholm Landing Way, North Potomac, Maryland, 20878, USA Phone No. 91 40 32216224	Service (Quality Assurance Associate) in DP Clinical Inc., (USA) Exp. 4 Years	Sister-in-law of Mr. C Shashidhar Reddy
6	Mrs. C Sumathi Reddy	Plot No. 18, Card Master Enclave, 205, Akbar Road, Sikh Village, Near Diamond Point, Secunderabad-500 009 Phone No. 91 40 32216224	Housewife	Mother of Mr. C Shashidhar Reddy
7	Mr. M Vikram	Flat No. 401, Gayatri Exotica, Plot No.56, Road No.2, West Marredpalay, Secunderabad-500 026 Phone No. 91 40 27805809	In service with the Company, heading Business Development	Son of Mr. MVSS Subba Raju
8	Mrs. V Anupama	1-2-593/38, Plot No. 175, Street No. 14, Lane No. 6, Gagamahal Colony, Dornaguda, Hyderabad-500 029 Phone No. 91 40 27665766	Housewife	Wife of Mr. V Ravi Kumar

3.15 As per the certificates dated 4th October 2010 by Mr. V Sasidhar, Practising Chartered Accountant (Membership No. 200954) having office at 413, 4th Floor, 1-7-323, Panchasheela Towers, Park Lane, Secunderabad - 500 003 Phone: 91 40 40200374 Email: sasidharvidyalag@gmail.com, the networth of the PACs as on 1st October 2010 is Rs. 12,19,89,000/- (Rupees Twelve Crores Nineteen Lakhs and Eighty Nine thousand only).

Sl.No.	Name of the Acquirer	Networth as on 1 st October 2010 (Rs.)
1	Mr M Bhava Raju	5,57,00,000
2	Mr V Vivek	11,05,000
3	Ms V Shruthi	13,55,000
4	Mr M V S N Raju	3,95,30,000
5	Mrs C Amrita Reddy	21,20,000
6	Mrs C Sumathi Reddy	18,29,000
7	Mr M Vikram	53,00,000
8	Mrs V Anupama	1,50,50,000
	Total	12,19,89,000

4. BACKGROUND OF THE COMPANY

4.1 The Company was originally incorporated on 25th October 1988 under Companies Act, 1956 as a private limited company and subsequently converted into a public limited company on 22nd December 1992 by virtue of a special resolution dated 30th October 1992. The Registered Office is situated at Plot No.20, Sriपुरi Colony, Karkhana, Secunderabad - 500 015 phone no. 91 40 27840394 Fax no. 91 40 27892327. Email id: info@shaktimetdor.com.

4.2 The Company is one of the leading steel doors Manufacturer in India. The Company's steel doors are UL Certified (Underwriters Laboratories Inc.) for universal acceptability. The Company is ISO-9001:2000 certified by Det Norske Veritas (DNV) Management System Certificate since 2002.

4.3 The Company's Manufacturing Unit is located at Survey No.198, Gallupuram, Guntubullapur Mandal, Rangareddy District, Andhra Pradesh. It has the capacity to manufacture 1,50,000 Metal Doors per annum. The Company currently undertakes only turnkey projects, providing a range of customised steel doors including fire doors, scientific doors, general doors, and special application doors to pharmaceutical companies, hospitals, hotels, software companies, IT parks, defense establishments, multiplexes, refineries, metro rail companies, and airports.

4.4 Mr. M V S Subba Raju and Mr. C Shashidhar Reddy are the promoters of the Company and other Acquirers and PACs being Promoter Group.

4.5 The Board of Directors of the Company comprise of Mr. MVSS Subba Raju, Mr. C Shashidhar Reddy, Mr. U Pradeep Kumar, Mr. P S Reddy, Mr. P Sujodh Rao and Mr. P V Sivakumar.

4.6 The Authorised Share Capital of the Company is Rs. 400,00,000 Lakhs comprising of 40,00,000 equity shares of Rs. 10/- each. The Issued capital of the Company is Rs. 360,73 Lakhs comprising of 36,07,295 Equity Shares of Rs. 10/- each. The subscribed share capital is Rs. 349,93 Lakhs comprising of 34,99,295 Equity Shares of Rs. 10/- each of which 27,53,845 Equity Shares were fully paid and 7,45,450 Equity Shares were paid up to the extent of Rs. 2.50 per Equity Shares and the same were forfeited on 28th September, 2001.

4.7 All the equity shares of Company are listed on Bombay Stock Exchange Limited, Mumbai (BSE). There are no partly paid up shares of the Company.

4.8 There are no outstanding convertible instruments. There are no shares under lock in period.

4.9 There have been no Mergers/ Demergers or spin offs in SML during the last three years

4.10 The financial highlights of SML for the last three years and for the quarter ended June 30, 2010 are as below:

Particulars	(Rs. In Lakhs)			
	Quarter ended 30/06/2010 (*)	31/03/2010 (audited)	31/03/2009 (audited)	31/03/2008 (audited)
Equity capital	294.02	294.02	294.02	294.02
Reserves & surplus	4910.14	4830.93	4135.70	3621.73
Total Income	1694.35	8127.08	6287.42	7396.01
Profit/Loss after tax	79.19	759.46	578.41	1248.41
Networth	5204.16	5124.95	4429.72	3915.75

(*) subjected to limited review by Statutory Auditors.

5. STOCK EXCHANGES FROM WHICH THE EQUITY SHARES ARE TO BE DELISTED

5.1 The Shares of the Company are currently listed on Bombay Stock Exchange Limited (BSE). The Shares of SML are frequently traded on Bombay Stock Exchange as per the Regulations.

