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

Registered Office: Plot No.20, Sripuri 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 Karvy Investor Services Limited ("Manager to the Offer") on behalf of (1) Mr. M V S S Subba Raju, (2) Mr C Shashidar 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") HEREINAFTER 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

1.1SML is a public limited company incorporated under the Companies Act. 1956 and having its Registered Office at Plot No. 20, Sripuri 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 2The Authorised Share Capital of the Company is Rs 400 00 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; 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 12,09,721fully 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.

1.4The 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 he shares of the Company are listed; viz; Bombay Stock Exchange Limited.

 $1.6\ Accordingly, a special \, resolution \, has \, been \, passed \, by \, the \, shareholders \, of \, the \, Company \, through \, postal \, and \, contains a special \, resolution \, has \, been \, passed \, by \, the \, shareholders \, of \, the \, Company \, through \, postal \, and \, contains \, the \, contains \,$ 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

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

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

(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 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 Marredpally, 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 Shashidar 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 $No.\ 91\ 40\ 32216224.\ He is a\ Graduate\ in\ Law\ from\ Delhi\ University;\ specialized\ in\ Corporate\ Law,\ International\ March Corporate\ March March Corporate\ March Ma$ Business Law, Patents, Copy-Rights and IPRs. He is the Promoter and Executive Director of Shakti Met-Doi Limited. Prior to establishing Shakti Met-Dor Limited, he worked as Project Manager with Podukodu Steels

No.175, Street No.14, Lane No.6, Gaganmahal Colony, Domalguda, 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 S Subba Raju, aged about 50 years is residing at Flat No.401 Gayatri Exotica, Plot No.56, Road No.2, West Marredpally, 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 Shashidar 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, Gaganmahal Colony, Domalguda, Hyderabad-500 029, Phone No. 91 40 27665766 is a Graduate. She is a House Wife.

3.7Mr. 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, Gaganmahal Colony, Domalguda, 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, Practicing 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: sasidharvidiyala@gmail.com, the networth of the nin acquirers as on 1st October 2010 is Rs.27,32,63,000/- (Rupees Twenty Seven crores Thirty Two lakhs

SI.No.	Name of the Acquirer	Networth as on 1st October 2010 (Rs.)
1	Mr M V S S Subba Raju	3,07,99,000
2	Mr C Shashidar 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 I Ima Raiu is the wife of Mr. MVSS Subba Raiu: Dr. C. Anunama Reddy is the wife of Mr. C. Shashidar 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 S Subba Raju is the Promoter and Managing Director of the Company and Mr. C Shashidar 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. Shashidar 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.

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

3.15 As per the certificates dated 4th October 2010 by Mr. V Sasidhar, Practicing 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: sasidharvidiyala@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 on	ly).	
SI.No.	Name of the Acquirer	Networth as on 1st 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

4.1The 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, Sripuri Colony Karkhana, Secunderabad - 500 015 phone no. 91 40 27840394 Fax no. 91 40 27892327. Email id: info@shaktimetdor.com.

4.2The 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.

4.3The Company's Manufacturing Unit is located at Survey No.198, Gallipuram, Qutubullapur 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 S Subba Raju and Mr C Shashidar Reddy are the promoters of the Company and other Acquirersand PACs being Promoter Group.

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

4 6The Authorised Share Capital of the Company is Rs 400 00 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; 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

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

4.8There are no outstanding convertible instruments. There are no shares under lock in period 4.9There 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

				(Rs. In Lakns)	
Particulars	Quarter ended 30/06/2010 (*)	31/03/2010 (audited)	31/03/2009 (audited)	31/03/2008 (audited)	
	30/00/2010()	(auuiteu)	(auuiteu)	(auuiteu)	
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

5.1The 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

5.2The 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

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
NRIs	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

LIKELY POST DELISTING CAPITAL STRUCTURE

The likely post delisting capital structure of the Company, assuming all the Offer Shares are acquired pursuant

