



DHANUS TECHNOLOGIES LIMITED

Registered Office: 6-B, Mena Kampala Arcade, 113/114, Sir Theyagaraya Road, T. Nagar, Chennai – 600 017. Tel.: +91 44 28151135/28151635/39180735; Fax: +91 44 39180789

Corporate Office: Suite 4-A, 4th Floor, 'A' Block, Mena Kampala Arcade, 113/114 Sir Theyagaraya Road, T. Nagar, Chennai – 600 017

Contact Person/Compliance Officer: Mr. V. Baskaran, CFO & Company Secretary

E-mail: ipo@dhanus.net; **Website:** www.dhanus.net

PUBLIC ISSUE OF 38,35,000 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [•] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF RS. [•] PER EQUITY SHARE) AGGREGATING TO RS. [•] LAKHS (HEREINAFTER REFERRED TO AS THE "ISSUE"). THE ISSUE COMPRISES A RESERVATION FOR ELIGIBLE EMPLOYEES OF UPTO 2,00,000 EQUITY SHARES OF RS. 10/- EACH ("EMPLOYEE RESERVATION PORTION") AND THE NET ISSUE TO THE PUBLIC OF 36,35,000 EQUITY SHARES OF RS. 10/- EACH (THE "NET ISSUE"). THE ISSUE WOULD CONSTITUTE 21.37% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY. THE NET ISSUE WOULD CONSTITUTE 20.26% OF THE FULLY DILUTED POST ISSUE PAID-UP CAPITAL OF THE COMPANY.

PRICE BAND: Rs. 280/- TO Rs. 295/- PER EQUITY SHARE OF FACE VALUE OF RS 10/- . THE ISSUE PRICE IS 28.0 TIMES OF THE FACE VALUE AT THE LOWER END OF THE PRICE BAND AND 29.5 TIMES OF THE FACE VALUE AT THE HIGHER END OF THE PRICE BAND.

NOTICE TO INVESTORS

We thank all the applicants for their response to the IPO of Dhanus Technologies Limited (the Company), which was open for subscription from 10th September, 2007 to 12th September, 2007. The Company had filed a Red Herring Prospectus dated August 28, 2007 (RHP) with the Registrar of Companies, Tamil Nadu, Chennai. Subsequent to the filing of the RHP, an article was published in 'Junior Vikatan', a Chennai based Tamil magazine, on 29.8.2007 containing certain allegations against the Company, its promoters and employees.

We wish to clarify that the said article is speculative in nature and we deny the allegations made in the article which are extraneous to the contents of the RHP and this Public Notice. We wish to clarify that neither our Company nor any of our promoters/directors/employees are in any way involved in any of the alleged frauds or forgery mentioned in said article. We have suitably disclosed the relevant facts regarding the CBI search and the NOC/license from the Department of Telecommunications for selling international calling cards in India in the RHP. In this context, the Company would like to clarify the statements ascribed to it as under: -

Allegations as per the Article	Company's Clarification
The article refers to an earlier article dated 14.02.07 about a gang of 6 persons who cheated Banks in Chennai by creating bogus Companies & by using the photographs of its employees for applying for personal loans in their employee's names. CBI started investigations and leader of the gang was arrested. At the same time, the employees of a leading BPO company 'Dhanus Technologies' who were not paying their installments regularly, paid their outstanding loans in one single day.	Neither our Company nor any of our promoters/directors are in any way connected with any of the 6 people referred to in the article. Further, to the best of our knowledge, there has been no repayment of the personal loans by our employees in one single day.
Such sudden repayment of personal loans caught the attention of CBI and it paid a surprise visit to the office of the Company at T. Nagar and also at twelve associated locations. In the search, CBI got hold of	We are unable to comment on the motive of CBI for conducting search on our premises. The search was conducted by CBI at four premises as mentioned at page IX of the RHP and not at the 12 locations as alleged; approximately 19 closed window envelopes

