Public Announcement to the Shareholders of

CARNATION NUTRA-ANALOGUE FOODS LIMITED

[Registered Office: A-204, Samudra, Sardar Patel Nagar, C. G. Road, Ahmedabad – 380 006, India]

This Public Announcement is being issued by ICICI Securities Limited ('ICICI Securities'), the Manager to the Offer, on behalf of Cadila Healthcare Limited ('Zydus Cadila') (referred to as 'the Acquirer') pursuant to Regulation 10 and Regulation 12, and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('SEBI (SAST) Regulations, 1997').

1. The Offer

1.1 This offer is being made by the Acquirer to the equity shareholders of Carnation Nutra-Analogue Foods Limited ('Target Company'), a public limited company under the Companies Act, 1956 (the 'Companies Act') and having its registered office at A-204, Samudra, Sardar Patel Nagar, C. G. Road, Ahmedabad – 380 006, India.

1.2 Cadila Healthcare Limited (hereinafter referred as 'Zydus Cadila') is engaged in the business of formulation, bulk drugs, biologicals, vaccines and consumer health products. Zydus Cadila is the sole acquirer in the present offer. Zydus Cadila has been promoted by Mr. Pankaj Patel & family.

1.3 The Acquirer is making a voluntary open offer to acquire up to 11,15,020 fully paid-up equity shares **('Shares')** of the face value of Rs. 10/- each, representing 20% of the paid-up equity share capital of Target Company at a price of Rs. 150/- per share **('Offer Price')** payable in cash subject to the terms and conditions mentioned hereinafter ('Offer' or 'Public Offer' or 'Open Offer'). The Offer is being made to all the shareholders of the Target Company other than, the Acquirer.

1.4 The Offer is not conditional upon any minimum level of acceptance, i.e. the Acquirer will acquire all the fully paid-up equity shares of the Target Company that are tendered in terms of the Offer up to 11,15,020 equity shares representing 20% shares of the outstanding share capital of the Target Company, subject to the conditions specified in this Public Announcement, Letter of Offer and Form of Acceptance-cum-Acknowledgement. During the Offer period, the Acquirer may purchase additional shares of the Target Company in accordance with the SEBI (SAST) Regulations, 1997.

1.5 On March 17, 2006, Zydus Cadila has acquired 8,34,000 equity shares of Rs. 10/- each representing about 14.96% of the fully paid up equity voting capital of the Target Company at a price of Rs. 144.82 per share through stock exchange mechanism from the Present Promoters. Except this Zydus Cadila does not hold any equity shares carrying voting rights in the Target Company.

1.6 The shares of the Target Company are listed on Bombay Stock Exchange Limited ('BSE'). Based on the information available, the shares of the Target Company are frequently traded on BSE *(Source: www.bseindia.com)*

1.7 Based on the information available on the BSE website, the average of the weekly high and low of the closing prices of the shares of the Target Company on BSE (where the shares of the Target Company are most frequently traded within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997 during the 26-week period preceding March 18, 2006, the date of this Public Announcement, is Rs. 124.82 per share, whereas the average of the daily high and low of the closing prices of the shares of the Target Company on BSE during the 2-week period preceding March 18, 2006, the date of this Public Announcement, is Rs. 149.88 per share.

1.8 The financial parameters based on the audited financials for the year ended March 31, 2005 for the Target Company are:

(a) Return on Net-worth of 28.70 %

(b) Book Value per share of Rs. 18.69

(c) Earnings per share (EPS) of Rs.5.33

(Source: Annual Report of the Target Company)

1.9 In view of the above, the Offer Price of Rs. 150/- per share, being the highest of the prices mentioned above, is justified in terms of Regulation 20 (4) and Regulation 20(5) of the SEBI (SAST) Regulations, 1997.

1.10 As on the date of this Public Announcement, ICICI Securities, the Manager to the Offer, does not hold any shares of the Target Company.

2. Information about the Acquirer

2.1 Zydus Cadila is a public limited company incorporated on May 15, 1995 under the Companies Act, 1956 to carry on the business of formulation, bulk drugs, biologicals, vaccines and consumer health products. The registered office of Zydus Cadila is located at Zydus Tower, Satellite Cross Roads, Sarkhej Gandhinagar High Way, Ahmedabad 380 015. The shares of Zydus Cadila are listed on Bombay Stock Exchange Limited ('BSE'), The Ahmedabad Stock Exchange Limited ('ASE') and the National Stock Exchange of India Limited ('NSE'). The closing price of Zydus Cadila on the BSE on March 17, 2006 (last available market price) was Rs. 599.50 *(Source:www.bseindia.com).*

As Zydus Cadila has acquired shares in the Target Company, provisions of Chapter II of the SEBI (SAST) Regulations, 1997 are applicable and Zydus Cadila shall comply with the same.