17. PROCEDURE FOR BIDDING

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 Karvy Investor Services Limited having their office at Karvy 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 Karvy Computershare Private Limited having their office at Cyber Villa, Plot or to the Company. No.17-24, Vittalrao Nagar, Madhapur, Hyderabad – 500 081, Andhra Pradesh, India Telephone: 91 40 2342 0815, Fax: 91 40 2343 1551. E-mail: einward.ris@karvy.com Contact Person: Mr. M Muralikrishna, as *Registrar

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

Year		Bombay Stock Exchange Limited					
	High	Low	Average	Volume for			
	(Rs. Per share)	(Rs. Per share)	(Rs. Per share)	the year			
2007	274.00	160.90	217.45	1,63,400			
2008	378.50	66.90	222.70	1,21,700			
2009	162.50	65.65	114.08	94,976			

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	Low	Average	Volume for		
	(Rs. Per share)	(Rs. Per share)	(Rs. Per share)	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	202.05	246.15	1,40,801		
August 2010	304.75	212.00	258.38	53,346		
September 2010	224.00	201.00	212.50	43,735		

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

trading volume during the period 11.DETERMINATION OF THE FLOOR PRICE

11.1The 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

eiow:						
Name of Stock	Total No. of equity shares	Total No. of listed equity	Annualised trading turnover			
Exchange	traded during December	shares during December	(in terms of % of total listed			
	2009 to May 2010	2009 – May 2010	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:

	31		
)	The average of the weekly high and low of the closing prices of the shares	:	Rs.172.71
	of SML on Stock Exchange, during 26 weeks period prior to the date on		
	which the recognized Stock Exchange was notified of the Board Meeting in		
	which the Delisting proposal was considered.		
)	The average of the daily high and low of the prices of the shares of SML,	:	Rs.190.99
	during 2 weeks period prior to the date on which the recognized Stock		
	Exchange was notified of the Board Meeting in which the Delisting proposal		
	was considered.		

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.

12. DETERMINATION OF THE DISCOVERED / EXIT PRICE

12.1 All Public Shareholders may tender their equity shares during the Bid Period (as defined in paragraph 15

herein below) at or above the floor price. 12.2 In accordance with the Regulations, the price payable by the Acquirers for the equity shares they propose to acquire pursuant to the Delisting Offer will not be less than the price at which the maximum number of equity shares have been tendered (the "Discovered Price") pursuant to the Delisting Offer.

12.3 The Acquirers are obligated to accept the Discovered Price if it is equal to the Floor Price, but are under no obligation to accept the Discovered Price if it is higher than the Floor Price. The Acquirers may at their discretion, acquire the equity shares at the Discovered Price if it is higher than the Floor Price or at a price higher than the Discovered Price. The price so accepted by the Acquirers (not less than the Discovered Price) is referred to as the exit price (the "Exit Price").

12.4 The Acquirers shall announce the Discovered Price and their decision to accept or reject the Discovered Price and if accepted also announce the Exit Price as applicable, in the same newspapers in which this PA appears, in accordance with the timetable set out at Para 21.

12.5 Once the Acquirers accept the Exit Price, the Acquirers will acquire, subject to the terms and conditions of this PA, including but not limited to fulfillment of the conditions mentioned in paragraph 13 below, all the equity shares tendered up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such equity share tendered.

13. CONDITIONS TO THE DELISTING OFFER

The acquisition of shares by the Acquirers and the delisting of the Company pursuant to the Offer are conditional

13.1 The Acquirers accept the Discovered Price or offering an Exit Price.

13.2 The Acquirers obtain all requisite statutory and regulatory approvals as listed in paragraph 23 of this

13.3 No amendments to the Regulations or any applicable regulations or any order from a Court or a competent regulatory authority, which would prejudice the Acquirers from proceeding with the Delisting Offer 14.DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE

This Delisting Offer made shall be deemed to be successful if post offer, the shareholding of the Promoter Group taken together with the equity shares accepted in the book-building offer through eligible bids at the Exit Price, reaches at least 24,78,461 equity shares constituting 90.00% of the total issued and paid-up equity share capital being the aggregate percentage of pre-offer promoter shareholding and 77.23% of the Offer

