LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as a shareholder of **The Dawn Mills Company Limited**. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager/ Registrar to the Offer. In case you have sold your equity shares in The Dawn Mills Company Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

Alltime Mercantile Company Private Limited

Newzone Mercantile Company Private Limited

Superplaza Mercantile Company Private Limited

Seastar Trading Company Private Limited

having their Registered Office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012 (Tel: +91-22-56618787, Fax:+91-22-56618788)

who are acting in concert with each other for the purpose of the Offer

(hereinafter collectively referred to as the "Acquirers")

and

Piramal Polymers Limited

Registered Office: 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012 (Tel: +91-22-56618787, Fax:+91-22-56618788)

who is acting in concert with the Acquirers for the purpose of the Offer

(hereinafter referred to as the "Person Acting in Concert" or "PAC")

MAKE A CASH OFFER AT Rs.4,644 (RUPEES FOUR THOUSAND SIX HUNDRED AND FORTY FOUR ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES FIFTY EACH

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI Takeover Code")

TO ACQUIRE 50,000 FULLY PAID-UP EQUITY SHARES

representing 20.00 % of the present issued and voting equity share capital

of

The Dawn Mills Company Limited

Registered Office: Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013

(Tel: +91-22-24964510 / 16, Fax: +91-22-24939567)

Please Note :

1) The Offer is being made pursuant to Regulations 10, 12 and other applicable provisions of the SEBI Takeover Code.
2) The Offer is subject to receipt of approval from the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for acquiring the Shares from non-resident persons under the Offer. Please refer to paragraph 8 of this Letter of Offer for details.
3) If the aggregate of the valid response exceeds 50,000 Shares, then the Acquirers shall accept Shares equal to 50,000 Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.
4) If there is any upward revision in the Offer Price by the Acquirers and the PAC till the last date of revision i.e. Friday, January 20, 2006 or withdrawal of the Offer in terms of the SEBI Takeover Code, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated November 29, 2005 had appeared. Such revised offer price would be payable for all the equity shares of The Dawn Mills Company Limited, tendered anytime during the Offer and accepted under the Offer.
5) The procedure for acceptance is set out in paragraph 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
6) As on the last date for competitive bid, i.e. Tuesday, December 20, 2005 there has been no competitive bid.
7) The Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India http://www.sebi.gov.in.
8) **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of the Offer Closing Date. Requests for such withdrawals should reach the designated collection centres before the close of business hours on Friday, January 27, 2006.**
9) **If there is a competitive bid:**
   - **The public offers under all the subsisting bids shall close on the same date.**
   - **As the offer price cannot be revised during the period after Friday, January 20, 2006, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Ambit Corporate Finance Private Limited Ambit RSM House 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Contact Persons : Kashyap Choksi / Tripoorraj Dhavale Tel: +91-22-39821819 Fax: +91-22-39823020 Email: DMCLopenoffer@ambitpte.com	**Karvy Computershare Private Limited** "Karvy House" 46, Avenue 4 Street No. 1, Banjara Hills, Hyderabad 500 034 Contact Person: Murali Krishna Tel: +91-40-23312454 Fax: +91-40-23431551 Email: murali@karvy.com

OFFER OPENS ON: Friday, January 13, 2006 **OFFER CLOSES ON: WEDNESDAY, FEBRUARY 1, 2006**

Schedule of the Major Activities of the Offer:

Activity	Date	Day
Date of Public Announcement.	November 29, 2005	Tuesday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be posted).	December 16, 2005	Friday
Last date for a competitive bid.	December 20, 2005	Tuesday
Last date for completion of dispatch of the Letter of Offer to the shareholders of The Dawn Mills Company Limited.	January 9, 2006	Monday
Date of opening of the Offer.	January 13, 2006	Friday
Last date for revising the Offer Price / number of Shares.	January 20, 2006	Friday
Last date for withdrawal by shareholders who have accepted the Offer.	January 27, 2006	Friday
Date of Closing of the Offer.	February 1, 2006	Wednesday
Last date for communicating rejection/acceptance and payment of consideration for Shares accepted and for dispatch of Share certificate(s) for the rejected Shares / credit of unaccepted demat Shares.	February 16, 2006	Thursday

RISK FACTORS :

i. Acceptance of equity shares of The Dawn Mills Company Limited tendered in the Offer is subject to receipt of the statutory approvals, as mentioned in paragraph 8 of this Letter of Offer. In the event, any of the required statutory approvals is refused, the Offer would stand withdrawn in terms of the SEBI Takeover Code. For further details, please refer paragraph 8 of this Letter of Offer.

ii. In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirers and the PAC not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of The Dawn Mills Company Limited whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI Takeover Code, SEBI may, if satisfied that the non receipt of approvals was not due to any wilful default or negligence on the part of the Acquirers and the PAC, grant an extension for the purpose of completion of the Offer subject to the Acquirers and the PAC paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. Friday, January 27, 2006 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

iii. The Acquirers and the PAC make no assurance with respect to the market price of the shares of The Dawn Mills Company Limited, both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

iv. The Acquirers and the PAC make no assurance with respect to the financial performance of The Dawn Mills Company Limited. The Acquirers and the PAC make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in The Dawn Mills Company Limited.

The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the operations of The Dawn Mills Company Limited and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of The Dawn Mills Company Limited are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

Table of Contents

1 DEFINITIONS

Acquirers	Alltime Mercantile Company Private Limited, Newzone Mercantile Company Private Limited, Superplaza Mercantile Company Private Limited and Seastar Trading Company Private Limited who are acting in concert with each other for the purpose of this Offer
AMCPL	Alltime Mercantile Company Private Limited
BSE	The Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Depositories	Collectively NSDL and CDSL
DMCL / the Target Company	The Dawn Mills Company Limited
DP	Depository Participant
Eligible Person(s) for the Offer	All owners (registered or unregistered), including the beneficial owners, of equity shares of The Dawn Mills Company Limited (other than the Acquirers, the PAC and the Sellers) anytime before the closure of the Offer
FEMA	Foreign Exchange Management Act, 1999
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
FY	Financial Year
Letter of Offer / LOF	this Letter of Offer
Ltd.	Limited
Manager/ Manager to the Offer	Ambit Corporate Finance Private Limited
NMCPL	Newzone Mercantile Company Private Limited
NSDL	National Securities Depository Limited
NRI	Non Resident Indian
OCB	Overseas Corporate Bodies
Offer	This open offer for acquisition of 50,000 fully paid-up equity shares of face value of Rs.50/- each, representing 20.00 % of the present issued and voting equity share capital of The Dawn Mills Company Limited at a price of Rs.4,644 per fully paid-up Share
Offer Closing Date	February 1, 2006
Offer Price	Rs.4,644 (Rupees Four Thousand Six Hundred and Forty Four only) per Share
Offer Size	50,000 Shares

PAC / PPL	Person acting in concert with the Acquirers i.e. Piramal Polymers Limited
Promoter Group	Sellers, Mr. M.G. Pittie, Mr. S. K. Jalan and Mr. Niranjan Jhunjhunwala alongwith his relatives
Public Announcement/ PA	Announcement of the Offer made on November 29, 2005
RBI	Reserve Bank of India
Registrar to Offer	Karvy Computershare Private Limited
Ruia Group	Mr. Nirmalkumar R. Ruia, Mr. D.B. Dhruv, Mrs. R.R. Ruia, Mr. Ravindrakumar V. Ruia, Mrs. V.N. Ruia, Mrs. V.A. Ruia, Ms. M.N. Ruia, Shri Bansi S. Mehta (ANR Investment)
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Sellers	Mr. Nirmalkumar Ruia, Mr. Ravindrakumar Ruia, Ruia Industries Private Limited, Vinaya Trading Company Private Limited, SJS Investment Private Limited, Vinay Kumar Family Investments Limited, ANR Investments Limited, Ruia Apparels Private Limited, Ruia Stud Farms Private Limited, Champion Highland Stud Farm Private Limited, Sterling Re-Rolling Mills Limited, Fairlawn Stud Farm Private Limited, Evergreen Stud and Agri Farm Private Limited, Ravinay Trading Company Limited, Mrs. V.N. Ruia, Mrs. V.A. Ruia, Ms. M.N. Ruia, Shri Bansi S Mehta (ANR Investment), Southern Paradise Stud and Dev. Farms Private Limited, Shri D.B. Dhruv, Madras Stud and Agri. Farms Private Limited and Mrs. R.R. Ruia
Share(s)	Fully paid-up equity shares of face value of Rs.50/- each of DMCL
SMCPL	Superplaza Mercantile Company Private Limited
SPA	The Share Purchase Agreement dated November 24, 2005 entered into between the Acquirers and the Sellers
SPA Shares	1,31,509 Shares agreed to be sold by the Sellers to the Acquirers under the SPA
Specified Date	Friday, December 16, 2005
STCPL	Seastar Trading Company Private Limited

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THE DAWN MILLS COMPANY LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS, PAC OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, AMBIT CORPORATE FINANCE PVT LTD, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 12, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 The Acquirers and the PAC are making an offer to the equity shareholders of DMCL to acquire from them upto 50,000 Shares, representing 20.00% of the present issued and voting equity share capital of DMCL at a price of Rs.4,644/- (Rupees Four Thousand Six Hundred and Forty Four only) per Share, payable in cash and subject to the terms and conditions mentioned hereinafter. AMCPL, NMCPL and SMCPL will acquire the Shares validly tendered and accepted under the Offer in equal proportion. STCPL and PPL will not acquire any Shares under the Offer.

3.1.2 Other than AMCPL, NMCPL, SMCPL, STCPL and PPL who are acting in concert with each other for the purpose of the Offer, no other person is acting in concert with the Acquirers and the PAC for the Offer. Due to operation of Regulation 2(1)(e)(2) of the SEBI Takeover Code, there could be persons who could be deemed to be acting in concert with the Acquirers and the PAC. However, they are not acting in concert with the Acquirers and the PAC for the purpose of the Offer.

3.1.3 The Offer and the acquisition in terms of the SPA, after the completion of the Offer would result in a change in control of DMCL. The Offer is being made in compliance with Regulations 10, 12 and other applicable provisions of the SEBI Takeover Code.

3.1.4 On November 24, 2005, AMCPL, NMCPL, SMCPL and STCPL have entered into the SPA with the Sellers who are the existing shareholders of DMCL collectively holding 1,31,509 Shares, to acquire from them, collectively 1,31,509 Shares (aggregating 52.60% of the present voting share capital of DMCL) at the price of Rs. 4,642/- per Share, payable in cash (the "Share Consideration") on a "spot delivery basis". The details of Shares being sold under the SPA are as follows:

	Name of the Seller	Shares held on the date of the agreement	Shares agreed to be sold	Contact Details (Address, Tel, Fax)
1.	Mr. Nirmalkumar R. Ruia	5,051	5,051	417, Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai – 400 018 Tel: +91-22-24964510/16 Fax: +91-22-24939567
2.	Mr. D.B. Dhruv	50	50	
3.	Mrs. R.R. Ruia	95	95	
4.	Mr. Ravindrakumar V. Ruia	882	882	
5.	Mrs. V.N. Ruia	372	372	
6.	Mrs. V.A. Ruia	75	75	
7.	Ms. M.N. Ruia	517	517	

	Name of the Seller	Shares held on the date of the agreement	Shares agreed to be sold	Contact Details (Address, Tel, Fax)
8.	Ruia Industries Pvt. Ltd.	31,495	31,495	State Bank Building Annexe 1st Floor, Bank Street Fort, Mumbai – 400 023 Tel:+91-22-24964510/16 Fax:+91-22-24939567
9.	Vinaya Trading Co. Pvt. Ltd.	20,549	20,549	
10.	SJS Investment Pvt. Ltd.	18,992	18,992	
11.	Vinay Kumar Family Investments Ltd.	14,412	14,412	
12.	ANR Investments Ltd.	10,169	10,169	
13.	Ruia Stud Farms Pvt. Ltd.	6,000	6,000	
14.	Champion Highland Stud Farm Pvt. Ltd.	4,000	4,000	
15.	Sterling Re-Rolling Mills Ltd.	2,568	2,568	
16.	Fairlawn Stud Farm Pvt. Ltd.	4,000	4,000	
17.	Evergreen Stud & Agri. Farm Pvt. Ltd.	3,900	3,900	
18.	Ravinay Trading Company Ltd.	10	10	
19.	Shri Bansi S. Mehta (ANR Investment)	50	50	
20.	Southern Paradise Stud & Dev. Farms Pvt. Ltd.	302	302	
21.	Madras Stud & Agri. Farms Pvt. Ltd.	15	15	Dawn Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai-400013 Tel: +91-22-24964510/16 Fax: +91-22-24939567
22.	Ruia Apparels Pvt. Ltd.	8,005	8,005	
	Total	**1,31,509**	**1,31,509**	

The above Sellers are part of the Promoter Group of DMCL. AMCPL will acquire 39,669 Shares, NMCPL and SMCPL will acquire 39,670 Shares each and STCPL will acquire 12,500 Shares from the Sellers.