<p>approx. 1000 cheque books, 400 ATM cards etc. As per the article, Dhanus Technologies got sanction of personal loans from different Banks in its employee's names without their knowledge and by forging their signatures.</p>	<p>of Banks, 175 sheets containing cheques books/cheques leaves etc. were seized from the regd office, 570 Cheque Books, 368 loose Cheque leaves were seized from the Guest House & 81 blank cheques were seized from the residence of the Managing Director. These cheques books/leaves were pertaining to the Company, Group Companies/Firms, Subsidiaries, Directors, ex-employees/current employees of the Company. No ATM cards were seized during the search. The Company denies having obtained any personal loans in the name of its employees without their knowledge and/or by forging their signatures.</p>
<p>The Company obtained thousands of passport size photographs from some photo studios in T. Nagar. The Company used these photographs to make loans applications with various Banks (SBI, Vijaya Bank, Andhra Bank and Bank of Rajasthan) and cheated banks to the tune of Rs. 16 crores.</p>	<p>We deny having obtained photographs from photo shops or used such photos to get personal loans from banks. We deny having cheated any bank for any amount.</p>
<p>CBI also confiscated V-tel Cards worth Rs. 8 cr. during the raid at Dhanus Technologies. Dhanus had issued such cards without obtaining permission of DOT. The article further states that BSNL has registered a case with CBI on Dhanus Technologies in this connection.</p>	<p>44,521 V-tel Calling Cards valued at Rs. 6.57 crores were seized. Such Cards are usually available with the Company as they form part of Company's regular stock-in-trade. The fact regarding application to DOT for NOC/licence for sale of V-tel cards had been disclosed in the RHP at page no. X. We wish to clarify that when the Company launched the sale of V-Tel cards initially there was no requirement for NOC/Licence from DOT. However, subsequently, the Company has obtained the NOC vide Letter No. 808-37/2007-CS dated 19.9.2007 from the DOT, Government of India for sale of International Calling Cards in India which is subject to certain conditions mentioned in the said letter and is valid for one year. The conditions specified in the NOC from DOT, as applicable, are being satisfied by the Company. We have not received any FIR or summons or copy of any case registered by BSNL against the company as alleged.</p>
<p>Proof of residence for opening false accounts in different banks was obtained from the Guest House of the Company. The Company's guest house had thousands of letters sent by different banks.</p>	<p>This allegation is absolutely false and not based on facts. We deny having opened any false bank accounts. As per the seizure list of CBI, no letter as alleged by the article has been seized from the Company's guest house.</p>
<p>The residence of the Managing Director of the Company (Mr. Narayanasami) was also raided by CBI and about Rs. 50 lakhs in cash, foreign currencies and numerous property documents were confiscated.</p>	<p>Rs. 48.81 lakhs in cash was seized, which was lawfully kept by the Managing Director of the Company. Foreign currency comprising of British Pounds 460, Singapore Dollars 25,673 & Travelers Cheques amounting to US\$ 12,500 was seized which was kept for foreign travel purpose. 2 nos. documents relating to properties were seized.</p>
<p>Narayanasami, Auditors A.V. Srinivasan, R. Srinivasan Accountant Suresh & Siva are involved in this operation and CBI has registered cases against them and all of them appeared for enquiry. All of them escaped anticipating rounding up by CBI.</p>	<p>A V Srinivasan (Ex-Director), R Srinivasan and Siva are in no way connected with our Company. We deny involvement of Narayanswamy (Managing Director) and/or Suresh (Accountant) in any forgery/fraud/cheating and we have no knowledge of any case being registered against any of them by CBI. None of the Company's employees or Directors</p>

	has escaped and all of them are regularly attending office.
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Consolidated Summary of Items seized by CBI

From Company's Registered Office: Salary Disbursement Register, Shop Act Register, Attendance Register, Life Insurance policies (13), closed envelope from Canara Bank Cancard Division (19), closed envelope addressed to Branch Manager, Ice House (59), file - (183 sheets of photocopy of cheques), file - (152 sheets of various applications), File - loan particulars of Bank of India, 175 sheets containing cheques books, cheque leaves, passbook, closed envelopes from banks, cancelled share certificates, cheque leaves of Banks (12), cancelled cheque leaves (8), One Bunch of 10 sheets containing 1. Company blank letter addressed to SBI - Vivekanand House Br. certifying residential address of Employee, 2. Employee List in 2 sheets, 3. Photocopy of IT returns of the Managing Director, 526 nos witnessed Photographs, Calling Cards (15075) worth Rs. 2.26 crores, 32 nos Loan application forms of Canara Bank, Auditors Report and their photocopies, computer print-outs of Balance Sheet, Tax Benefit certificate of Auditors, Media Monitor, Office file containing relieving order and experience certificates of past employees, MD's personal file, Bank's short deposit slips, Broken recordable CD, Micro cassette, Micro cassette recorder, CPU, Passports of 2 employees, Managing Director, Jt. Managing Director, Director (Marketing), 43 nos. Rubber Stamp.