15. DATES OF OPENING AND CLOSING OF BID PERIOD

15.1 All public shareholders holding equity shares are eligible to participate in the book building process by tendering whole or part of equity shares held by them at or above the floor price. The bid period for the book building process shall commence at 10 00 AM on Wednesday, November 03, 2010 (the "Rid Opening Date" and close at 3.00 PM on Monday, November 08, 2010 (the "Bid Closing Date"). Any change to the Bid Period will be notified by way of a corrigendum in the newspapers where this PA is publishe

15.2 Bids received after 3.00 p.m. on the Bid Closing Date may not be considered for the purpose of determining the Discovered Price payable for the equity shares by the Acquirers pursuant to the RBBF

15.3 A letter inviting the Eligible Shareholders (along with necessary forms and detailed instructions) to tender their equity shares by way of submission of "Bids" (the "Bid Letters") will be dispatched to all the public shareholders holding shares as on the specified date, on October 22, 2010.

16. DETAILS OF THE TRADING MEMBER AND THEIR BIDDING CENTRES

16.1The Public Shareholders may tender their offer shares through online electronic system, the facility for which will be provided by the BSE. In this regard the Acquirers have appointed Karvy Stock Broking Limited having their office at Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034 (the "Trading Member") to facilitate the lodging of Bids on behalf of public shareholders. Shares held in physical form are required to be submitted along with the transfer deed or pledged to the "Trading Member" along with the bidding details, who in turn enters the bid and submit the forms to Registrar to the Offer for verification.

16.2 The details of the centers of the Trading Member mentioned above, where the Bids could be submitted by hand delivery and uploaded (the "Bid Centers") are as follows:

7 110	ind delivery di	ia apioaaca (iiic bia oci	itors / arc as ron	OWS.			
Sr.	Bid Centre	Address of	Contact	Phone Number	IP Address	Mode of	22.2 No tax is required to be deducted on payment of consideration to resident Shareholders.
0.	/ City Bengaluru	Trading Member No:59, Puttana Road, Basavanagudi, Bangalore 560 004	Mr.Kumarswamy / Ms.Sudha / Ms. Shashi	/ Fax No. 080-26621192 / 9341312645-F	10.226.187.161	Hand Delivery	22.3 The Rate of Deduction of Tax in the case of non-resident is dependent on few other factors. Since the Acquirers as payers do not have in house information in respect of various Shareholders, all the Shareholde should be asked to specify, in the Bid Form, the following particulars i. Whether he is Resident or Non-Resident
2	Chennai	33, Venkatraman Street, T Nagar, Chennai–600 017	Mr. C.M. Prem Kumar	044-45900900 9840667624 28153181-F	NA	Hand Delivery	ii. As a non-resident to which category the Shareholder belongs i.e. Non- Resident Indians (Individual), Oversea Corporate Body / Non Domestic Company, F.I.I. registered as a company, F.I.I. other than a company, are other Non-Resident.
3	Hyderabad	Avenue-4, Street No.1 Road No 10, Banjara Hills, Hyderabad-500 034	Mr G. Suresh Kumar	040-23440612 040-23440616 044-23340617 23431505-F	10.226.161.211 10.226.161.207	Hand Delivery / Registered Post	 iii. Whether the Shares are held on Investment Account or on Trade Account. iv. In case of Non – Resident Indians whether the Shares were acquired by the individual himself with convertib foreign exchange. v. Date of acquisition of Shares
4	Kolkata	49, Jatin Das Road, Nr. Deshpriya Park, Kolkata 700 029	Mr. Vijay Kumar Dhanuka	033-24647231/ 4891 24634788 24644866-F	NA	Hand Delivery	22.4 As per the provisions of the section 2(37A) (iii) of the Income-tax Act, 1961, for the purposes of deductic of tax under section 195, the rate or rates of income tax specified in this behalf in the Finance Act of the releva year or the rates or rates of income-tax specified in an agreement entered into by the Central Government under section 90 or an agreement notified by the Central Government under section 90A, whichever is applicable by virtue of the provisions of section 90, or section 90A, as the case may be, i.e. whichever beneficial, would the provisions of section 90A.
5	Mumbai (Andheri)	7,Andheri Indl Estate, Off Veera Desai Road, Andheri West, Mumbai-400 053	Ms.Neelam	022-26730799 022-26730843 26730152-F	10.67.169.8	Hand Delivery	the applicable rate of TDS. 22.5 In the event that any Shareholder require the Acquirers not to deduct tax or to deduct tax at a lower rat or on a lower amount, he / it would need to obtain a certificate from the Income-tax authorities either unde section 195(3) or under section 197 of the Income-tax Act, and submit the same to Acquirers while submittin
6	Mumbai (Fort)	16-26, Transworld, Maharashtra Chamber Of Commerce Lane, Kalaghoda, Fort, Mumbai 400 023	Mr.KiranGurav	022-22842668 022-22844777 022-22838430 66331135-F	10.41.158.6	Hand Delivery	the Bid Form. In the absence of any such certificate from the Income-tax authorities, the Acquirers will dedu tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect. 22.6 Legal position summarized above is applicable only to those Non-Resident Shareholders who have obtained Permanent Account Number (PAN) under the Income Tax Act, 1961 and furnish this number in the
7	New Delhi	105-108 Arunachal Bldg, Barakhamba Road,	Mr.Rajeev Goel	011-23324401/09 011-23324602	NA	Hand Delivery	Bid Form. Copy of PAN card is also required to be attached as evidence. In case PAN is not obtained or PA is not mentioned in Bid Form or copy of PAN card is not attached, tax @ 20% plus surcharge and education.