3.1.5 Simultaneously with the execution of the SPA, the Acquirers and the Sellers have executed an escrow agreement (the "Escrow Agreement") with Kanga & Co., Advocates and Solicitors, who shall act as the escrow agent (the "Escrow Agent"). Other key terms of the SPA / the Escrow Agreement are:

- The Sellers have agreed not to commence or carry on either directly or indirectly any business or act as consultant or advisor to any entity or person carrying on any business which is in direct competition with the business of DMCL at any time after the completion of the sale of SPA Shares up to the expiry of a period of five years. In consideration thereof, in addition to the Share Consideration, the Acquirers shall pay to the Sellers a sum of Rs. 1,161/- per equity share, aggregating to Rs. 1,526.82 lakhs as non compete consideration (the "Non-Compete Consideration").
- The Sellers shall hand over to the Escrow Agent irrevocable delivery instructions by the Sellers addressed to the depository participant to transfer those SPA Shares which are in dematerialized form to the depository account of the Acquirers and the certificates relating to those SPA Shares which are in physical form together with related transfer deeds duly signed by the Sellers, in accordance with the Escrow Agreement.
- Simultaneously with the execution of the SPA, Mr. Nirmalkumar Ruia shall resign as the managing director of the Company.

- Further, the Sellers shall also deliver the resignation letters of Mr. Bansi Mehta, Mr. D.B. Dhruv, Mr. Rajeev Goenka, Mr. Ravindrakumar V Ruia, Mr S. K. Jalan, Mr. Jhunjhunwala and Mr. M.G. Pittie (the "Resignation Letters") to the Escrow Agent. The resignations in terms of the Resignation Letters shall be effective only upon completion of the sale of the SPA Shares.
- Simultaneously with the execution of the SPA, the Acquirers shall deposit the Share Consideration and the Non-Compete Consideration with the Escrow Agent to be dealt with in the manner contemplated under the Escrow Agreement.
- Within three working days upon receipt of certificate from the Manager to the Offer confirming fulfillment of all obligations by the Acquirers for the Offer under the SEBI Takeover Code, the Escrow Agent shall hand over the certificates relating to the SPA Shares together with the duly executed transfer deeds and/or effect the transfer of the SPA Shares in favour of the Acquirers into the designated demat account of the Acquirers and the Resignation Letters, which will be accepted by the Board of Directors of DMCL. Mrs. Urvi A. Piramal, Mr. Jaydev Mody and Mr. Rajeev A. Piramal, nominees of the Acquirers shall be appointed as directors on the Board of Directors of DMCL. The Escrow Agent shall simultaneously release the Share Consideration and the Non-Compete Consideration to the Sellers along with interest actually received thereon.
- In case the sale and transfer of the SPA Shares does not occur on or before 100 days from the date of the Escrow Agreement for any reasons other than on account or as a result of any action, inaction, deed, failure or breach by or on the part of the Sellers and/or their affiliates, the Escrow Agent shall release the Share Consideration and the Non-Compete Consideration with interest earned thereon after deduction of TDS to the Sellers. Further, in the event that the sale and transfer of the SPA Shares does not occur on or before 180 days from the date of the Escrow Agreement or that the SPA is terminated before that, the Escrow Agent shall release the SPA Shares and other documents held in escrow to the Sellers and the Share Consideration, Non-Compete Consideration to the Acquirers.
- In case the Offer cannot be completed, the Escrow Agent is instructed to refund the Share Consideration and Non-Compete Consideration to the Acquirers and return the SPA Shares along with the delivery instructions and transfer deeds to the respective Sellers. In such an event, the Resignation Letters would also be returned to the Sellers.
- The Acquirers shall comply with all obligations of an acquirer under the SEBI Takeover Code and in case of non-compliance with the provisions of the SEBI Takeover Code, the SPA shall not be acted upon.

3.1.6 The Manager to the Offer, the Acquirers and the PAC did not hold any Shares of DMCL as on the date of the PA.

3.1.7 Neither the Acquirers nor the PAC nor the Target Company nor the Sellers have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

3.1.8 The applicable provisions of Chapter II of the SEBI Takeover Code, vis-à-vis the Target Company have been complied by the Acquirers and are not applicable to the PAC.

3.2 Details of the Offer

3.2.1 The Public Announcement dated November 29, 2005 was made in the following newspapers, in accordance with Regulation 15 of the SEBI Takeover Code:

Publication	**Language**	**Editions**
Financial Express	English	All editions
Jansatta	Hindi	All editions
Nav Shakti	Marathi	Mumbai

(The Public Announcement would be available at the SEBI website: www.sebi.gov.in)

3.2.2 The Acquirers and the PAC have not acquired any Shares since the date of the Public Announcement upto the date of this Letter of Offer.

3.2.3 The Offer is for acquisition of upto 50,000 Shares (representing 20% of present issued and voting equity share capital of

DMCL) from the shareholders of DMCL (other than the Acquirers, the PAC and the Sellers). The Offer is not subject to any minimum level of acceptance and AMCPL, NMCPL and SMCPL will acquire all the Shares that are validly tendered in terms of the Offer, upto a maximum of 50,000 Shares at the Offer Price on a proportionate basis.

3.3 Object of the Offer and Acquirers' and the PAC's Future Plans for DMCL

3.3.1 The Offer is being made in compliance with Regulations 10, 12 and other applicable provisions of the SEBI Takeover Code, for the purpose of substantial acquisition of Shares and voting rights, as disclosed earlier, accompanied with change in control and management of the Target Company, thereby enabling the Acquirers and the PAC to exercise control over DMCL inter-alia, through the right to appoint directors or through control over management or policy decisions, by virtue of their shareholding. The Acquirers and the PAC reserve the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. The Acquirers and the PAC may also consider changing the name of the Target Company at a later date.

3.3.2 The plant and machinery of the textile mill would be disposed off. After acquisition of control over the Target Company, the Acquirers and the PAC plan to develop and / or give development rights to third parties to develop the real estate / land belonging to the Target Company situated at Lower Parel. Such developed real estate / land property may be sold / leased for commercial / residential purposes. The Acquirers and PAC may also consider restructuring and / or streamlining of various operations, assets, liabilities, businesses or otherwise of DMCL by way of arrangement / reconstruction, restructuring, mergers / demergers.

Such decisions will be governed by the provisions of the applicable laws and other applicable regulations. The Acquirers and the PAC will evaluate and consider such proposals and may, if appropriate, support the same. 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 business requirements and in line with opportunities or changes in the economic scenario, from time to time.

3.3.3 The Acquirers and the PAC undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

4. BACKGROUND OF THE ACQUIRERS AND THE PAC

4.1 Details of the Acquirers

4.1.1 Alltime Mercantile Company Private Limited

4.1.1.1 AMCPL, part of the Piramal Group, was incorporated on January 17, 2005 under the Companies Act, 1956 and is having its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Tel.: +91-22-56618787, Fax: +91-22-56618788. AMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.

4.1.1.2 The issued and paid up equity share capital of AMCPL consists of 10,000 equity shares of Rs.10 each, owned by Mrs. Urvi A. Piramal and Mr. Nandan Piramal.

4.1.1.3 The Board of Directors of AMCPL as on the date of the Public Announcement, were as follows:

- **Mrs. Urvi A. Piramal**, aged 52 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Graduate in Science from the University of Bombay and has attended the Advanced Management Program at the Harvard Business School. She plays an important role in formulating and executing the Piramal Group's strategies. She was appointed as a director on January 18, 2005.

- **Mr. Nandan Piramal**, aged 25 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Graduate in Arts from the University College – London. He has more than 2 years of experience in the retail industry. He was appointed as a director on January 18, 2005.

- **Mr. Jaydev Mody**, aged 50 years, residing at West Hill, 27, Nepeansea Road, Mumbai 400 036, is a Graduate in Arts from the University of Bombay. He has more than 20 years of experience in the field of real estate development. He was appointed as a director on January 18, 2005.

4.1.1.4 None of the above directors are on the Board of Directors of the Target Company.

4.1.1.5 Key financials of AMCPL are as follows:

INCOME STATEMENT ***(Rs. Lakhs)***	**Six months ended 30-Sep-05 Certified***	**Year ended 31-Mar-05 Audited**
Income from operations	—	—
Other Income	—	—
Total Income	**—**	**—**
Total Expenses	0.35	0.06
PBIDT	**(0.35)**	**(0.06)**
PBT	**(0.35)**	**(0.06)**
Profit after tax	**(0.35)**	**(0.06)**

BALANCE SHEET ***(Rs. Lakhs)***	**As of**	
	30-Sep-05 Certified*	**31-Mar-05 Audited**
SOURCE OF FUNDS		
Share capital	1.00	1.00
Reserves and surplus (excluding revaluation reserve)	(0.41)	(0.06)
Less: Miscellaneous expenditure	(0.11)	(0.12)
Networth	**0.48**	**0.82**
Unsecured loans	0.43	0.24
Total	**0.91**	**1.06**
APPLICATION OF FUNDS		
Investments	7.05	—
Net current assets	(6.14)	1.06
Total	**0.91**	**1.06**

OTHER FINANCIAL DATA	**Six months ended 30-Sep-05**	**Year ended 31-Mar-05**
Dividend (% of face value)	—	—
Earnings per share (Rs.)	NM	NM
Return on NetWorth (%)	NM	NM
Book Value per share (Rs)	4.82	8.23

Note :

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share
(2) Earnings per share = Profit after tax / No. of equity shares outstanding
(3) Return on Networth = Profit after Tax / Networth at year-end
(4) Book Value per share = Networth / No. of equity shares outstanding
(5) NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

* The results as on September 30, 2005 have been certified by the statutory auditors of AMCPL

4.1.1.6 The summarised significant accounting policies of AMCPL, as per the audited financial statements for the year ended March 31, 2005, are as follows:

a) Basis of Accounting – The company follows mercantile system of accounting and recognises significant items of income and expense on accrual basis

b) Preliminary expenses – Preliminary expenses are written off 1/10th of the amount originally incurred, every year

c) Investments - Investments, if any, are stated at cost

4.1.1.7 The financial results cannot be compared across periods since AMCPL was incorporated only on January 17, 2005.

4.1.1.8 According to the financial statements for the year ended March 31, 2005, AMCPL does not have any contingent liability.

4.1.1.9 Except as disclosed in paragraph 4.2.2, there are no mergers / demergers / spin offs involving AMCPL during the last 3 years.

4.1.1.10 For brief particulars about companies presently promoted / controlled by AMCPL, please refer paragraph 4.3.

4.1.2 Newzone Mercantile Company Private Limited

4.1.2.1 NMCPL, part of the Piramal Group, was incorporated on January 14, 2005 under the Companies Act, 1956 and is having its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Tel.: +91-22-56618787, Fax: +91-22-56618788. NMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.

4.1.2.2 The issued and paid up equity share capital of NMCPL consists of 10,000 equity shares of Rs.10 each, owned by Mrs. Urvi A. Piramal and Mr. Rajeev Piramal.

4.1.2.3 The Board of Directors of NMCPL as on the date of the Public Announcement, were as follows:

- **Mrs. Urvi A. Piramal,** appointed as a director on January 17, 2005.
- **Mr. Rajeev Piramal**, aged 29 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Graduate in Business Administration from Baldwin Wallace College, Cleveland, USA. He is currently involved in project planning and execution for the real estate business. He is the Executive Vice Chairman of Morarjee Realties Ltd. He was appointed as a director on January 17, 2005.
- **Mrs. Roopali Piramal**, aged 29 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Chartered Accountant. She was appointed as a director on January 17, 2005.

4.1.2.4 None of the above directors are on the Board of Directors of the Target Company.

4.1.2.5 Key financials of NMCPL are as follows:

INCOME STATEMENT ***(Rs. Lakhs)***	**Six months ended 30-Sep-05 Certified***	**Year ended 31-Mar-05 Audited**
Income from operations	—	—
Other Income	—	—
Total Income	**—**	**—**
Total Expenses	0.16	0.06
PBIDT	**(0.16)**	**(0.06)**
PBT	**(0.16)**	**(0.06)**
Profit after tax	**(0.16)**	**(0.06)**

BALANCE SHEET *(Rs. Lakhs)*	**As of**	
	30-Sep-05 Certified*	**31-Mar-05 Audited**
SOURCE OF FUNDS		
Share capital	1.00	1.00
Reserves and surplus (excluding revaluation reserve)	(0.22)	(0.06)
Less: Miscellaneous expenditure	(0.11)	(0.12)
Networth	**0.67**	**0.82**
Unsecured loans	0.24	0.24
Total	**0.91**	**1.06**
APPLICATION OF FUNDS		
Investments	7.05	-
Net current assets	(6.14)	1.06
Total	**0.91**	**1.06**

OTHER FINANCIAL DATA	**Six months ended 30-Sep-05**	**Year ended 31-Mar-05**
Dividend (% of face value)	—	—
Earnings per share (Rs.)	NM	NM
Return on Networth (%)	NM	NM
Book Value per share (Rs)	6.72	8.23

Note:

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share

(2) Earnings per share = Profit after tax / No. of equity shares outstanding

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per share = Networth / No. of equity shares outstanding

(5) NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

*The results as on September 30, 2005 have been certified by the statutory auditors of NMCPL

4.1.2.6 The summarised significant accounting policies of NMCPL, as per the audited financial statements for the year ended March 31, 2005, are as follows:

a) Basis of Accounting – The company generally follows mercantile system of accounting and recognizes significant items of income and expense on accrual basis

b) Preliminary expenses – Preliminary expenses are written off 1/10th of the amount originally incurred, every year

c) Investments - Investments, if any, are stated at cost

4.1.2.7 The financial results cannot be compared across periods since NMCPL was incorporated only on January 14, 2005.

4.1.2.8 According to the financial statements for the year ended March 31, 2005, NMCPL does not have any contingent liability.

4.1.2.9 Except as disclosed in paragraph 4.2.2, there are no mergers / demergers / spin offs involving NMCPL during the last 3 years.