The issued and paid up share capital of Zydus Cadila consists of 62,806,854 equity shares of Rs. 5/- each aggregating to Rs. 31,40,34,270/-.

The Board of Directors of Zydus Cadila are

Name of the Director	Address
Mr. Pankaj R. Patel **Chairman & Managing Director**	16, Azad Society, Ambawadi, Ahmedabad – 380 015
Mr. Mukesh M. Patel **Director**	Prakruti, No.II, Ashwamegh Bungalows Part II, Satellite Road, Ahmedabad – 380 015
Mr. Pranlal Bhogilal **Director**	Das & Co., Das Chambers, 25, Dalal Street, Mumbai – 400 023
Mr. Sharvil P. Patel **Director**	16, Azad Society, Ambawadi, Ahmedabad – 380 015
Mr. Homi K. Bilpodiwala **Director**	6C, Crystal, Altamount Road, Mumbai – 400 026
Mr. Humayun Dhanrajgir **Director**	F-37, Dhanraj Mahal, CSM Road, Apollo Bunder, Mumbai – 400 039
Mr. Apurva S. Diwanji **Director**	"Wyoming" , 5th Floor, Little Gibbs Road, Malabar Hill, Mumbai – 400 006

The shareholding pattern of Zydus Cadila as on December 31, 2005 is as follows:

Shareholder	No. of shares	% holding
Promoters' shareholding		
Indian Promoters	45231625	72.02
Persons Acting in Concert	-	-
Total Promoters' shareholding	**45231625**	**72.02**
Non-promoters' shareholding		
Institutional Shareholders	12705655	20.23
Private Corporate Bodies	443476	0.71
NRIs/OCBs	131427	0.20
Indian Public	4294671	6.84
Total non-promoter shareholding	**17575229**	**27.98**
Total	**62806854**	**100.00**

(Source: www.bseindia.com)

As per the audited accounts for the financial year ended March 31, 2004, operating income of Zydus Cadila was Rs. 1060.00 crore, profit after tax was Rs. 142.90 crore, paid up equity share capital was Rs. 31.40 crore, earnings per share was Rs. 22.75, reserves were Rs. 508.10 crore (excluding revaluation reserves), return on average networth was 29.70 % and book value per share was Rs. 84/-.

As per the audited accounts for the financial year ended March 31, 2005, operating income of Zydus Cadila was Rs. 1094.70 crore, profit after tax was Rs. 131.40 crore, paid up equity share capital was Rs. 31.40 crore, earnings per share was Rs. 20.93, reserves were Rs. 583.00 crore (excluding revaluation reserves), return on average networth was 23.20 % and book value per share was Rs. 97/-.

As per the unaudited accounts for the 9 months period ended December 31, 2005 operating income of Zydus Cadila was Rs. 998.40 crore, profit after tax was Rs. 142.60 crore and diluted earnings per share was Rs. 22.70 *(Source: Annual Report for the years ending March 31, 2004 and March 31, 2005, Quarterly Results filings from www.bseindia.com).*

3. Information about the Target Company

3.1 Carnation Nutra-Analogue Foods Limited is a public limited company under the Companies Act and having its registered office at A-204, Samudra, Sardar Patel Nagar, C. G. Road, Ahmedabad – 380 006, India. The Target Company carries on the business of manufacturing, buying and selling of all type of health food products, low-fat, low cholesterol, including table margarine, cheese, butter and substitute products. The shares of the Target Company are listed on Bombay Stock Exchange Limited (BSE). The closing price of the Target Company at BSE as on March 17, 2006 (last available market price) was Rs. 155.25 *(Source:www.bseindia.com)*

The issued and paid-up equity share capital of the Target Company consists of 55,75,100 fully paid-up equity shares of the face value of Rs. 10/- each, aggregating to approximately Rs. 5.58 crore. There are no partly paid up equity shares of the Target Company.

The board of directors of the Target Company are:

Name of Director	Address
Mr. Jayantibhai K. Amin	263, Satyagrah Chavni, 14th Lane, SM Road, Ahmedabad
Mr. Ashish J. Amin	263, Satyagrah Chavni, 14th Lane, SM Road, Ahmedabad
Mr. Manubhai P. Patel	74/2, Charraberia Road (G), Kolkatta, West Bengal
Mr. Bharat V. Patel	6, Bharat Nivas, Maninagar Co-Operative Housing Society, Maninagar, Ahmedabad.
Mr. Shekhar G. Patel	Ganesh House, Near Dharnidhar Dehrasar, Vasna, Ahmedabad – 380 007.