New Delhi 110 001

17.1 The shareholders other than the promoters may submit Bids by completing the bid forms accompanying their Bid Letter and submitting the Bid Forms to the Trading Member at any of the Bid Centres set out above in paragraph 16.2 on or before the prescribed time on the Bid Closing date. 17.2 Shareholders (in particular those shareholders who are resident in areas where no Bid Centres are

011-43509200

located) may also submit their Bids by registered post (at their own risk and cost and clearly marking the envelope as "SHAKTI MET-DOR LIMITED DELISTING OFFER) so as to ensure that their bids are delivered to the following address on or before the prescribed time on the Bid Closing Date: Karvy Stock Broking Limited Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad-500 034 (the "Trading Member"). If the duly filled Bid Forms arrive before the Bid Period starts, the Bid will be considered valid and however, the Trading Member will submit the Bid on commencement of the bid period

17.3 Shares should not be tendered to the Manager to the Offer or the Registrar to the Offer or to the Acquirers

17.4 The shareholders who have tendered their shares by submitting Bids pursuant to the terms of this Public Bid Closing Date, downward revision of Bids shall not be permitted. Any such request for withdrawal or revision of bids must reach the same Trading Member at the same Bid Centre where the original bid form was submitted. by 3.00 PM one day prior to the Bid Closing Date.

17.5 The Manager to the Offer has opened a special depository account (the "Special Depository Account"),

details of writer are as follows.		
	Special Depository Account Name	SHAKTI MET-DOR LIMITED – DELISTING ESCROW ACCOUNT
	Name of the Depository Participant	KARVY STOCK BROKING LIMITED
	Name of the Depository	NSDL
	Depository Participant Identification Number	IN300394
	Client Identification Number	17777317
17.6 In order for the Bid Forms to be valid, Shareholders, who hold Shares in dematerialized		

transferred their Shares from their respective depository accounts to the Special Depository Account opened by the Manager to the Offer, enclosing a photocopy of the delivery instruction to their depository participant with the due acknowledgement of such depository participant. Alternatively, Shareholders, who hold Shares in dematerialized form, may mark a pledge for their Offer Shares to the Manager to the Offer in favour of the Special Depository Account prior to the submission of their Bids, enclosing a photocopy of the pledge instructions to their depository participant with the due acknowledgement of such depository participant. 17.7 All transfers should be in off-market mode

17.8 The Shareholders who hold their Offer Shares through CDSL will have to execute an inter-depository delivery instruction for the purpose of crediting their Offer Shares in favour of the Special Depository Account 17.9 It is the sole responsibility of Shareholders to ensure that their Offer Shares are credited to or pledged in favour of the Special Depository Account on or before 3.00 p.m. on the Bid Closing Date.