4.1.2.10 For brief particulars about companies presently promoted / controlled by NMCPL, please refer paragraph 4.3.

4.1.3 Superplaza Mercantile Company Private Limited

4.1.3.1 SMCPL, part of the Piramal Group, was incorporated on January 12, 2005 under the Companies Act, 1956 and is having its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Tel.: +91-22-56618787, Fax: +91-22-56618788. SMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.

4.1.3.2 The issued and paid up equity share capital of SMCPL consists of 10,000 equity shares of Rs.10 each, owned by Mrs. Urvi A. Piramal, Mr. Harsh Piramal and Mrs. Reshma Piramal.

4.1.3.3 The Board of Directors of SMCPL as on the date of the Public Announcement, were as follows:

- **Mrs. Urvi A. Piramal**, appointed as a director on January 14, 2005.
- **Mr. Harsh Piramal**, aged 32 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Graduate in Science (Physics) from Kings College London and an MBA in Finance and Strategy from London Business School. He has more than 8 years of experience in the Pharmaceutical, Textile and Engineering industry. He was appointed as a director on January 14, 2005.
- **Mrs. Reshma Piramal**, aged 31 years, residing at 61A Piramal House, Pochkhanawala Road, Worli, Mumbai 400 025, is a Graduate in Science from the University of Bombay. She was appointed as a director on January 14, 2005.

4.1.3.4 None of the above directors are on the Board of Directors of the Target Company.

4.1.3.5 Key financials of SMCPL are as follows:

INCOME STATEMENT *(Rs. Lakhs)*	**Six months ended 30-Sep-05 Certified***	**Year ended 31-Mar-05 Audited**
Income from operations	—	—
Other Income	—	—
Total Income	**—**	**—**
Total Expenses	0.16	0.06
PBIDT	**(0.16)**	**(0.06)**
PBT	**(0.16)**	**(0.06)**
Profit after tax	**(0.16)**	**(0.06)**

BALANCE SHEET *(Rs. Lakhs)*	**As of**	
	30-Sep-05 Certified*	**31-Mar-05 Audited**
SOURCE OF FUNDS		
Share capital	1.00	1.00
Reserves and surplus (excluding revaluation reserve)	(0.22)	(0.06)
Less: Miscellaneous expenditure	(0.11)	(0.12)
Networth	**0.67**	**0.82**
Unsecured loans	0.24	0.24
Total	**0.91**	**1.06**
APPLICATION OF FUNDS		
Investments	7.05	—
Net current assets	(6.14)	1.06
Total	**0.91**	**1.06**

OTHER FINANCIAL DATA	Six months ended 30-Sep-05	Year ended 31-Mar-05
Dividend (% of face value)	—	—
Earnings per share (Rs.)	NM	NM
Return on Networth (%)	NM	NM
Book Value per share (Rs)	6.72	8.23

Note:

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share

(2) Earnings per share = Profit after tax / No. of equity shares outstanding

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per share = Networth / No. of equity shares outstanding

(5) NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

* The results as on September 30, 2005 have been certified by the statutory auditors of SMCPL

4.1.3.6 The summarised significant accounting policies of SMCPL, as per the audited financial statements for the year ended March 31, 2005, are as follows:

a) Basis of Accounting – The company follows mercantile system of accounting and recognises significant items of income and expense on accrual basis

b) Preliminary expenses – Preliminary expenses are written off 1/10th of the amount originally incurred, every year

c) Investments - Investments, if any, are stated at cost

4.1.3.7 The financial results cannot be compared across periods since SMCPL was incorporated only on January 12, 2005.

4.1.3.8 According to the financial statements for the year ended March 31, 2005, SMCPL does not have any contingent liability.

4.1.3.9 Except as disclosed in paragraph 4.2.2, there are no mergers / demergers / spin offs involving SMCPL during the last 3 years.

4.1.3.10 For brief particulars about companies presently promoted / controlled by SMCPL, please refer paragraph 4.3.

4.1.4 Seastar Trading Company Private Limited

4.1.4.1 STCPL was incorporated on February 9, 2005 under the Companies Act, 1956 and is having its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Tel.: +91-22-56618787, Fax: +91-22-56618788. STCPL is engaged in the business of investing in companies.

4.1.4.2 The issued and paid up equity share capital of STCPL consists of 10,000 equity shares of Rs.10 each, owned by Aarti Management Consultancy Private Limited, Aditi Management Consultancy Private Limited, Anjoss Trading Company Private Limited, Mr. Rajeev Piramal and Mr. Jaydev Mody. Aarti Management Consultancy Private Limited, Aditi Management Consultancy Private Limited and Anjoss Trading Company Private Limited are companies promoted and controlled by Mr. Jaydev Mody and his immediate family members. The directors of these three companies are Mr. Jaydev Mody and Mrs. Usha Mody.

4.1.4.3 The Board of Directors of STCPL as on the date of the Public Announcement, were as follows:

- **Mrs. Urvi A. Piramal**, appointed as a director on February 24, 2005.
- **Mr. Rajeev Piramal**, appointed as a director on July 11, 2005.
- **Mr. Jaydev Mody**, appointed as a director on July 11, 2005.

4.1.4.4 None of the above directors are on the Board of Directors of the Target Company.

4.1.4.5 Key financials of STCPL are as follows:

INCOME STATEMENT *(Rs. Lakhs)*	**Six months ended 30-Sep-05 Certified***	**Year ended 31-Mar-05 Audited**
Income from operations	—	—
Other Income	—	—
Total Income	**—**	**—**
Total Expenses	0.16	0.06
PBIDT	**(0.16)**	**(0.06)**
PBT	**(0.16)**	**(0.06)**
Profit after tax	**(0.16)**	**(0.06)**

BALANCE SHEET *(Rs. Lakhs)*	**As of**	
	30-Sep-05 Certified*	**31-Mar-05 Audited**
SOURCE OF FUNDS		
Share capital	1.00	1.00
Reserves and surplus (excluding revaluation reserve)	(0.22)	(0.06)
Less: Miscellaneous expenditure	(0.11)	(0.12)
Networth	**0.67**	**0.82**
Unsecured loans	0.24	0.24
Total	**0.91**	**1.06**
APPLICATION OF FUNDS		
Net current assets	0.91	1.06
Total	**0.91**	**1.06**

OTHER FINANCIAL DATA	**Six months ended 30-Sep-05**	**Year ended 31-Mar-05**
Dividend (% of face value)	—	—
Earnings per share (Rs.)	NM	NM
Return on Networth (%)	NM	NM
Book Value per share (Rs)	6.70	8.23

Note:

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share

(2) Earnings per share = Profit after tax / No. of equity shares outstanding

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per Share = Networth / No. of equity shares outstanding

(5) NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

* The results as on September 30, 2005 have been certified by the statutory auditors of STCPL

4.1.4.6 The summarised significant accounting policies of STCPL, as per the audited financial statements for the year ended March 31, 2005, are as follows:

a) Basis of Accounting – The company generally follows mercantile system of accounting and recognises significant items of income and expense on accrual basis

b) Preliminary expenses – Preliminary expenses are written off 1/10th of the amount originally incurred, every year

4.1.4.7 The financial results cannot be compared across periods since STCPL was incorporated only on February 9, 2005.

4.1.4.8 According to the financial statements for the year ended March 31, 2005, STCPL does not have any contingent liability.

4.1.4.9 There are no mergers / demergers / spin offs involving STCPL during last 3 years.

4.1.4.10 There are no companies that are presently promoted / controlled by STCPL.

4.2 Details of the PAC

4.2.1 Piramal Polymers Limited

4.2.1.1 PPL, part of the Piramal Group, was incorporated on May 27, 1982 under the Companies Act, 1956 and is having its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012, Tel.: +91-22-56618787, Fax: +91-22-56618788. PPL is engaged in the business of investing in companies.

4.2.1.2 The issued and paid up equity share capital of PPL consists of 50,000 equity shares of Rs.10 each, owned by Urvi Chemicals and Allied Industries Limited (“UCAIL”).

4.2.1.3 The Board of Directors of PPL as on the date of the Public Announcement, were as follows:

- **Mrs. Urvi A. Piramal**, appointed as a director on August 8, 1994.
- **Mr. Pramodkumar Gothi**, aged 56 years, residing at Ashok House, Off Gandhigram Road, Opp. Hare Rama Hare Krishna Temple, Juhu, Vile Parle, Mumbai 400 049, is a Graduate in Engineering with a Gold medal from the University of Roorkee. He is the Managing Director of Morarjee Textiles Limited since 1995 and has more than 32 years of experience in diversified industries including the Textile Industry. He was appointed as a director on December 18, 1992.
- **Mr. S. Kashimpuria**, aged 49 years, residing at 3/39, Rishikesh Bhavan, A-I,Mai Merwanji Street, Parel, Mumbai 400 012, is a Company Secretary. He has more than 25 years of experience in the field of corporate finance and corporate laws. He was appointed as a director on March 26, 2005.

4.2.1.4 None of the above directors are on the Board of Directors of the Target Company.

4.2.1.5 Key financials of PPL are as follows:

INCOME STATEMENT *(Rs. Lakhs)*	**Six months ended**	**Year ended**		
	30-Sep-05 Certified ^	**31-Mar-05 Audited**	**31-Mar-04 Audited**	**31-Mar-03 Audited**
Income from operations	472.49	107.65	12.23	4.75
Other Income	—	—	—	0.02
Total Income	**472.49**	**107.65**	**12.23**	**4.77**
Total Expenses*	30.94	38.90	26.26	40.72
PBDT	**441.55**	**68.75**	**(14.03)**	**(35.95)**
PBT	**441.55**	**68.75**	**(14.03)**	**(35.95)**
Provision for tax	—	10.62	—	—
Profit after tax	**441.55**	**58.13**	**(14.03)**	**(35.95)**

*including interest paid on loans other than fixed period loans

BALANCE SHEET *(Rs. Lakhs)*	**30-Sep-05 Certified ^**	**As of** **31-Mar-05 Audited**	**31-Mar-04 Audited**	**31-Mar-03 Audited**
SOURCE OF FUNDS				
Share capital	54.07	5.00	5.00	5.00
Equity shares	5.00	5.00	5.00	5.00
Preference shares	49.07	—	—	—
Reserves and surplus (excluding revaluation reserve)	219.56	(233.29)	(291.66)	(276.90)
Networth	**273.63**	**(228.29)**	**(286.66)**	**(271.90)**
Secured loans	3,300.00	—	—	—
Unsecured loans	555.07	1,570.06	364.53	347.89
Total	**4,128.69**	**1,341.77**	**77.87**	**75.99**
APPLICATION OF FUNDS				
Investments	4,025.69	1,275.60	3.33	3.33
Net current assets	103.01	66.17	74.55	72.67
Total	**4,128.69**	**1,341.77**	**77.87**	**75.99**

OTHER FINANCIAL DATA	**Six months ended ^** **30-Sep-05**	**Year ended** **31-Mar-05**	**31-Mar-04**	**31-Mar-03**
Dividend (% of face value)	—	—	—	—
Earnings per share (Rs.)	883.10	116.26	NM	NM
Return on Networth (%)	161.37%	NM	NM	NM
Book Value per share (Rs)	449.12	(456.58)	(573.32)	(543.79)

Note:

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share

(2) Earnings per share = Profit after tax / No. of equity shares outstanding

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per share = Networth as reduced by Preference capital / No. of equity shares outstanding

(5) NM = Not meaningful or not applicable.

^ includes financial results of Weltall Investments Pvt. Ltd. merged with PPL with effect from April 1, 2005. The results as on September 30, 2005 have been certified by the statutory auditors of PPL.

(Source: Annual Report & Company Data)

4.2.1.6 The summarised significant accounting policies of PPL, as per the audited financial statements for the year ended March 31, 2005, are as follows:

a) Basis of Accounting – The financial statements are prepared on accrual basis of accounting

b) Investments – Investments are valued at cost less provision, if any, for permanent dimunition in value of such investments

c) Stock in trade – Stocks are valued at cost or market price whichever is lower

The auditors have qualified their audit report for the year ended March 31, 2005/ March 31, 2004 with the following qualification:

As referred to in Note No. 4 to Schedule 8 the financial statements have been prepared on a going concern basis despite the accumulated losses exceeding the paid up share capital and reserves, in view of continuous financial support committed by the promoters.

4.2.1.7 Comparison of results:

Results for financial year 2005 compared to financial year 2004:

PPL's income from operations for the year ended March 31, 2005 was Rs.107.65 lakhs, compared to Rs.12.23 lakhs in the previous year. As a result PPL recorded a profit after tax of Rs.58.13 lakhs in the year ended March 31, 2005 as against a loss of Rs.14.03 lakhs in the year ended March 31, 2004.

Results for financial year 2004 compared to financial year 2003:

PPL's income from operations for the year ended March 31, 2004 was Rs.12.23 lakhs compared to Rs.4.75 lakhs in the previous year. Further expenses for the year ended March 31, 2004 were lower at Rs.26.26 lakhs compared to Rs.40.72 lakhs for the year ended March 31, 2004 resulting in a lower loss of Rs.14.03 lakhs.

4.2.1.8 According to the financial statements for the year ended March 31, 2005, the contingent liability of PPL consists of Disputed Income Tax demand for Assessment Year 98-99 aggregating Rs.2.12 lakhs.

4.2.1.9 There are no mergers / demergers / spin offs involving PPL during last 3 years except that Weltall Investments Pvt. Ltd. has been merged with PPL with effect from April 01, 2005 pursuant to the order of the High Court of Judicature at Bombay dated August 3, 2005.