5.2 The Acquirers are seeking to delist the equity shares of the Company from BSE and "in-principle" approval from BSE is already obtained in this regard.

6. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN

The shareholding pattern of the Company as on the date of this Public Announcement is as follows:

Particulars	No. of Shares	% of Fully Paid up Share Capital
(A) Promoters & Promoter Group		
- Individuals	15,44,124	56.07
Sub-total (A)	15,44,124	56.07
(B) Public Shareholding		
1. Institutions		
Mutual Funds/UTI	100	0.00
2. Non Institutional Bodies Corporate	4,42,924	16.08
Indian Public	7,59,795	27.59
NRS	6,700	0.24
Clearing Member	202	0.01
Sub-total (B)	12,09,721	43.93
Grand Total (A+B)	27,53,845	100.00

7. LIKELY POST DELISTING CAPITAL STRUCTURE

The likely post delisting capital structure of the Company, assuming all the Offer Shares are acquired pursuant to the Delisting Offer will be as follows:

Particulars	No. of Shares	% of Fully Paid up
Share Capital		
Promoters & Promoter Group	27,53,845	100.00
Total	27,53,845	100.00

8. MANAGER TO THE DELISTING OFFER

The Acquirers have appointed Kavy Investor Services Limited having their office at Kavy House, 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad-500 034 as "Manager to the Offer" within the meaning of explanation to Regulation 10 (4) of the Regulations.

9. REGISTRAR TO THE DELISTING OFFER

The Acquirers have appointed Kavy ComputersShare Private Limited having their office at Cyber Villa, Plot No. 17-24, Villara Nagar, Madhapur, Hyderabad - 500 081, Andhra Pradesh, India Telephone: 91 40 2342 0815, Fax: 91 40 2343 1551. E-mail: emwardr@kavy.com Contact Person: Mr. M. Muralikrishna, as "Registrar to the Offer".

10. INFORMATION REGARDING STOCK MARKET DATA

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE).

The High, Low and Average Market Prices of the Equity Shares along with the trading volumes during the preceding three calendar years are as follows:

Year	Bombay Stock Exchange Limited			
	High (Rs. Per share)	Low (Rs. Per share)	Average (Rs. Per share)	Volume for the year
2007	274.00	169.90	217.45	1,63,400
2008	378.50	66.90	222.70	1,21,700
2009	162.50	65.65	114.08	94,976

Source: BSE website (www.bseindia.com)

The monthly high and low market prices and the trading volumes of the Equity Shares traded on BSE for the six calendar months preceding the date of the PA:

Month	Bombay Stock Exchange Limited			
	High (Rs. Per share)	Low (Rs. Per share)	Average (Rs. Per share)	Volume for the month
April 2010	188.40	172.00	180.20	56,070
May 2010	188.70	171.15	179.93	1,08,030
June 2010	253.80	187.00	220.40	1,27,376
July 2010	290.25	202.00	246.15	14,801
August 2010	304.75	212.00	258.38	53,346
September 2010	224.00	201.00	212.50	43,735

Source: BSE website (www.bseindia.com)

Notes: 1) High/Low prices during the period 2) Average of high and low prices during the period 3) Cumulative trading volumes during the period

11. DETERMINATION OF THE FLOOR PRICE

11.1 The Regulations require the determination of a "Floor Price" for the Shares to be acquired pursuant to the Reverse Book-Building Process ("RBBP") as specified in the Schedule II of the Regulations. As per Regulation 15(1) and 15(2) of the Regulations, the Floor price has been determined at Rs. 195/- per equity share considering the average of the weekly high and low of the closing prices of the equity shares of the company during the twenty six weeks or two weeks preceding the date on which the recognised stock exchange (BSE) was notified of the board meeting (held on June 18, 2010) in which the delisting proposal was considered, whichever is higher, as quoted on the recognised stock exchange (BSE) where the equity shares of the company are most frequently traded

11.2 The result of the board meeting held for considering the Delisting Offer was notified to the Bombay Stock Exchange on June 18, 2010. The annualized trading turnover of the equity shares of the Company during the six calendar months preceding the month in which the board meeting was notified (December 2009 - May 2010) to BSE, being the Stock Exchange on which the equity shares of the Company are listed is detailed below:

Name of Stock Exchange	Total No. of equity shares traded during December 2009 to May 2010	Total No. of listed equity shares during December 2009 - May 2010	Annualised trading turnover (in terms of % of total listed equity shares)
Bombay Stock Exchange	6,11,288	27,53,845 (*)	44.39%

(*) Excludes 7,45,450 shares already forfeited on 28th September 2001 and not yet reissued.

11.3 In terms of the explanation to Regulation 15(2)(b) of the Regulations, as the annualized trading turnover is more than 5% of the total listed equity shares, the equity shares of the Company are deemed to be frequently traded for the purpose of the Regulations. Accordingly the floor price has been determined taking into account the following parameters:

a) The average of the weekly high and low of the closing prices of the shares of SML on Stock Exchange, during 26 weeks period prior to the date on which the recognised Stock Exchange was notified of the Board Meeting in which the Delisting proposal was considered.	Rs. 172.71
b) The average of the daily high and low of the prices of the shares of SML, during 2 weeks period prior to the date on which the recognised Stock Exchange was notified of the Board Meeting in which the Delisting proposal was considered.	Rs. 190.99

11.4 Based on the above, the acquirers in consultation with the Merchant Banker has set the floor price at Rs. 195/- per share and is prepared to acquire and agree to accept the shares at the floor price of Rs. 195/-

subject to Regulations as applicable.

11.5 The Acquirers reserve the right not to acquire the offered shares at any higher price established pursuant to the Reverse Book-Building Process set forth in the Regulations.</