17.10The Manager to the Offer will hold in trust the Equity Shares/share certificates, Equity Shares lying in credit of the Special Depository Account and the transfer form(s), until the Acquirers complete their obligations under the Delisting Offer in accordance with the Regulations.

17.11The ISIN for the Shares of the Company is INE614D01014. 17.12 If a Shareholder fails to receive or misplaces the Bid Letter, a copy may be obtained by writing to the Registrar to the Offer at their address given on the cover page of this Bid Letter, clearly marking the envelope "SHAKTI MET-DOR LIMITED DELISTING OFFER". Alternatively, the Shareholder may obtain copies of Bid

Forms at the Bid Centres. 17.13In order for Bid Forms to be valid, unregistered Shareholders who hold Shares in physical form, must have submitted the Bid Form along with the original contract note issued by a registered share broker of a recognized stock exchange through whom such Shares were acquired, along with the original share certificate(s and transfer deed(s) duly signed (as applicable), either by hand delivery or by Registered Post or by courier such that these are received by the Trading Member before 3:00 p.m. Indian Standard Time on Bid Closing Date. The Trading Member shall immediately after entering the bid on the system send them to the Company or the share transfer agent for confirming their genuineness.

17.14lt shall be the responsibility of the Shareholders tendering in the Offer to obtain all requisite approval (including corporate, statutory or regulatory approvals) if any, prior to tendering in the Delisting Offer and the Acquirers shall take no responsibility for the same. On receipt of the Offer Shares in the Special Depository Account, the Acquirers shall assume that the Shareholders have submitted their Bid only after obtaining applicable approvals, if any. The Acquirers reserve the right to reject those Bids which are submitted without attaching a copy of such required approvals

17.15The Shares to be acquired under this Delisting Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto. Shares that are subject to any charge, lien or encumbrances are liable to be rejected.

17.16Clause 5 of Schedule II of the Regulations provide that Public Shareholders who have tendered their Offer Shares by submitting Bid Forms pursuant to the terms of the Public Announcement, may withdraw or revise their Bids upwards not later than one day before the Bid Closing Date. Downward revision of Bids shall not be permitted. Any such request for revision or withdrawal of the Bids can only be exercised by submitting the Form of Withdrawal or Form of Revision. Any such requests for withdrawal or revision of Bid must reach the same Trading Member at the same Bid Centre where the original bid form was submitted by $3.00\,\mathrm{pm}$ one day prior to the Bid Closing Date. Please note that the Form of Withdrawal and/ or Form of Revision

will not be accepted at other Bid Centres. 18 PROCEDURE FOR SETTLEMENT

18.1 If the Acquirers accept or offer the Exit Price and all other conditions attaching to the Offer are satisfied, the Acquirers shall acquire all Offer Shares that have been tendered at prices up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Offer Share. For this purpose, Acquirers will ope a special account and transfer thereto, the entire amount due and payable as consideration in respect of the Offer Shares tendered under the Delisting Offer at the Discovered Price or Exit Price, as applicable.

18.2 All the Shareholders whose bids are verified to be genuine shall be paid the Exit Price stated in the public announcement within ten working days from the Bid Closing Date (i.e. Monday, November 22, 2010) by way of a crossed account payee cheque/ demand draft/ pay order. All cheques/demand drafts will be drawn in the

name of the first holder, in case of joint holder(s)

18.3 Share certificates for any invalid bid, will be dispatched to the Shareholders by registered post, at the Shareholder's sole risk. Equity Shares held in dematerialized form for any invalid bid will be credited back to the respective beneficiary account with their respective depository participants as per the details furnished by

the beneficial owners in the Bid Form. 18.4 Additionally, if and once the Shares have been delisted, all Shareholders whose Shares have not been

cquired by the Ácquirers may offer their Shares to the Acquirers at the Exit Price within a period of one year following the date of the delisting. Such Shareholders will be required to submit the required documents to the Registrar to the Offer within the stipulated time.