4.2.1.10 For brief particulars about companies presently promoted / controlled by PPL, please refer paragraph 4.3.

4.2.2 A scheme of arrangement and amalgamation is filed before the High Court of Bombay (the "Scheme") which interalia provides that entire investments in PPL held by UCAIL together with investments held in Morarjee Realties Limited by certain other Piramal group investment companies would stand transferred to AMCPL, NMCPL and SMCPL in equal proportion. In consideration for the transfer, shareholders of UCAIL and one other transferor company would be allotted preference shares of AMCPL, NMCPL and SMCPL. On the Scheme becoming effective, UCAIL and other transferor companies shall stand dissolved without being wound up.

4.3 Information on other companies presently promoted / controlled by the Acquirers and the PAC

a) Morarjee Realties Limited ("MRL") (formerly The Morarjee Goculdas Spinning & Weaving Company Ltd.)

Date of incorporation : August 10, 1871

Nature of business : Real Estate

Listed at : BSE, NSE

Key Financials *(Rs. In lakhs)*

Particulars	**Year ended 31-Mar-2005**	**18 months ended 31-Mar-2004**	**Year ended 30-Sept-2002**
Equity capital	1,953.23	1,953.23	1,953.23
Reserves (excluding revaluation reserve)	(6,072.02)	(3,682.13)	6,034.97
Total Income	6,414.28	64,270.72	24,266.71
Profit after tax	(952.31)	(7,217.64)	(4,453.57)
Earnings per equity share (in Rs.)	NM	NM	NM
Net Asset Value per equity share (in Rs.)	(71.86)	(68.33)	3.82

The company is not an industrial company and hence Sick Industrial Companies (Special Provisions) Act, 1985 does not apply to it.

A scheme of arrangement and amalgamation has been approved by the Hon'ble Bombay High Court which interalia provides for demerger of the leasing business of Piramyd Retail and Merchandising Pvt. Ltd. to be merged into MRL and consolidation of Piramal Holdings Ltd. (except the leasing and service centre business) into MRL. Upon the Scheme of Arrangement becoming effective, Piramal Holdings Ltd. stands dissolved without being wound up.

b) Peninsula Facility Management Services Pvt. Ltd.

Date of incorporation : February 25, 1999

Nature of business : Consultancy services, real estate and facility management services

Key Financials *(Rs. In lakhs)*

Particulars	**Year ended 31-Mar-2005**	**Year ended 31-Mar-2004**	**Year ended 31-Mar-2003**
Equity capital	10.00	10.00	10.00
Reserves (excluding revaluation reserve)	(688.65)	(679.69)	(578.42)
Total Income	348.84	19.59	0.84
Profit after tax	(8.96)	(101.27)	(56.70)
Earnings per equity share (in Rs.)	NM	NM	NM
Net Asset Value per equity share (in Rs.)	(678.65)	(669.69)	(568.42)

The company is not an industrial company and hence Sick Industrial Companies (Special Provisions) Act, 1985 does not apply to it.

Following are the Key Financials of companies where the Acquirers/PAC are shown as part of the Promoter Group:

c) Arrow Webtex Limited

Date of incorporation : April 11, 1979

Nature of business : Textiles, Trading in shares, Consultancy for Real Estate

Listed at : BSE, Ahmedabad Stock Exchange, Delhi Stock Exchange

Key Financials *(Rs. In lakhs)*

Particulars	**Year ended 31-Mar-2005**	**Year ended 31-Mar-2004**	**Year ended 31-Mar-2003**
Equity capital	300.14	300.14	300.14
Preference share capital	181.03	181.03	181.03
Reserves (excluding revaluation reserve)	790.91	549.48	248.93
Total Income	1,613.40	1,816.27	1,246.34
Profit after tax	312.80	340.73	281.25
Earnings per equity share (in Rs.)	9.74	11.14	9.37
Net Asset Value per equity share (in Rs.)	36.33	28.28	17.96

d) Morarjee Textiles Limited (formerly Morarjee Brembana Limited)

Date of incorporation : July 14, 1995

Nature of business : Textiles

Listed at : BSE

Key Financials (consolidated results) *(Rs. In lakhs)*

Particulars	Year ended 31-Mar-2005	Year ended 31-Mar-2004	Year ended 31-Mar-2003
Equity capital*	1,038.26	6,162.60	6,207.76
Preference share capital	1,000.00	1,000.00	1,000.00
Reserves (excluding revaluation reserve)	1,727.45	(2,931.35)	(3,588.05)
Total Income	17,308.66	13,234.68	5,867.83
Profit after tax	582.58	(198.30)	(234.79)
Earnings per equity share (in Rs.)	5.20	NM	NM
Net Asset Value per equity share (in Rs.)	26.64	9.21	7.63

* Equity capital for the years ended March 31, 2004 and March 31, 2003 includes advance against equity of Rs.2,875 lakhs and Rs.2,920.16 lakhs respectively

e) G. P. Electronics Limited
Date of incorporation : September 23, 1982
Nature of business : Manufacturing of magnets
Listed at : BSE, NSE

Key Financials *(Rs. In lakhs)*

Particulars	Year ended 31-Mar-2005	Year ended 31-Mar-2004	Year ended 31-Mar-2003
Equity capital	486.09	486.09	486.09
Reserves (excluding revaluation reserve)	1,137.52	1,194.57	1,236.15
Total Income	1,439.77	1,343.04	1,466.74
Profit after tax	(57.05)	(41.58)	(0.19)
Earnings per equity share (in Rs.)	NM	NM	NM
Net Asset Value per equity share (in Rs.)	33.40	34.58	35.43

f) Nicholas Piramal India Ltd.
Date of incorporation : April 26, 1947
Nature of business : Pharmaceuticals
Listed at : BSE, NSE, Ahmedabad Stock Exchange

Key Financials (consolidated results) *(Rs. In lakhs)*

Particulars	Year ended 31-Mar-2005	Year ended 31-Mar-2004	Year ended 31-Mar-2003
Equity Capital	3,800	3,800	3,800
Preference Share Capital*	5,337	5,337	1,500
Reserves (excluding revaluation reserve)	46,195	36,679	41,036
Total Income	134,165	141,722	140,150
Profit after tax	16,405	19,966	11,552
Earnings per equity share (in Rs.) ^	8.46	10.41	30.33
Net Asset Value per equity share (in Rs.)	26.31	21.30	117.98

* Preference share capital for the year ended March 31, 2004 includes shares lying in share suspense account - Rs.3,837 lakhs
^ The equity shares having face value of Rs.10/- were split into shares of Rs.2 each in 2004

Formulae for the above ratios:

Earnings per equity share = Profit after tax as reduced by preference share dividend and distribution tax thereon / No. of equity shares outstanding at the year end

Net Asset Value per equity share = Networth after reduction of preference share capital / No. of equity shares outstanding at the year end

NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

4.4 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code

Please refer to paragraph 3.3 of this Letter of Offer.

4.5 Relation, if any, between the Acquirers and the PAC

AMCPL, NMCPL, SMCPL and PPL belong to the Piramal Group which has interests in textiles, real estate, pharmaceuticals, retail and engineering. PPL has provided funding support to the Acquirers for the acquisition. The Piramal Group's company - Morarjee Textiles Limited is engaged in manufacturing of cotton fabrics. In the real estate business, the Piramal Group company, Morarjee Realties Ltd. is engaged in development of retail, residential and commercial properties. In the pharmaceuticals business, the Piramal Group company – Nicholas Piramal India Limited is one of the leading pharmaceutical companies in India. In the retail business, the Piramal Group company - Piramyd Retail Ltd. operates life style retail (apparel & accessories) stores and food and home product stores. The Piramal Group also has a presence in the engineering business. The Piramal Group is professionally managed with group companies having a professional Board of Directors. STCPL is a company promoted and controlled by Mr. Jaydev Mody and his immediate family members. Mr. Jaydev Mody is a relative of the promoters of the Piramal Group.

5. DISCLOSURE IN TERMS OF REGULATION 21

Pursuant to this Offer (assuming full acceptance) and the acquisition under the SPA, the public shareholding in DMCL will not be reduced below 25% of the total equity shareholding in DMCL.

6 BACKGROUND OF THE DAWN MILLS COMPANY LIMITED

NOTE: The disclosures under this part have been taken from publicly available sources and as provided by the Target Company

6.1 Dawn Mills Company Limited is a public limited company with its registered office located at Dawn Mills Premises, Ganpatrao Kadam Marg, Lower Parel, Mumbai - 400 013 Tel: +91-22-24964510/16, Fax: +91-22-24939567.

6.2 DMCL was incorporated on March 30, 1914 as a company with limited liability under the provisions of Act No.VI of 1882 of the Legislative Council of India. DMCL was managed by Sasoon J. David & Co. Ltd. as its managing agents from the date of its inception until October 1, 1946 when the managing agency was taken over by Ramnarain Sons Pvt. Ltd., a company under Ruia Group. From April 1, 1963 the managing agency was assigned to Ruia Industries Pvt. Ltd. and it remained under their control upto December 31, 1969.

6.3 DMCL's main activities were manufacture of readymade garments, fabrics, knitted fabrics, hosiery, waste and yarn and trading in ladies undergarments through its subsidiary namely Dawn Apparels Limited. DMCL has launched and implemented a voluntary retirement scheme for the benefit of its workers and employees (the "VRS"). Pursuant to the VRS, the textile mill of DMCL, situated at Lower Parel, has ceased its manufacturing / production activities. Further, prior to the execution of the SPA, DMCL has entered into agreements for sale of its shareholding in Dawn Apparels Limited & Special Paints Limited to the Sellers / their associates and has executed a lease deed for a temple property in favour of a charitable trust of the Sellers. Further, under an agreement dated July 21, 1977 made between DMCL and Mr. Nirmalkumar Ruia, Mr. Nirmalkumar Ruia had an option to purchase a flat in Samudra Mahal building situated at Worli upon his resignation as the Managing Director of DMCL. After the execution of the SPA, Mr. Nirmalkumar Ruia has exercised the aforesaid option upon his resignation as the Managing Director of DMCL and DMCL has sold to Mr. Nirmalkumar Ruia the said flat in Samudra Mahal building situated at Worli, Mumbai at a price of Rs. 4.93 lakhs. In addition, DMCL has sold its land at Tirupur to third parties for a consideration of Rs. 25 lakhs.

6.4 The share capital structure of DMCL, as on the date of the PA, is as follows:

Particulars	No. of Shares/voting rights	% of Shares/ voting rights
Authorised equity share capital	2,50,000 Shares	—
Issued & subscribed equity share capital	2,50,000 Shares	100%
Fully Paid-up Equity Shares	2,50,000 Shares	100%
Total Voting Rights	2,50,000 Shares	100%

Note 1 -DMCL also has 7,50,000 unclassified shares as a part of its authorised share capital

6.5 Details of the changes in share capital of the Target Company since incorporation and status of compliance with applicable SEBI regulations / other statutory requirements, are as follows:

Year of allotment	No. of shares issued	% of shares issued	Face Value	Cumulative Paid up capital (Rs.)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
1914 on incorporation	3,200	100%	Rs.250/-	8,00,000	Subscribers to memorandum and ex-promoters		Complied
	Shares split to Rs.50 each	—	Rs.50/-	8,00,000	—		Complied
1948	16,000	50%	Rs.50/-	16,00,000	Bonus	Existing shareholders	Complied
1957	24,000	43%	Rs.50/-	28,00,000	Bonus	Existing shareholders	Complied
1966	28,000	33%	Rs.50/-	42,00,000	Bonus	Existing shareholders	Complied
1976	42,000	33%	Rs.50/-	63,00,000	Bonus	Existing shareholders	Complied
1979	63,000	33%	Rs.50/-	94,50,000	Bonus	Existing shareholders	Complied
1994	61,000	24%	Rs.50/-	1,25,00,000	Preferential allotment	Promoters	Complied

6.6 DMCL has complied with the applicable clauses of the stock exchange listing agreement from time to time. No penal action has been initiated against DMCL by BSE in respect of the compliance related to the listing agreement. The Shares were never suspended for trading by BSE.