At the residence of the Managing Director of the Company: One Bunch of 17 pages containing Deposit in City Union Bank, Stamp Papers, Partnership Deed between Sabhapati & others, Agreement for Sale in name of MD in original, Two travel Cheque of ICICI bank, One Bunch of 35 Used cheques / Cancelled Cheque of various Banks, Bunch of 81 sheets containing Blank Cheques of various banks, bounced cheques with memo, Copy of passport in name of Ranganayaki, letter in the name of Ranganayaki from CAMS, Bank Balance Statement, Supplement Memorandum of understanding between the company & T. Ranganathan, Scribbling paper carrying accounts information, V Tel Calling card of Rs. 500/-, Copy of Sale Agreement between Priya Rajan & MD, Copy of Sale Agreement in the name of MD, Blank Letter heads, Diary of MD, Cash of Rs. 48.81 lacs, Envelops containing 25673 Singapore Dollars, 460 Pounds, Travelers cheque worth USD 12500, Portable Hard Disk, Floppy Disk, Thumb Drive, 3 Rubber seals, Bunch of Visiting Cards, Laptop.

At the Company's Guest House: V-Telling Calling Cards (29446) worth Rs. 4.31 cr, 570 cheque books of various banks, 368 cheque leaves of different banks, 2 demand drafts, 2 nos. CPU's, 454 nos. Photographs, Envelopes containing 454 photographs, Currency Counting machine, Counterfeit money discerners, 64 nos. prepaid Airtel Cards worth Rs. 1.28 lacs, VIP Suitcase, 6 Files titled HDFC Bank Personal Loan, Telephone Index, Note Book titled "Bank of India".

At the residence of one of the employee of the Company: Letter from the company regarding Allotment of shares, Photocopy of bounced salary cheque, Salary revision Letter, Passport of the employee & ID card issued by Consulate General of Singapore, Passport of K.S. Vimala, Bunch of papers containing details of M/S Sun Trade, Chennai, Company Profile, Statement of A/c with Syndicate Bank, Letter to Teledata Informatics Ltd.

To the best of our knowledge, there has been no further action by CBI, subsequent to the initial search. No further summons or notices or warrants have been issued to the Company, its promoters, directors or employees.

Option to Investors:

In view of the disclosures in this Public Notice, kindly note that all applicants (including QIBs) who have submitted their bid(s) in response to our Initial Public Offering may, if they so desire, withdraw their applications. The last date for receipt of withdrawal shall be 10th day from the date of this Public Notice i.e the last date for receipt of withdrawal shall be 06.10.2007.

All Applicants (including QIBs) seeking to withdraw their application should submit their request along with the details of applications such as Name of Applicant(s), Address, Application Form No, Number of shares bid for, Amount paid with the Application Form, Cheque Number and Bank/Branch on which drawn and duly signed by the applicants (in case of joint applications, by all the applicants) to the Registrar to the Issue marked "Kind Attn.: Mr. R.D. Ramasamy" at the following address:

Cameo Corporate Services Limited
Unit: Dhanus Technologies Limited
"Subramanian Buildings"
No. 1, Club House Road
Chennai 600002

Individual intimation letters regarding this public notice have been dispatched to all the applicants and the dispatch has been completed on September 25, 2007.

The Red Herring Prospectus is available on the website of SEBI at www.sebi.gov.in, the website of the BRLM at www.srei.com and the website of the issuer at www.dhanus.net. The investors are advised to rely only on disclosures made in the Red Herring Prospectus and this Public Notice. This Notice to Investors is required to be read in conjunction with the Red Herring Prospectus.

For Dhanus Technologies Limited

Place: Chennai
Date: 26/09/2007

A.D. Sudhindra
Executive Chairman