18.5 If the Acquirers do not accept or offer an Exit Price, all Offer Shares tendered/pledged in the Special Depository Account shall be returned/released from pledge as soon as it is practicable to the relevant Shareholders but not later than Monday, November 22, 2010.

19DETAILS OF ESCROW ACCOUNT

19.1 The estimated consideration payable under the Regulations, being the Floor Price of Rs. 195/- per equity share multiplied by the number of equity shares outstanding with the public shareholders (i.e. 12,09,721 equity shares) is Rs.23,58,95,595/- (Rupees Twenty three crores fifty eight lakhs ninety five thousand five hundred and ninety five Only)

19.2 In accordance with the Regulations, the Acquirers and the Manager to the Offer have opened an escrow account with HDFC Bank Limited, Lakdi-ka-pool Branch, Hyderabad-500 004, Andhra Pradesh (the "Escrow Banker"). The Escrow Account No. 00210350003229 consists of a Cash deposit of Rs.23,61,00,000/- (Rupees Twenty Three crores Sixty One lakhs Only) representing more than 100% of the estimated consideration payable as calculated in paragraph 19.1 above. Alien has been marked on the said Escrow Account in favour of the Manager to the Offer by the escrow banker. The Manager to the Offer i.e Karvy Investor Services Limited has been solely authorised by the Acquirers to operate and realize the value of Escrow Account in terms of the Regulations.

19.3 If the Acquirers accept the Discovered Price or offer an Exit Price, the Acquirers shall forthwith deposit in the escrow account such additional sum as may be sufficient to make up the entire sum due and payable as consider at ion in respect of equity shares outstanding with public shareholders and open a special accountwith the Escrow Banker and transfer thereto, the entire amount due and payable as consideration in respect of the equity shares tendered in the Delisting Offer at or below the Exit Price

20.PERIOD FOR WHICH OFFER SHALL BE VALID

The public shareholders may submit their bids to the bid centers during the Bid Period. Once the shares have been delisted, any public shareholder, whose shares have not been acquired by the Acquirers, may offer their shares for sale to the Acquirers at the Exit Price for a period of One year following the date of delisting of the equity shares from BSE.

PROPOSED TIMETABLE FOR THE OFFER

11. PROPOSED HIMETABLE FOR THE OFFER	
ACTIVITY	DAY AND DATE
Issue of Public Announcement	Tuesday, 19/10/2010
Specified Date	Wednesday, 20/10/2010
Letter of Offer cum Bid Form to be Posted to the shareholders on or before	Friday, 22/10/2010
Bid Opening Date	Wednesday, 03/11/2010
Last Date of Revision (upwards) or withdrawal of bids	Thursday, 04/11/2010
Bid Closing Date	Monday, 08/11/2010
Public Announcement with details of the Discovered price, the Acquirers acceptance/Non acceptance and the Exit Price, if any (on or before)	Thursday, 18/11/2010
Final date For payment of consideration (on or before) #	Monday, 22/11/2010
Return of Equity Shares to shareholders in case of failure of Delisting Offer/Bids have not been accepted (on or before)	Monday, 22/11/2010

Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price

Future dates are subject to change and are also dependent on obtaining the requisite statutory and regulatory approvals. Changes to the proposed timetable, if any, will be notified by way of a corrigendum to the Public Announcement in the same newspapers where the Public Announcement was issued.