6.7 In July 2004, SEBI had issued a letter to DMCL regarding non-compliance of filings under Regulations 6 and 8 of the SEBI Takeover Code for the years 1997 to 2004. SEBI had also proposed to DMCL regarding DMCL's willingness for settlement by a consent order by paying a penalty of Rs.1.75 lakhs. DMCL filed the consent order with SEBI on August 24, 2004. Further, DMCL filed the requisite information under Regulations 6 and 8 of the SEBI Takeover Code for the period 1997 to 2004 with BSE on August 5, 2004. Accordingly, there have been delays in complying with the applicable provisions of the SEBI Takeover Code. DMCL has also requested SEBI to waive the penalty imposed by SEBI. Further, in 2005, there was a delay of 6 days while reporting under Regulation 7 (3) of the SEBI Takeover Code to BSE. Further, as per information received from DMCL, compliance by the Promoter Group under Regulations 6 and 8 of the SEBI Takeover Code for the years 1997 to 2004 was done on August 5, 2004. Further, in 2005, there was a delay of 9 days for compliance by the Promoter Group under Regulation 8 of the SEBI Takeover Code. SEBI may take appropriate action in respect of the aforesaid non-compliances with disclosure requirements of the SEBI Takeover Code

6.8 The Promoters, the Sellers and DMCL have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act.

6.9 The Board of Directors of DMCL as on the date of the Public Announcement was as under:

Sr. No.	Name & Residential Address	Original Date of Appointment	Designation	Qualifications	Experience
1	Mr. Bansi S Mehta Maheshwari Mansion Flat No. 37 Nepean Sea Road Mumbai-400 006	September 30, 1974	Chairman	C.A.	Mr. Mehta is a practicing Chartered Accountant since 1958 and Partner of M/s Bansi S. Mehta & Co. He was also a member of various committees of ICAI and other associations.
2	Mr. Rajeev Goenka 8/8, Alipore Park Road, 3rd Floor Kolkata-700 027	February 6, 1974	Director	B.Com.	Mr. Goenka has about 40 years' experience in various fields like textile, finance and investment business.
3	Mr. M. G. Pittie 8/2/545 Road No. 7 Banjara Hills Hyderabad-500 034	September 21, 1977	Director	Senior Cambridge	Mr. Pittie has almost 35 years' experience in the real estate business.
4	Mr. D. B. Dhruv Nishant Poddar Road Santacruz (West) Mumbai – 400 054	July 27, 1984	Director	Solicitor	Mr. Dhruv is the senior partner of M/s. Dhruv & Co., Advocates & Solicitors and has been practicing for more than 44 years.
5	Mr. R. V. Ruia 417, Samudra Mahal Dr. Annie Besant Road, Worli, Mumbai-400 018	February 26, 1993	Executive Director	B. Com.	Mr. Ruia has over 23 years experience in the textile business.
6	Mr. N. P. Jhunjhunwala Giri Kunj, 65 S.V. Road, Andheri, Mumbai-400 053	November 1, 1994	Director	B.Com.	Mr. Jhunjhunwala has 30 years' experience in import/ export of raw cotton. He also has experience in stock brokering and construction/ real estate businesses.
7	Mr. S. K. Jalan C/17 Woodland 67, Dr. G Deshmukh Road Mumbai-400 026	June 20, 1997	Director	B.A.	Mr. Jalan is the Chairman of Bombay Gas Company Ltd.

Note: There are no directors representing the Acquirers and the PAC on the Board of Directors of DMCL. As mentioned at paragraph 3.1.5, Mr. Nirmalkumar Ruia had resigned as the Managing Director of DMCL before the PA.

6.10 The details of the changes in shareholding of the Promoter Group as and when it took place, is as follows: -

Year	Particulars	Ruia Group	Other constituents of the Promoter Group	Total of the Promoter Group	% of the than issued capital of DMCL
1963 - 64	Acquisition from RR Ruia	5,250	—	5,250	9.38%
1963 - 64	Acquisition from RR Sons	6,778	—	12,028	21.48%
1963 - 64	Acquisition from market	2	—	12,030	21.48%
1963 - 64	Addition of Ruia Industries Pvt. Ltd., Vinaya Trading Co. Pvt. Ltd. as part of Promoter Group	—	15,000	27,030	48.27%
1966 - 67	Bonus issue	6,015	7,500	40,545	48.27%
1967 - 68	Disposal of Shares	(3,000)	(10,000)	27,545	32.79%
1971 - 72	Acquisition from market	110	—	27,655	32.92%
1971 - 72	Addition of Sterling Re-Rolling Mills Ltd. as part of Promoter Group	—	735	28,390	33.80%
1975 - 76	Bonus issue	7,577	6,617	42,584	33.80%
1977 -78	Acquisition from market	50	—	42,634	33.84%
1979 - 80	Bonus issue	11,391	9,926	63,951	33.84%
1979 - 80	Acquisition from market	50	—	64,001	33.86%
1979 - 80	Addition of Southern Paradise Stud & Dev. Farms Pvt. Ltd. as part of Promoter Group	—	202	64,203	33.97%
1980 - 81	Acquisition from market	—	2,325	66,528	35.20%
1983 - 84	Acquisition from market	100	—	66,628	35.25%
1985 - 86	Acquisition from market	—	795	67,423	35.67%
1989 - 90	Addition of ANR Investments Ltd., Vinay Kumar Family Investments Ltd. as part of Promoter Group and transfer from Ruia Group	(23,198)	23,198	67,423	35.67%
1989 - 90	Acquisition from market	—	265	67,688	35.81%
1990 - 91	Transfer from Ruia Group to other constituents of Promoter Group	(4,148)	4,148	67,688	35.81%
1990 - 91	Acquisition from market	—	215	67,903	35.93%
1990 - 91	Disposal of Shares	—	(3,030)	64,873	34.32%
1993 - 94	Acquisition from market	95	309	65,277	34.54%
1993 - 94	Addition of SJS Investment Pvt. Ltd. as part of Promoter Group	—	992	66,269	35.06%
1994 - 95	Preferential Issue and addition of Ruia Apparels Pvt. Ltd., Fairlawn Stud Farm Pvt. Ltd., Evergreen Stud & Agri. Farm Pvt. Ltd., Champion Highland Stud Farm Pvt. Ltd., Ruia Stud Farms Pvt. Ltd. as part of Promoter Group	—	61,000	127,269	50.91%
1995 - 96	Acquisition from market	95	—	127,364	50.95%

Year	Particulars	Ruia Group	Other constituents of the Promoter Group	Total of the Promoter Group	% of the than issued capital of DMCL
1997 - 98	Acquisition from market	100	5	127,469	50.99%
2002 - 03	Acquisition from market	50	—	127,519	51.01%
2003 - 04	Acquisition from market	83	15	127,617	51.05%
2004 - 05	Acquisition from market	—	4,200	131,817	52.73%

The above table shows the changes in the shareholding of the people constituting the Ruia Group / Promoter Group. Figures in brackets indicate disposals of Shares and transfer of Shares by the Ruia Group to other constituents of Promoter Group. DMCL has confirmed that applicable legal provisions, in particular the provisions of the SEBI Takeover Code, as in force at the relevant times and SEBI (Prohibition of Insider Trading) Regulations, 1992 were complied with by the Promoters, persons acting in concert with them and DMCL, at the time of each change in the Promoters' shareholding, including changes in the shareholding of the persons acting in concert with them.

6.11 DMCL did not have any merger / acquisition /de-merger/spin-off in the last 3 years except that Dawn Apparels Ltd. ceased to be its subsidiary pursuant to the agreement for sale of its shareholding with the Sellers / their associates entered prior to the SPA.

6.12 Following are the material legal cases against DMCL, to the best of the knowledge of DMCL:

a) There are two demand notices pending before Additional Commissioner of Central Excise, Mumbai IV in the matter of yarn manufactured on job work basis during April 1994 to March 1995. The amount involved is approximately Rs.2.13 lakhs

b) Case filed by Laxmi Enterprises claiming an amount of Rs. 3 lakhs.

c) 13 cases have been filed by past employees against DMCL seeking various reliefs including superannuation, reinstatement with back wages, ex-gratia, VRS compensation, etc. The amount involved is approximately Rs. 15.03 lakhs of claims. Further, 41 badli workers have filed case for ex-gratia and VRS compensation. These cases are at different stages of the applicable dispute resolution process.

The amounts mentioned in the above cases do not include interest claims, if any.

6.13 Key audited financials of DMCL are as follows:

The results are on a standalone legal entity basis (consolidation effect of subsidiary financials are not considered). The results for the six months ended September 30, 2005 are as certified by the statutory auditors and reported to BSE as per the requirements of listing agreements.

INCOME STATEMENT *(Rs. Lakhs)*	**Six months ended 30-Sep-05 Certified**	**Year ended**		
		31-Mar-05 Audited	**31-Mar-04 Audited**	**31-Mar-03 Audited**
Income from operations	1,207.75	3,441.58	4,489.62	3,848.08
Total Income	**1,207.75**	**3,441.58**	**4,489.62**	**3,848.08**
Total Expenses	1,349.75	3,261.88	4,163.26	3,669.69
PBIDT	**(142.00)**	**179.70**	**326.36**	**178.39**
Depreciation	40.01	91.08	90.40	92.79
Interest	16.74	7.55	12.44	27.46
PBT	**(198.75)**	**81.07**	**223.52**	**58.14**
Credits relating to earlier years	(120.17)	6.86	2.68	6.10
Provision for tax	—	11.65	49.75	11.83
Profit after tax	**(318.92)**	**76.28**	**176.46**	**52.40**

BALANCE SHEET *(Rs. Lakhs)*	**As of**		
	31-Mar-05 Audited	**31-Mar-04 Audited**	**31-Mar-03 Audited**
SOURCE OF FUNDS			
Share capital	125.00	125.00	125.00
Reserves and surplus (excluding revaluation reserve)	1,209.68	1,161.91	999.07
Less: Miscellaneous expenditure	(43.80)	(80.02)	(116.25)
Networth	1,290.88	1,206.88	1,007.82
Deferred tax liability (net)			4.83
Secured loans	84.85	112.78	255.55
Total	**1,375.73**	**1,319.66**	**1,268.20**
APPLICATION OF FUNDS			
Net fixed assets (adjusted for revaluation reserve)	428.69	498.88	585.39
Investments	405.98	619.28	358.51
Deferred tax asset (net)	82.77	56.43	—
Net current assets	458.29	145.08	324.30
Total	**1,375.73**	**1,319.66**	**1,268.20**

OTHER FINANCIAL DATA	**Year ended**		
	31-Mar-05	**31-Mar-04**	**31-Mar-03**
Dividend (% of face value)	20.00%	20.00%	12.00%
Earnings per Share (“EPS”) (Rs.)	30.51	70.59	20.96
Return on Networth (%)	5.91%	14.62%	5.20%
Book Value per Share (Rs)	516.35	482.75	403.13

Note:

(1) Dividend (%) = Dividend paid / No. of equity shares outstanding / Par value per equity share

(2) EPS = Profit after tax / No. of equity shares outstanding

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per Share = Networth / No. of equity shares outstanding

(5) NM = Not meaningful or not applicable.

(Source: Annual Report & Company Data)

6.14 DMCL has the following contingent liabilities for the year ended March 31, 2005:
(Source: Annual Report for FY2005) (Rs. in lacs)

	March 31, 2005	**March 31, 2004**
(a) Claims not acknowledged as debts	3.00	3.00
(b) Bonds in favour of Central Excise Authorities	5.00	5.00
(c) Show Cause Notices for Excise Duty claims contested by the Company	2.31	2.31
(d) Undertaking by the Company to discharge any obligation in connection with the Company’s Gratuity Fund in respect of liability of the Trustees, if any, as also cost, expenses, damages etc., suffered by any of them.		

6.15 Comparison of Results

Results for financial year 2005 compared to financial year 2004 :

During the year income from operations dropped by 23% to Rs.3,441.58 lakhs as compared to Rs.4,489.62 lakhs of the previous year and profit after tax dropped by 57% to Rs.76.28 lakhs as compared to Rs.176.46 lakhs of the previous year. The drop in income and profit after tax was due to increase in the cost of production on account of higher raw material and power costs. Further, higher selling prices resulted in lower demand in the market.

Results for financial year 2004 compared to financial year 2003 :

During the year income from operations increased by 17% to Rs.4,489.62 lakhs as compared to Rs.3,848.08 lakhs of the previous year and profit after tax increased by 237% to Rs.176.46 lakhs as compared to Rs.52.4 lakhs of the previous year. Increased customer demand, better realizations, improvement in efficiency of production due to modernization and changes in product mix resulted in the increase in revenues and profit.

6.16 The shareholding and voting pattern of DMCL prior to and following the proposed acquisition under the SPA and the Offer, is as under:

Shareholders' category	Shareholding & Voting rights prior to the agreement/ acquisition and Offer (as on November 29, 2005) (A)	Shares/ Voting rights agreed to be acquired which triggered off the SEBI Takeover Code) (B)	Shares/ Voting rights to be acquired in the Open Offer (Assuming full acceptances) (C)	Shareholding/ Voting rights after the agreement/ acquisition and Offer (A)+(B)+(C) = (D)
1) Promoter Group				
a) Parties to the SPA	1,31,509 Shares 52.60%	(1,31,509) Shares 52.60%	Nil	Nil
b) Promoters other than (a) above	308 Shares 0.12%	Nil	Nil	308 Shares ^ 0.12% ^
Total 1 (a+b)	1,31,817 Shares 52.72%	(1,31,509) Shares 52.60%	Nil	308 Shares ^ 0.12% ^
2) Acquirers PAC is not acquiring any Shares under the SPA or in the Offer	Nil	1,31,509 Shares 52.60%	50,000 Shares 20.00%	1,81,509 Shares 72.60%
3) Parties to the agreement other than 1 (a) and (2)	NA	NA	NA	NA
4) Public* (other than parties to agreement, the Acquirers and the PAC)				
a) Mutual Funds and UTI,	Nil			
b) Banks, Financial Institutions, Insurance Companies (Central/State Government Institutions/Non-Government Institutions)	415 Shares 0.17%			
c) FIIs	Nil			
d) Private Corporate Bodies	42,188 Shares 16.88%			
e) Indian Public (including NRIs / OCBs).	75,580 Shares 30.23%			
Total (4): (a)+(b)+(c)+(d)+(e)	1,18,183 Shares 47.28%	Nil	(50,000) Shares 20.00%	68,183 Shares 27.28%
Grand Total (1+2+3+4)	**2,50,000 100.00%**			**2,50,000 100.00%**

*Total number of public shareholders as on November 29, 2005 is 6,525

^ Upon completion of the Offer, the Acquirers shall be the promoters of DMCL. Residual shareholding of existing Promoter Group, if any, will be treated as part of public shareholding.