(Source: www.bseindia.com)

The shareholding pattern of the Target Company as on December 31, 2005 is as follows:

Shareholder	No. of shares	% holding
Promoters' shareholding		
Indian Promoters	**11,30,510**	**20.27 %**
Persons Acting in Concert	Nil	Nil
Total Promoters' shareholding	**11,30,510**	**20.27 %**
Non-promoters' shareholding		
Institutional Shareholders	6,21,613	11.15 %
Private Corporate Bodies	11,76,919	21.115%
NRIs/OCBs	6,75,894	12.125%.
Indian Public	19,70,164	35.34%
Any Other	-	-
Total non-promoter shareholding	**44,44,590**	**79.73 %**
Total	**55,75,100**	**100.0**

(Source: www.bseindia.com)

As per the audited accounts for the financial year ended March 31, 2004, operating income of the Target Company was Rs.18.01 crore, profit after tax was Rs.1.84 crore, paid up equity share capital was Rs. 5.12 crore, earnings per share was Rs. 3.95, reserves were Rs. 1.61 crore, return on networth was 27.78% and book value per share was Rs. 14.22.

As per the audited accounts for the financial year ended March 31, 2005, operating income of the Target Company was Rs.28.52 crore, profit after tax was Rs. 2.49 crore, paid up equity share capital was Rs. 5.12 crore, earnings per share was Rs. 5.33, reserves were Rs. 3.59 crore, return on networth was 28.70% and book value per share was Rs. 18.69.

As per the unaudited accounts for the 9-months period ended December 31, 2005, operating income of the Target Company was Rs. 23.13 crore, the profit after tax was Rs. 2.45 crore and the earnings per share was Rs. 4.39 *(Source: Annual Report of the Target Company for the years ending March 31, 2004 and March 31, 2005,BSE Quarterly Results filings from www.bseindia.com).*

4. Reasons for the Acquisition and Offer and future plans about the Target Company

4.1 The Offer to the shareholders of the Target Company is a voluntary open offer for substantial acquisition of Shares with change in control / management of the Target Company, and is made in accordance with Regulation 10 and 12 read with other applicable provisions of the SEBI (SAST) Regulations, 1997.

4.2 The Acquirer does not intend to dispose off or otherwise encumber any assets of the Target Company, except to the extent that may be required (i) in the ordinary course of business of the Target Company and/or (ii) for the purposes of restructuring, rationalising and/or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of the Target Company, except with the prior approval of shareholders of the Target Company.

Notwithstanding the above, it will be the responsibility of the Board of Directors of the Target Company to make appropriate decisions in these matters, in accordance with the requirements of the business of the Target Company and in line with opportunities or changes in the economic scenario from time to time. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws at the relevant time.

Acquirer may integrate its business under a single entity, which in their absolute discretion may include, *inter alia*, merger of the Target Company with the Acquirer or any of its Associates at an appropriate point of time.

5. Statutory Approvals and Conditions of the Offer

5.1 The Offer is subject to the receipt of approval(s) from the Reserve Bank of India (RBI), if any, under the Foreign Exchange Management Act, 1999 for acquisition of equity shares by the Acquirer from non-resident person(s) under the open offer.

5.2 To the best of the knowledge of the Acquirer, 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 Acquirer 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 Acquirer for payment of consideration to the shareholders of the Target Company, subject to the Acquirer 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 wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations, 1997 will also become applicable.

6. Compliance with provisions of Regulation 21(2) of SEBI (SAST) Regulations, 1997

6.1 Pursuant to this Offer, the Acquirers would ensure that they would comply with provisions of Regulation 21(2) of SEBI (SAST) Regulations, 1997.

7. Financial Arrangements

7.1 The total fund requirement for implementation of the Offer at Rs. 150/- per share is Rs. 16.73 crore assuming that full acceptance for the Offer is received.

7.2 The Acquirer has made firm financial arrangements to implement the Offer and meet their obligations in full under the Offer. The Offer obligation shall be met from the internal accruals and borrowings from a domestic fund.

7.3 M/s. Mukesh M. Shah & Co., Chartered Accountants, vide its letter dated March 17, 2006 has certified that Zydus Cadila has made adequate arrangements to meet the financial obligation under this Offer.

7.4 The Manager to the Offer confirms that it is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations, 1997 as firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligations.

7.5 In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, Zydus Cadila has created a lien in favour of ICICI Securities Limited against a fixed deposit amounting Rs. 17 lakh standing in the name of Cadila Healthcare Limited with JMC Branch, Ahmedabad of ICICI Bank Limited. This fixed deposit receipt is duly discharged in favour of ICICI Securities Limited. Further, a share escrow has been created of Rs 5.47 Crore valued as on date of the Public Announcement, being more than 25 % of the amount required as per the said regulations. ICICI Securities has been authorised to realise the value of the share escrow.