22. TAX DEDUCTED AT SOURCE

Summary of various provisions related to Tax Deduction at Source ("TDS" or "withholding tax") under the Income Tax Act, 1961 22.1 All the Shareholders should be classified as resident and non-resident. The status as resident / non-

resident is to be determined on the basis of criteria laid down in section 6 of the Income Tax Act, 1961. 22.2 No tax is required to be deducted on payment of consideration to resident Shareholders

foreign exchange v. Date of acquisition of Shares

cess will be deducted at source. 22.7 Public Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such

advice. The tax rates and other provisions may undergo changes. 23.STATUTORY AND REGULATORY APPROVALS

23.1The Company has obtained the approval of its Shareholders by way of Postal Ballot pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001 for the purpose of passing the Special Resolution for delisting of Equity Shares of the Company from BSE. 23.2 To the best of the knowledge of the Acquirers, as on the date of this PA there are no Statutory or Regulatory

approvals required to acquire the shares, other than those indicated above. 23.3 If any statutory or regulatory approval is or become applicable, the offer will also be subject to such statutory approval. The Acquirers reserve the right to withdraw the Delisting Offer in the event all or any of the statutory approval is refused.

23.4 It shall be the responsibility of the shareholders to obtain all requisite approvals (including corporate. statutory or regulatory approvals), if any prior to tendering their shares in the Offer. The Acqu responsibility for the same 23.5The acquisition of shares from non-residents (NRs) and non-resident Indians (NRIs) may be subject to approval from the Reserve Bank of India (RBI) by such NRs/NRIs under the Foreign Exchange Management

Act, 1999. Such NRs and NRIs should enclose the copy of the RBI permission received by them for tendering

shares held by them in Shakti Met-Dor Limited. In case the RBI permission is not submitted, the Acquirers reserve the right to reject such shares tendered by them. 23.6 The Acquirers reserve the right not to proceed with the Delisting of the shares in the event the conditions mentioned in the PA are not fulfilled and that any of the regulators/statutory approvals, if any, are not obtained or conditions which the Acquirers consider in its sole discretion to be onerous are imposed in respect of such

24.CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY $24.1 \ \ The \ Company \ has \ not \ raised \ any \ capital \ by \ issuing \ securities \ during \ the \ last \ five \ years \ preceding \ the$

date of this PA. 24.2 All material information which is required to be disclosed under the provisions of continuous listing

requirement under the Listing Agreement has been disclosed to the Stock Exchanges.

25. COMPLIANCE OFFICER Ms. K Girija Bala, Company Secretary

Shakti Met-Dor Limited Registered Office: Plot No.20, Sripuri Colony, Karkhana, Secunderabad - 500 015, Andhra Pradesh.

Tel. No. +91-40-2784 0394/2784 0395: Fax No. +91-40-2789 2327: Fmail: info@shaktimetdor.com 26 DISCLAIMER CLAUSE OF BSE 26.1 It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliance with various statutory and other requirements by 'Shakti Met-Dor

Limited' and the Manager to the Offer etc. are cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does BSE have any financial responsibility or liability nor does BSE take responsibility in any way for the financial or other soundness of the company, its promoters or its management." 26.2 It is also to be distinctly understood the approval given by BSE should not in any way be deemed or construed to mean that the public announcement has been cleared or approved by BSE, nor does BSE in any

manner warrant, certify or endorse the correctness or completeness of any of the contents of the announcements, nor does BSE warrant that the securities will be delisted. 26.3 That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry. investigation and analysis and shall not have any claim against BSE / Clearing House of BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through book building process

whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever. 27.GENERAL DISCLAIMER 27.1 In Accordance with paragraph 5 of Schedule II to the Regulations, the Public Shareholders who have

tendered their shares by submitting Bids pursuant to the terms of this PA and the Bid Letter may revise or withdraw their bids prior to the prescribed time on the Bid closing date. 27.2 The Acquirers will inform Public shareholder by way of Public announcement in the same Newspapers

where this PA has been published, of any changes to the information set out in this PA. 27.3 Every person who desires to participate in the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Acquirers, The Manager to the Offer or the Company whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with this Offer and tender their shares through RBBP or subsequently.



Karvy Investor Services Limited 46, Avenue 4, Street No. 1, Hyderabad – 500 034 Phone Nos: 91 40 23428774 / 2331 2454; Fax No: 91 40 2337 4714 Email: cmg@karvy.com; Contact Person: Mr. M P Naidu

Signed on behalf of the Acquirers

Sd/-

M.V.S. S. Subba Raju C Shashidar Reddy

Date: October 18, 2010 Place: Hyderabad