6.17 The compliance officer of DMCL is Mr. S.R. Nevatia. His contact details are as follows: 22, Brij Kutir, Nepean Sea Road, Mumbai – 400 006 (Tel: +91-22-24964510/16, Fax: +91-22-24939567)

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of DMCL are listed on BSE. The annualised trading turnover during the preceding six months ended October 31, 2005 on BSE is as follows:

Name of Stock Exchange	Total number of Shares traded during the preceding six calendar months ended October 31, 2005	Total number of listed Shares	Annualised trading turnover (in terms of % of total listed Shares)
BSE	1,29,130	2,50,000	103.30%

(Source: BSE website)

7.1.2 Based on the above information, the shares of DMCL are frequently traded on BSE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI Takeover Code.

7.1.3 The Offer Price of Rs. 4,644/- (Rupees Four Thousand Six Hundred and Forty Four only) per Share is justified in terms of Regulation 20 of the SEBI Takeover Code as it is higher than either of the following:

a. Share consideration payable to the Sellers under the SPA: Rs.4,642/- per Share

b. Highest price paid by the Acquirers and the PAC for acquisition of equity shares of DMCL during the 26 weeks period preceding the date of the PA: Nil

c. The average of the weekly high and low of the closing prices of the equity shares of DMCL during the 26 weeks preceding the PA, on BSE: Rs. 3,615.85. Please see the following table.

Week #	Week Ended	High (Rs.)	Low (Rs.)	Avg (Rs.)	Volume (Shares)
1	Monday, November 28, 2005	3,895.90	3,052.65	3,474.28	821
2	Monday, November 21, 2005	3,150.00	3,000.00	3,075.00	512
3	Monday, November 14, 2005	3,234.80	3,031.25	3,133.03	456
4	Monday, November 07, 2005	3,240.00	3,004.95	3,122.48	473
5	Monday, October 31, 2005	3,059.75	2,898.45	2,979.10	1,068
6	Monday, October 24, 2005	3,066.40	2,629.10	2,847.75	13,014
7	Monday, October 17, 2005	3,639.15	3,227.75	3,433.45	806
8	Monday, October 10, 2005	3,796.80	3,646.60	3,721.70	952
9	Monday, October 03, 2005	3,785.60	3,569.90	3,677.75	30,770
10	Monday, September 26, 2005	4,145.00	3,623.00	3,884.00	1,629
11	Monday, September 19, 2005	4,263.25	3,725.00	3,994.13	2,918
12	Monday, September 12, 2005	3,812.00	3,719.75	3,765.88	747
13	Monday, September 05, 2005	3,992.75	3,643.10	3,817.93	1,550
14	Monday, August 29, 2005	3,469.65	3,274.35	3,372.00	713
15	Monday, August 22, 2005	3,546.10	3,396.65	3,471.38	1,206
16	Friday, August 12, 2005	3,627.10	3,516.00	3,571.55	819
17	Monday, August 08, 2005	3,900.00	3,666.65	3,783.33	1,305
18	Monday, August 01, 2005	3,827.30	3,721.75	3,774.53	938
19	Monday, July 25, 2005	3,921.65	3,705.90	3,813.78	2,236

Week #	Week Ended	High (Rs.)	Low (Rs.)	Avg (Rs.)	Volume (Shares)
20	Monday, July 18, 2005	3,703.20	3,396.20	3,549.70	1,534
21	Monday, July 11, 2005	3,837.30	3,598.15	3,717.73	1,444
22	Monday, July 04, 2005	4,025.20	3,651.00	3,838.10	2,073
23	Monday, June 27, 2005	4,363.25	3,999.10	4,181.18	3,686
24	Monday, June 20, 2005	4,513.80	3,808.70	4,161.25	7,159
25	Monday, June 13, 2005	4,751.35	4,057.90	4,404.63	9,665
26	Monday, June 06, 2005	3,864.70	3,028.20	3,446.45	1,174
		26 weeks average		**3,615.85**	

d. The average of the daily high and low of the equity shares of DMCL during the 2 weeks preceding the date of PA, on BSE was Rs.3,300.07. Please see the following table:

Day #	Date	High (Rs.)	Low (Rs.)	Avg (Rs.)	Volume (Shares)
1	Monday, November 28, 2005	3,895.90	3,895.90	3,895.90	226
2	Saturday, November 26, 2005	3,710.40	3,710.40	3,710.40	35
3	Friday, November 25, 2005	3,533.75	3,533.75	3,533.75	116
4	Thursday, November 24, 2005	3,365.50	3,365.50	3,365.50	57
5	Wednesday, November 23, 2005	3,205.25	3,040.00	3,122.63	207
6	Tuesday, November 22, 2005	3,082.00	2,955.00	3,018.50	180
7	Monday, November 21, 2005	3,098.00	2,960.00	3,029.00	97
8	Friday, November 18, 2005	3,150.00	3,000.00	3,075.00	59
9	Thursday, November 17, 2005	3,120.00	3,045.00	3,082.50	213
10	Wednesday, November 16, 2005	3,219.00	3,116.00	3,167.50	143
		2 weeks average		3,300.07	

7.1.4 Non-Compete Consideration of Rs.1,161/- per Share is 25% of the Offer Price, which is not part of the Offer Price in accordance with the provisions of Regulation 20(8) of the SEBI Takeover Code.

7.1.5 In the opinion of the Manager to the Offer and the Acquirers and the PAC, the Offer Price is justified.

7.1.6 If the Acquirers and the PAC acquire Shares after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 The total financial resources required for this Offer, assuming full acceptance at the Offer Price will be Rs. 23,22,00,000 (Rupees Twenty Three Crores Twenty Two Lakhs only) ("Maximum Consideration"). AMCPL, NMCPL and SMCPL have made firm financial arrangements for the Maximum Consideration in the form of borrowings from PPL. To demonstrate that firm funding arrangements are in place, an amount of Rs. 23,22,00,000, equal to the Maximum Consideration has been drawn and placed in an escrow account (please see the following paragraph).

7.2.2 In accordance with Regulation 28 of the SEBI Takeover Code, NMCPL has made a cash deposit of Rs. 23,22,00,000 in a bank account with YES BANK Limited at their branch office Nehru Centre, 11th Floor, Discovery of India, Dr. A.B.Road, Worli, Mumbai 400 018 ("Escrow Account"). The amount placed in the Escrow Account is 100% of the Maximum Consideration and is higher than the amount required under Regulation 28 of the SEBI Takeover Code. The Manager to the Offer has been authorised to realise the value of the Escrow Account in terms of the SEBI Takeover Code.

7.2.3 M/s. Amit Desai & Co, Chartered Accountants (Proprietor Mr. Amit Desai having membership no. 32926, contact no. +91-22-23523072) have confirmed vide their letter dated November 28, 2005 that the Acquirers have made firm arrangements for meeting their obligations under the SEBI Takeover Code. Based on this certificate, the Manager to the Offer confirms that adequate funds are available with the Acquirers through verifiable means to fulfill their obligations under the Offer in full.

8. TERMS AND CONDITIONS OF THE OFFER

8.1.1 The Offer is subject to receipt of approval from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 ("FEMA") for the acquisition of Shares from non-resident persons under the Offer.

8.1.2 To the best of knowledge and belief of the Acquirers and the PAC other than the above, no other statutory approvals are required to acquire the Shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. In terms of Regulation 27 of the SEBI Takeover Code, the Acquirers and the PAC will not proceed with the Offer, in the event that such statutory approvals that are required are refused. No approvals are required from Financial Institutions/ Banks for the Offer.

8.1.3 It may be noted that in case of non-receipt of statutory approvals within a reasonable time, SEBI, if satisfied that the non receipt of the statutory approvals was not due to wilful default or negligence on part of the Acquirers and the PAC, has a power to grant an extension of time to the Acquirers and the PAC for payment of consideration to shareholders and the Acquirers and the PAC shall pay interest for the delay, to the shareholders who have accepted the Offer, at such rates as may be specified by SEBI under Regulation 22(12) of the SEBI Takeover Code. Further, if the delay occurs due to willful default of the Acquirers and the PAC in obtaining the requisite statutory approvals, Regulation 22(13) of the SEBI Takeover Code shall be applicable. The Acquirers and the PAC shall complete all procedures relating to the Offer within a period of 15 days from February 1, 2006 (the "Offer Closing Date").

8.1.4 Other terms

8.1.4.1 The Offer is being made to the shareholders of DMCL and the Letter of Offer, together with the Form of Acceptance-cum-Acknowledgement (the "Form of Acceptance"), will be mailed to the shareholders of DMCL (excluding the Acquirers, the PAC and the Sellers), whose names appear on the Register of Members of DMCL, and to the beneficial owners of the Shares, whose names appear as beneficiaries on the records of the respective depositories, at the close of business hours on Friday, December 16, 2005 ("Specified Date").

8.1.4.2 All owners of Shares, registered or unregistered (except the Acquirers, the PAC and the Sellers), are eligible to participate in the Offer, at any time before the Offer Closing Date, as per the procedure set out in paragraph 9 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified.

8.1.4.3 Accidental omission to dispatch this Letter of Offer or the non-receipt or delayed receipt of this Letter of Offer will not invalidate the Offer in any way.

8.1.4.4 There are no Shares that are locked-in as per SEBI guidelines.

8.1.4.5 Any Shares that are the subject matter of litigation or are held in abeyance due to pending court cases, attachment / restriction from Court/ Forum/ ITO / relevant statutory authorities, etc., wherein the shareholder(s) may be precluded from transferring the Shares during the pendency of the said litigation are liable to be rejected in case directions/orders of the court / forum / ITO / relevant statutory authorities etc permitting transfer of these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the relevant statutory authorities for further action at their end.

8.1.4.6 The acceptance of the Offer made by the Acquirers and the PAC is entirely at the discretion of the shareholders of the Target Company. The Acquirers and the PAC will not be responsible in any manner for any loss of Share certificate(s) and Offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.1.4.7 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case of any lacunae and/or defect or modifications in the documents/forms submitted, the acceptance is liable to be rejected.

8.1.4.8 AMCPL, NMCPL and SMCPL will acquire the Shares, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.1.4.9 The instructions and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders of DMCL who wish to tender their Shares under this Offer should enclose the following documents duly completed so that the same are received by the Registrar to the Offer at any of their collection centres (as mentioned below on or before 3 PM on the Offer Closing Date).

9.1.1 For equity shares held in physical form :

Registered Shareholders should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificates.
- Original Share certificate(s).
- Valid share transfer deed / form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with DMCL and duly witnessed at the appropriate place. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/Bank Manager unde their Official Seal.

In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

Unregistered owners should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein.
- Original Share certificate(s).
- Original broker contract note.
- Valid share transfer deed(s) as received from market. The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

  The details of the buyer should be left blank failing which the same will be invalid under the Offer. The details of the buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for acceptance.

9.1.2 For Equity shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of business hours on Offer Closing Date.

The Registrar to the Offer has opened a special depository account details of which are as follows:

DP Name	Karvy Stock Broking Limited
DP ID	IN302470
Client ID	40198558
Account name	KCPL Escrow Account – DMCL Open Offer
Depository	National Securities Depository Limited

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. **Beneficial owners having their beneficiary accounts with CDSL have to use inter-depository delivery instruction slip for the purposes of crediting their Shares in favour of the special depository account with NSDL.** In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Forms of Acceptance of such demat shares not credited in favor of the special depository account, before the Offer Closing Date will be rejected.

9.1.3 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the Form of Acceptance is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):

- Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.2 The Share certificate(s), share transfer form, Form of Acceptance and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned below. **They should not be sent to the Manager to the Offer or the Acquirers or the PAC or the Target Company.** The above-mentioned documents can be sent to the collection centres (as mentioned in paragraph 9.4 below) by hand delivery on all days except Sundays and public holidays.

9.3 The minimum marketable lot for the purposes of acceptance, for both physical and demat shares, would be one Share.

9.4 All owners of Shares, registered or unregistered who wish to avail of and accept the Offer can 'hand deliver' the Form of Acceptance along with all the relevant documents at any of the below mentioned collection centres of the Registrar to the Offer in accordance with the procedure as set out in this Letter of Offer. All centres mentioned herein below would be open during the Offer period on all working days (except Sundays and Bank Holidays) during business hours as shown below. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects; otherwise the same are liable to be rejected.