8. Other Terms of the Offer

8.1 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 May 2, 2006 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 March 31, 2006 **(the 'Specified Date').** Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will not be mailed to the Acquirer.

8.2 All owners of Shares, registered or unregistered, except the Acquirer, are eligible to participate in the Offer anytime before closure of the Offer.

8.3 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 Sharepro Services (India) Private Limited, who are acting as the Registrar to the Offer (the **'Registrar'**), either by hand delivery during business hours (Mondays to Saturdays between 10.00a.m. to 5.00p.m.) or by registered post so that the same are received on or before the close of the Offer, i.e. by May 24, 2006, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement.

8.4 The Registrar has opened a special depository account with HDFC Bank Limited a Depository Participant with National Securities Depository Limited ('NSDL'), styled 'Sharepro Services – Escrow A/c – Carnation Open Offer'. The DP ID is IN301549 and Beneficiary Client ID is 21750798. Shareholders holding their beneficiary account in Central Depository Services India Limited ('CDSL') 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 NSDL.

8.5 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, 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 May 24, 2006, 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 May 24, 2006.

8.6 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 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.

8.7 Owners of Shares who have sent their Shares for transfer should enclose the 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 May 24, 2006, else the application will be rejected.

8.8 In case of non-receipt of the Letter of Offer, the eligible persons may send their application / request, to the Registrar, 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 on or before the close of the Offer, i.e. by May 24, 2006 or in the case of beneficial owners, they may send the application in writing to the Registrar, 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, on or before the close of the Offer, i.e. by May 24, 2006.

8.9 In addition to the above mentioned address, 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 any of the collection centres of the Registrar below in accordance with the procedure as set out in the Letter of Offer. All centres 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 centres will be closed on Sundays and any other public holidays.

City	Contact Person	Address	Tel. No.
Mumbai	Mr. Ashok Gupta	Sharepro Services (I) Pvt. Limited Satnam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai – 400 099	022 – 28215168 022 – 28329828 Fax No. 022 – 28375646
Ahmedabad	Mr. Suresh Shah	Sharepro Services (I) Pvt. Limited C/o Shah Consultancy Services 3, Sumatinath Complex, Pritamnagar Akhada Road Ellis Bridge, Ahmedabad – 380 006	079 –26576038 Fax No. 079 - 26576038

8.10 The Registrar 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 Acquirer completes its obligations in accordance with the SEBI (SAST) Regulations, 1997.

8.11 May 5, 2006 shall be the date of opening of the Offer and May 24, 2006 shall be the closing date of the Offer.

8.12 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 shareholders 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.

8.13 Despatches involving payment of a value in excess of Rs. 1,500 will be made only by registered post at the shareholders' sole risk.

8.14 All Shares tendered in the Offer shall be free from lien, charges and encumbrances of any kind whatsoever.

8.15 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.

8.16 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 Acquirer reserves the right to reject such Shares tendered.

8.17 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 Acquirer 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.

8.18 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 SEBI (SAST) Regulations, 1997.

8.19 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.

8.20 A schedule of some of the major activities in respect of the Offer is given below:-

	Activity	Day	Date
1	Date of publication of Public Announcement	Saturday	March 18, 2006
2	Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Friday	March 31, 2006
3	Last date for announcement of a competitive bid	Saturday	April 8, 2006
4	Date by which Letter of Offer will be posted to shareholders	Tuesday	May 2, 2006
5	Date of Opening of the Offer	Friday	May 5, 2006
6	Last date for revising the Offer Price / number of Shares	Friday	May 12, 2006
7	Last date for withdrawing acceptance from the Offer	Thursday	May 18, 2006
8	Date of Closure of the Offer	Wednesday	May 24, 2006
9	Date of communicating rejection / acceptance and payment of consideration for applications accepted	Tuesday	June 6, 2006

9. General

9.1 The Acquirer 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.

9.3 Should the Acquirer decide to revise the Offer Price or number of shares upwards, such upward revision will be made in accordance with Regulation 26 of the SEBI (SAST) Regulations, 1997 not later than May 12, 2006, 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 Acquirer. 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 Acquirer has 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 Acquirer has appointed ICICI Securities Limited as Manager to the Offer.

9.7 The Acquirer and the directors of the Acquirer accept full responsibility for the information contained in this Public Announcement. The Acquirer and the directors of the Acquirer 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 million or crore (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 www.sebi.gov.in from the Offer opening date, i.e. May 5, 2006 and send in their acceptance by filing the same.

Issued on behalf of the Acquirer by

Manager to the Offer

ICICI Securities Limited

ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai 400 020, India

Tel: +91 22 2288 2460, Fax: +91 22 2282 6580

Contact Person: Mr. Vishal Jain

E-mail: cadila_offer@isecltd.com

Place: Ahmedabad

Date: 17th March, 2006