No.	Collection Centre	Address of Collection Centre	Contact Person	Email Address	Phone No.	Fax	Mode of delivery
1.	Ahmedabad	201-203 "Shail" Opp Madhusudhan House New Navrangpura Tel. Exchange Off CG Road, Ahmedabad-380 006	Mr. Edward Raphael	edward@karvy.com	079-26420422/ 26400527/28	079-26565551	Hand Delivery
2.	Bangalore	TKN Complex No. 51/2 Vanivilas Road, Opp National College, Basavanagudi, Bangalore-560 004	Mr. S Nandakishore	nkishore@karvy.com	080-26621192/ 26621193	080-26621169	Hand Delivery
3.	Chennai	G-1 Swathi Court 22 Vijay Raghava Rd, T. Nagar Chennai-600 017	Mr. Gunashekhar	chennaiirc@karvy.com	044-28153445/ 28151034/ 28153658	044-28153181	Hand Delivery

No.	Collection Centre	Address of Collection Centre	Contact Person	Email Address	Phone No.	Fax	Mode of delivery
4.	Hyderabad	46, Avenue 4, Street No1 Banjara Hills, Hyderabad-500034	Ms. A Anitha	irchyd@karvy.com	040-23312454 / 23320251	040-2343 1551	Hand Delivery / Registered Post
5.	Kolkata	49 Jatindas Road, Nr. Deshpriya Park Kolkata-700 029	Mr. Sujit Kundu	sujitkundu@karvy.com	033-24644891 / 7231	033-24634787/ 4866	Hand Delivery
6.	Mumbai	7, Andheri Indl. Estate Off Veera Desai Road Andheri(W) Mumbai-400 053	Ms.Vishakha Shringarapure	vishakhats@karvy.com	022-26730799/ 153/292	022-26730152	Hand Delivery
		16-22 Bake House Maharashtra Chmb. of Comm. Lane, Opp. MSC Bank, Fort, Mumbai-400023	Mr. Nutan Shirke	nutan.shirke@ karvy.com	022-56382666	022-56331135	Hand Delivery
7.	New Delhi	105-108, Arunachal Building 19 Barakhamba Road Connaught Place, New Delhi-110 001	Mr. Michael George	michaelg@karvy.com	011-23324401/ 23353835/981	011-23324621	Hand Delivery

Working Hours: Monday to Friday 10 AM to 3 PM; Saturday 10 AM to 1 PM

Holidays: Sundays and Bank Holidays

Shareholders who cannot hand deliver their documents at the collection centres referred to above may send the same by registered post, at their own risk, to the Registrar to the Offer at their office at Karvy Computershare Private Limited, 46 Avenue 4, Street No.1, Banjara Hills, Hyderabad 500 034, and not to any other collection centre so that the same are received on or before 3 PM on the Offer Closing Date.

9.5 In case of non-receipt of the Letter of Offer / Form of Acceptance / Form of Withdrawal, the eligible shareholders and unregistered owners (including beneficial owners) may obtain a copy of the same from any of the collection centres mentioned above on providing suitable documentary evidence of acquisition of Shares. The Letter of Offer and Form of Acceptance will be available on SEBI's website: http://www.sebi.gov.in, from the Offer opening date. The eligible shareholders, desirous of participating in the Offer, can download these documents from the SEBI's website and apply on the same. Alternately, shareholders holding Shares in physical form may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating their name, address, number of Shares held, folio number, distinctive numbers of the Shares held, number of Shares offered, bank account details along with documents as mentioned above including original Share certificate(s), duly signed & witnessed transfer deed(s), so as to reach the Registrar to the Offer on or before the Offer Closing Date. Unregistered owners should not sign the transfer deed and the transfer deed should be valid.

In case of beneficial owners, they may send their acceptance in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number, bank account details and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the Offer Closing Date.

The acceptance should be signed by all the shareholders as per the registration details available with DMCL / Depositories and should be sent to the Registrar to the Offer in an envelope clearly marked "The Dawn Mills Company Limited - Open Offer".

9.6 In case any person has tendered his Shares in physical form for dematerialisation and such dematerialisation has not yet been effected the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholder's DP. Such shareholders should ensure that the process of getting the Shares dematerialised is completed well in time so that the credit of the Shares to the special depository account is completed on or before the Offer Closing Date failing which such an acceptance would be rejected. A copy of delivery instructions acknowledged by the DP in favour of the special depository account should be forwarded to the collection centre where the Form of Acceptance and other documents were tendered, before the Offer Closing Date.

9.7 In case any person has lodged shares of DMCL for transfer and such transfer has not yet been effected, the concerned person may apply as per instruction contained in paragraph 9.5 above together with the acknowledgement of the lodgement of Shares for transfer. Such persons should also instruct DMCL and its registrar & transfer agents – Bigshare Services Pvt. Ltd. to send the transferred Share certificate(s) directly to the collection centre located at Karvy Computershare Pvt. Ltd., 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500 034. The person should ensure that the certificate(s) reach the designated collection centre at Hyderabad on or before 3 PM on the Offer Closing Date.

9.8 While tendering Shares under the Offer, NRIs/ OCBs/ foreign and other non resident shareholders will be also required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares. In case the RBI approvals are not submitted, the Acquirers and the PAC reserve the right to reject the Shares tendered.

9.9 As per the extant provisions of the Income Tax Act, 1961 ("Income Tax Act"), no deduction of tax at source shall be made before remitting the consideration for Shares tendered under the Offer by FIIs as defined in the Income Tax Act. However, while tendering their Shares under the Offer, NRIs, OCBs and other non resident Shareholders will be required to submit a No Objection Certificate ("NOC") / Tax Clearance Certificate ("TCC") from Income Tax authorities indicating the amount of tax to be deducted under the Income Tax Act by the Acquirers and the PAC before remitting the consideration. In case the aforesaid NOC / TCC is not submitted, the Acquirers and the PAC 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. Further, FIIs will also have to enclose their SEBI registration letter. The Acquirers and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid NOC / TCC is not submitted.

9.10 Payment of consideration will be made by crossed account payee cheque/demand draft / pay order and sent by Registered Post, to those shareholders/unregistered owners and at their risk, whose Shares/ Share certificates and other documents are found in order and accepted by Acquirers in part or in full. In case of joint holders cheques/demand drafts will be drawn in the name of the first holder/ unregistered owner. The payment would be made at par to all the shareholders. **It is advised that shareholders provide bank details in the Form of Acceptance, so that same can be incorporated in the cheque/demand draft/pay order.**

9.11 In terms of Regulation 22 (5A) of the SEBI Takeover Code, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the collection centre where the original tender was submitted on or before Friday, January 27, 2006.

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with DMCL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings, so as to reach the Registrar to the Offer at the collection centre where the original tender was submitted, on or before Friday, January 27, 2006. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.

b) The withdrawal option can be exercised by submitting the Form of Withdrawal attached to this Letter of Offer, duly completed together with Acknowledgement slip in original / copy of the submitted Form of Acceptance in case delivered by Registered A.D.

c) In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an acceptance on plain paper along with the following details:

i. In case of physical shares: Name, address, distinctive numbers, folio number and number of Shares tendered, number of Shares withdrawn.

ii. In case of dematerialised shares: Name, address, number of Shares tendered, number of Shares withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the special depository account.

d) Shareholders who have tendered Shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e. Shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with DMCL and duly witnessed at the appropriate place.

e) The withdrawal of Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer/ special depository account.

f) The intimation of returned Shares to the shareholders will be at the address as per the records of DMCL or the Depositories as the case may be.

g) In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from DMCL.

h) Partial withdrawal of tendered Shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

i) Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.12 Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat 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 or otherwise. It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.

9.13 The Registrar to the Offer will hold in trust the Shares/Share certificates, Shares lying in credit of the special depository account, Form of Acceptance, and the transfer form(s), if any, on behalf of the shareholders of DMCL who have accepted the Offer, until the Acquirers and the PAC complete the Offer obligations in accordance with the SEBI Takeover Code.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of DMCL at the office of the Manager to the Offer at Ambit RSM House, 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, from 10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer Closing Date:

1. Copies of SPA dated November 24, 2005 between the Acquirers and the Sellers;
2. Certified copy of the Certificate(s) of Incorporation and the Memorandum and Articles of Association of AMCPL, NMCPL, SMCPL, STCPL and PPL;
3. Certified copy of the Certificate of Incorporation and the Memorandum and Articles of Association of the Target Company;
4. Copy of published Public Announcement dated November 29, 2005;
5. The audited financial statements for the year ended March 31, 2005 of the Acquirers and for the year ended March 31, 2005, March 31, 2004 and March 31, 2003 of PPL and the certified results for the six months ended September 30, 2005 for the Acquirers and the PAC;
6. The annual reports of the Target Company for the financial period ended March 31, 2005, March 31, 2004 and March 31, 2003 and the certified results for the six months ended September 30, 2005;
7. Copy of the certificate dated November 28, 2005 issued by M/s. Amit Desai & Co, Chartered Accountants confirming the firm arrangements made by the Acquirers for meeting their obligations under the SEBI Takeover Code;

8. Copy of the agreement between the escrow bankers, the Acquirers and the Manager to the Offer, authorising the Manager to the Offer to realize the value of the 100% cash deposit, in terms of the SEBI Takeover Code;

9. SEBI observation letter no. CFB/DCR/TO/RC/56750/06 dated January 2, 2006;

10. A copy of the agreement entered into by the Registrar to the Offer with depository participant for opening a special depository account for the purposes of the Offer.

11 DECLARATION BY THE ACQUIRERS AND THE PAC

The Acquirers and the PAC represented by their respective Board of Directors accept responsibility for the information contained in this Letter of Offer and for their obligations under the SEBI Takeover Code. The Acquirers and the PAC are severally and jointly responsible for fulfilment of their obligations in terms of the SEBI Takeover Code.

For and on behalf of Alltime Mercantile Company Private Limited, Newzone Mercantile Company Private Limited, Superplaza Mercantile Company Private Limited, Seastar Trading Company Private Limited and Piramal Polymers Limited

Sd/-
Authorised Signatory
Name : Mrs. Urvi A. Piramal
Designation : Director

Place: Mumbai

Date: January 5, 2006

Encl:

1. Form of Acceptance-cum-Acknowledgement

2. Form of Withdrawal

3. Transfer deed for shareholders holding Shares in physical form

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Karvy Computershare Private Limited at any of the collection centres as mentioned in the Letter of Offer)

(*to be filled in by the shareholder*)

Folio No./DP ID Client ID No. of Shares held

OPEN OFFER TO THE SHAREHOLDERS OF THE DAWN MILLS COMPANY LIMITED	
OPENS	**: Friday, January 13, 2006**
LAST DATE OF WITHDRAWAL	**: Friday, January 27, 2006**
CLOSES	**: Wednesday, February 1, 2006**

From:

Name:

Address:

Tel No.: Fax No.: E-mail :

To**,**
Alltime Mercantile Company Private Ltd.
Newzone Mercantile Company Private Ltd.
Superplaza Mercantile Company Private Ltd.
Seastar Trading Company Private Ltd.
C/o. Karvy Computershare Private Limited,
"Karvy House" 46, Avenue 4, Street No. 1, Banjara Hills,
Hyderabad – 500 034

Dear Sir/Madam,

Sub: Open Offer to acquire up to 50,000 Shares of Rs. 50 each, representing 20% of the present issued and voting equity share capital of The Dawn Mills Company Limited ("DMCL" / "Target Company") by Alltime Mercantile Company Private Ltd. ("AMCPL"), Newzone Mercantile Company Private Ltd. ("NMCPL"), Superplaza Mercantile Company Private Ltd. ("SMCPL"), Seastar Trading Company Private Limited ("STCPL") [collectively the "Acquirers"] and Piramal Polymers Ltd. ["PPL" / "PAC"] who is acting in concert with the Acquirers for the purpose of the Offer at a price of Rs.4,644/- (Rupees Four Thousand Six Hundred and Forty Four only) per fully paid up equity share ("Offer Price") payable in cash.

I/We refer to the Letter of Offer dated January 5, 2006 for acquiring the equity shares held by me/us in **The Dawn Mills Company Limited.**

I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

SHARES HELD IN PHYSICAL FORM

I/We, accept the Offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below.

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
				Total	

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

— — — — — — — — — — — — — — — — — — **Tear along this line** — — — — — — — — — — — — — — — — —

Acknowledgement Slip: The Dawn Mills Company Limited – Open Offer

(to be filled by the shareholder) (subject to verification)

Folio No./DP ID **Client ID** **Sr. No.**

Received from Mr./Ms./M/s. ______________________________

Form of Acceptance along with: (Tick whichever is applicable)

☐ Physical Shares : No. of Shares - ____________ ; No. of certificates enclosed - ____________

☐ Demat Shares: Copy of delivery instruction for ________ number of Shares enclosed

Signature of Official ____________ Date of Receipt ____________

Stamp of collection centre

Payments for accepted Shares/credits for unaccepted Shares will be dispatched /credited by Thursday, February 16, 2006, subject to receipt of regulatory approvals, if any needed.

SHARES HELD IN DEMAT FORM

I/We, holding Shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instructions duly acknowledged by my/ our DP in respect of my/our Shares as detailed below.

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

I/We have done an "Off-market" transaction for crediting the Shares to the special depository account with Karvy Stock Broking Limited opened with NSDL styled **"KCPL Escrow Account – DMCL Open Offer"** whose particulars are:

DP Name: Karvy Stock Broking Limited	DP ID: IN302470	Client ID: 40198558

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Shares in favour of the special depository account opened with NSDL.

Enclosures (Please tick as appropriate, if applicable)

- ☐ Power of Attorney
- ☐ No Objection Certificate & Tax Clearance Certificate under Income Tax Act, 1961, for NRIs/OCBs/foreign and other non resident shareholders as applicable
- ☐ Death Certificate/ Succession Certificate
- ☐ Corporate authorisation in case of companies along with Board Resolution and specimen signatures of authorised signatories
- ☐ Others (please specify) : ______________________________

I/We confirm that the equity shares of **The Dawn Mills Company Limited**, which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the purchase consideration as mentioned in the Letter of Offer and/or the unaccepted Shares/ Share certificates are dispatched or credited back to the beneficial owners' DP accounts.

I/We also note and understand that the purchase consideration will be paid only after verification of the documents and signatures.

I/We authorise the Acquirers to send by registered post the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned above.

I/We note and understand that the Shares would lie in the special depository account until the time payment of purchase consideration as mentioned in the Letter of Offer is made.

I/We authorise the Acquirers to accept the Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorise the Acquirers to return to me/us, equity share certificate(s) in respect of which the Offer is not found valid/not accepted.

So as to avoid fraudulent encashment in transit, shareholder(s) should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank________________________ Branch________________________ City____________________

Account Number________________________ Savings/Current/Others (please specify)________________________

Yours faithfully,
Signed and Delivered

	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. In case of body corporate, the company seal should be affixed.

Place : Date :

– Tear along this line –

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

Karvy Computershare Private Limited
(Unit: The Dawn Mills Company Limited – Open Offer)
"Karvy House" 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad – 500 034
Tel: +91-40-23312454 Fax: +91-40-23431551
Contact person: Murali Krishna • Email: murali@karvy.com

INSTRUCTIONS

1. In the case of dematerialised Shares, the shareholders are advised to ensure that their Shares are credited in favour of the special depository account, before the Offer Closing Date i.e. Wednesday, February 1, 2006. The Form of Acceptance-cum-Acknowledgement of such demat Shares not credited in favour of the special depository account, before the Offer Closing Date will be rejected.

2. **Shareholders should enclose the following :**

   I. For equity shares held in physical form:-

   Registered shareholders should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificates.
   - **Original Share Certificate(s)**.
   - **Valid transfer deed(s)** duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with The Dawn Mills Company Limited and duly witnessed at the appropriate place. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/ Bank Manager under their Official Seal. The details of the buyer should be left blank failing which the same will be invalid under the Offer. The details of the buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance. Shareholders holding physical Shares can also contact the Registrar to the Offer at any of their collection centres at the address given in the Letter of Offer to obtain a blank share transfer deed.

     In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

   II. Unregistered owners should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
   - **Original Share Certificate(s)**.
   - **Original broker contract note**.
   - **Valid Share transfer deed(s)** as received from market. The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

     All other requirements for valid transfer will be preconditions for valid acceptance.

   III. For equity shares held in demat form:-

   Beneficial owners should enclose

   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of special depository account as per the instruction in the Letter of Offer.

3. The Share certificate(s), share transfer deed(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to the **Registrar to the Offer** and not to the Manager to the Offer or the Acquirers or DMCL.

4. Shareholders having their beneficiary account with CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their Shares in favour of the special depository account with NSDL.

5. While tendering Shares under the Offer, NRIs/ OCBs/ foreign and other non resident shareholders will be also required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares. In case the RBI approvals are not submitted, the Acquirers and the PAC reserve the right to reject the Shares tendered.

6. Non resident shareholders should enclose No Objection Certificate/Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirers and the PAC before remittance of consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of the shareholder on the entire consideration amount payable. The Acquirers and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid No-Objection Certificate/ Tax Clearance Certificate is not submitted.

7. Shareholders are advised to indicate the bank account details at the appropriate place in the Form of Acceptance-cum-Acknowledgement and the consideration cheque would be made to the bank account of the sole/ first shareholder. The payment would be made at par to all the shareholders.

8. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at any of the collection centers of Karvy Computershare Private Limited as stated in the Letter of Offer.

9. Rejection of Shares

   If the Shares are rejected for any of the following reasons, the Shares will be returned to the holder(s) along with all the documents received from them at the time of submission. Please note that the following list is not exhaustive.

   a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of DMCL;

   b. The transfer deed is not complete or that the signatures do not match the specimen recorded with DMCL;

   c. The number of Shares mentioned in the Form of Acceptance-cum-Acknowledgement does not tally with the actual physical share certificate(s) submitted or in case of dematerialized Shares, the Shares in the Form of Acceptance-cum-Acknowledgement do not tally with the instruction to the depository participant and the credit received in the special depository account;

   d. The relevant documents, as applicable, mentioned above at 2 and in addition at 5 and 6 for non-resident shareholders are not submitted with the Form of Acceptance-cum-Acknowledgement. The Acquirers and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid No-Objection Certificate/ Tax Clearance Certificate is not submitted.

10. All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of DMCL are advised to adequately safeguard their interests in this regard. Shares held in demat 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.

11. Neither the Acquirers, the Manager to the Offer, the Registrar to the Offer or DMCL will be liable for any delay/loss in transit resulting in delayed receipt/ non-receipt by the Registrar to the Offer of your Form of Acceptance-cum-Acknowledgement or for the failure to deposit your Shares to the special depository account or submission of original physical Share certificates due to inaccurate/incomplete particulars/instructions on your part, or for any other reason.

12. Applicants who cannot hand deliver their documents at the collection centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at Karvy Computershare Private Limited, "Karvy House" 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad – 500 034 so as to reach the Registrar to the Offer on or before 3 PM on the Offer Closing Date i.e. Wednesday, February 1, 2006.

13. Collection centres of Karvy Computershare Private Limited are as follows: (a) **Ahmedabad: Karvy Computershare Private Limited**, 201–203 "Shail", Opp Madhusudhan House, New Navrangpura Tel. Exchange, Off CG Road, Ahmedabad – 380 006, Tel No. 079-26420422/ 26400527/28, Fax No. 079-26565551 (b) **Bangalore: Karvy Computershare Private Limited** TKN Complex, No. 51/2 Vanivilas Road, Opp National College, Basavanagudi, Bangalore – 560 004, Tel No. 080-26621192/93, Fax No. 080-26621169 (c) **Chennai : Karvy Computershare Private Limited**, G-1, Swathi Court, 22 Vijay Raghava Road, T-Nagar, Chennai- 600017, Tel No. 044-28153445/1034/3658, Fax No.044-28153181, (d) **Hyderabad: Karvy Computershare Private Limited**, Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500034, Tel No. 040-23312454, Fax No 040-23431551 (e) **Kolkata: Karvy Computershare Private Limited**, 49, Jatindas Road, Near Deshpriya Park, Kolkata- 700029 Tel No. 033-24644891/7231, Fax No. 033-24634787/4866 (f) **Mumbai: Karvy Computershare Private Limited**, 7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai – 400053, Tel No. 022-26730799/ 153/292, Fax No. 022-26730152; 16-22 Bake House, Maharashtra Chambers of Commerce Lane, Opp. MSC Bank, Fort, Mumbai- 400023 Tel No. 022-56382666, Fax No. 022-56331135 (g) **New Delhi: Karvy Computershare Private Limited**, 105-108 Arunachal Building, 19 Barakhamba Road, Conn. Place, New Delhi – 110001 Tel No. 011-23324401/ 23353835/981, Fax No. 011-23324621.

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FORM OF WITHDRAWL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to Karvy Computershare Private Limited at the collection centre where the original Form of Acceptance was tendered)

(*to be filled in by the shareholder*)

OPEN OFFER TO THE SHAREHOLDERS OF THE DAWN MILLS COMPANY LIMITED	
OPENS ON	**: Friday, January 13, 2006**
LAST DATE OF WITHDRAWAL	**: Friday, January 27, 2006**
CLOSES	**: Wednesday, February 1, 2006**

THIS FORM SHOULD BE USED BY SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROVIDED IN THE LETTER OF OFFER

From:

Name:

Address:

To,

Alltime Mercantile Company Private Ltd.
Newzone Mercantile Company Private Ltd.
Superplaza Mercantile Company Private Ltd.
Seastar Trading Company Private Ltd.
C/o. Karvy Computershare Private Limited,
"Karvy House" 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad – 500 034

Dear Sir/Madam,

Sub: Open Offer to acquire up to 50,000 Shares of Rs. 50 each, representing 20% of the present issued and voting equity share capital of The Dawn Mills Company Limited ("DMCL" / "Target Company") by Alltime Mercantile Company Private Ltd. ("AMCPL"), Newzone Mercantile Company Private Ltd. ("NMCPL"), Superplaza Mercantile Company Private Ltd. ("SMCPL"), Seastar Trading Company Private Limited ("STCPL") [collectively the "Acquirers"] and Piramal Polymers Ltd. ["PPL" / "PAC"] who is acting in concert with the Acquirers for the purpose of the Offer at a price of Rs.4,644/- (Rupees Four Thousand Six Hundred and Forty Four only) per fully paid up equity share ("Offer Price") payable in cash - Withdrawal of Shares tendered in the Offer.

I/We refer to the Letter of Offer dated January 5, 2006 for acquiring the equity shares held by me/us in **The Dawn Mills Company Limited.**

I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of Shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/we further authorise the Acquirers to return to me/us, tendered equity share certificate(s)/share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirers/ Manager to the Offer/Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center where the Form of Acceptance was tendered on or before the last date of withdrawal.

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay/loss in transit of the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirers shall return original share certificate(s), share transfer deed(s) and equity shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively. The particulars of tendered original share certificate(s), which I/we wish to withdraw are detailed below :

Sr. No.	Folio No.	Certificate No. Tendered	Distinctive Nos.		No. of Shares
			From	To	
			Withdrawn		
				Total	

(In case of insufficient space, please use an additional sheet and authenticate the same)

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Acknowledgement Slip: The Dawn Mills Company Limited – Open Offer

(to be filled by the shareholder) (subject to verification)

Sr. No.

Received from Mr./Ms./M/s. ______________________________

Physical Shares : Folio No.____________________/ Demat Shares : Client ID______________________: DP ID____________________

Form of Withdrawl for withdrawl of :

☐ Physical Shares : No. of Shares tendered- ________________ ; No. of Shares withdrawn - ______________________

☐ Demat Shares: No. of Shares tendered-__________________ ; No. of Shares withdrawn - ______________________

(Tick whichever is applicable)

Signature of Official ______________________ Date of Receipt______________________

Stamp of collection centre

I/We holding the following Shares in dematerialised form, have tendered the Shares in the Offer and had done an "Off-market transaction for crediting the Shares to the special depository account with Karvy Stock Broking Limited at NSDL styled "KCPL Escrow Account – DMCL Open Offer" whose particulars are:

DP Name: Karvy Stock Broking Limited	**DP ID: IN302470**	**Client ID: 40198558**

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.
The particulars of the account from which my/our equity shares have been tendered and the equity shares withdrawn are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares tendered	No. of Shares withdrawn

I/We note that the equity shares will be credited back only to that depository account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

I/We confirm that the particulars given above are true and correct.

In case of dematerialised equity shares, I/we confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the company seal should be affixed and necessary Board resolution should be attached.

Place: Date:

– **Tear along this line** –

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

Karvy Computershare Private Limited
(Unit: The Dawn Mills Company Limited – Open Offer)
"Karvy House" 46, Avenue 4, Street No. 1, Banjara Hills, Hyderabad – 500 034
Tel: +91-40-23312454 Fax: +91-40-23431551
Contact person: Murali Krishna
Email: murali@karvy.com

INSTRUCTIONS

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection center where the original Form of Acceptance was tendered on or before the last date of withdrawal i.e. Friday, January 27, 2006.

2. Shareholders should enclose the following:-

   I. For Equity Shares held in demat form:-

   Beneficial owners should enclose

   - Duly signed and completed Form of Withdrawal.
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   II. For Equity Shares held in physical form:-

   Registered Shareholders should enclose:

   - Duly signed and completed Form of Withdrawal.
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

     In case of partial withdrawal, valid share transfer deed(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **The Dawn Mills Company Limited** and duly witnessed at the appropriate place. Further the transfer deed should be valid for transfer.

     Shareholders holding physical Shares can also contact the Registrar to the Offer at any of their collection centres at the address given in the Letter of Offer to obtain a blank share transfer deed.

   III. Unregistered owners should enclose:

   - Duly signed and completed Form of Withdrawal.
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of equity shares will be available only for the equity share certificates/the equity shares that have been received by the Registrar to the Offer/ special depository escrow account.

4. The intimation of returned equity shares to the shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.

5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. In case of partial withdrawal of equity shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.

7. Shareholders holding equity shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

8. The Form of Withdrawal and other related documents should be submitted at the collection center where the original Form of Acceptance was tendered.

9. Collection Centres of Karvy Computershare Private Limited are as follows: (a) **Ahmedabad: Karvy Computershare Private Limited**, 201–203 "Shail", Opp Madhusudhan House, New Navrangpura Tel. Exchange, Off CG Road, Ahmedabad – 380 006, Tel No. 079-26420422/ 26400527/28, Fax No. 079-26565551 (b) **Bangalore: Karvy Computershare Private Limited** TKN Complex, No. 51/2 Vanivilas Road, Opp National College, Basavanagudi, Bangalore – 560 004, Tel No. 080-26621192/93, Fax No. 080-26621169 (c) **Chennai : Karvy Computershare Private Limited**, G-1, Swathi Court, 22 Vijay Raghava Road, T-Nagar, Chennai- 600017, Tel No. 044-28153445/1034/3658, Fax No.044-28153181, (d) **Hyderabad: Karvy Computershare Private Limited**, Karvy House, 46, Avenue 4, Street No.1, Banjara Hills, Hyderabad 500034, Tel No. 040-23312454, Fax No 040-23431551 (e) **Kolkata: Karvy Computershare Private Limited**, 49, Jatindas Road, Near Deshpriya Park, Kolkata- 700029 Tel No. 033-24644891/7231, Fax No. 033-24634787/4866 (f) **Mumbai: Karvy Computershare Private Limited**, 7, Andheri Industrial Estate, Off Veera Desai Road, Andheri (W), Mumbai – 400053, Tel No. 022-26730799/153/292, Fax No. 022-26730152; 16-22 Bake House, Maharashtra Chambers of Commerce Lane, Opp. MSC Bank, Fort, Mumbai- 400023 Tel No. 022-56382666, Fax No. 022-56331135 (g) **New Delhi: Karvy Computershare Private Limited**, 105-108 Arunachal Building, 19 Barakhamba Road, Conn. Place, New Delhi – 110001 Tel No. 011-23324401/23353835/981, Fax No. 011-23324621

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