PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

THE DAWN MILLS COMPANY LIMITED

This Public Announcement (the "PA") is being issued by Ambit Corporate Finance Private Limited ("Manager to the Offer"/"Ambit"), on behalf of Alltime Mercantile Company Private Limited ("AMCPL"), Newzone Mercantile Company Private Limited ("NMCPL"), Superplaza Mercantile Company Private Limited ("SMCPL"), Seastar Trading Company Private Limited ("STCPL"), who are acting in concert with each other for the purpose of this open offer (hereinafter collectively referred to as the "Acquirers" and individually referred to as the "Acquirer") and Piramal Polymers Limited ("PPL" / the "Person Acting in Concert" / "PAC") pursuant to and in compliance with, among others, Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI Takeover Code").

The Offer and its background

1. This offer (the "Offer") is being made by the Acquirers and the PAC to the equity shareholders of The Dawn Mills Company Limited ("DMCL" or the "Target Company"). 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 the 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, such persons are not persons acting in concert for the purposes of the Offer.
2. On November 24, 2005, AMCPL, NMCPL, SMCPL and STCPL have entered into a Share Purchase Agreement (the "SPA") with Mr. Nirmalkumar Ruia and Mr. Ravindrakumar Ruia (acting for themselves and on behalf of 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 -- who are the existing shareholders of DMCL collectively holding 1,31,509 equity shares (together the "Sellers"), to acquire from them, collectively 1,31,509 fully paid equity shares having a face value of Rs. 50/- per equity share (the "SPA Shares") (aggregating 52.60% of the present voting share capital of DMCL) at the price of Rs. 4,642/- per equity share, payable in cash (the "Share Consideration") on a "spot delivery basis". The Sellers are the present promoters of DMCL.
3. 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.
   - 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.
   - 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.
   - 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.
4. The Acquirers and the PAC have neither acquired nor have been allotted any shares of the Target Company in the last 12 months. As on the date of this PA, the Acquirers and the PAC do not hold any equity shares of DMCL. The Manager to the Offer does not hold any equity shares in the Target Company, as on the date of this PA.
5. The above acquisition by Acquirers would lead to a change of control of DMCL. The Acquirers and the PAC are making the Offer in terms of, among others, Regulations 10 and 12 of the SEBI Takeover Code. The Offer is for acquisition of upto 50,000 fully paid-up equity shares of Rs. 50 each, of DMCL ("Offer Size") from the existing shareholders of DMCL (other than the Sellers) representing 20% of present issued and voting equity share capital of DMCL constituting of 2,50,000 equity shares, at a price of Rs. 4,644/- per fully paid up equity share (Rupees Four Thousand Six Hundred and Forty Four only) (the "Offer Price") payable in cash. This Offer is not subject to any minimum level of acceptance.
6. The shares of DMCL are listed on Bombay Stock Exchange Limited ("BSE"). Based on the information available, the shares of DMCL are frequently traded on the BSE, within the meaning of Regulation 20(5) of the SEBI Takeover Code. The Offer Price of Rs. 4,644/- per equity share of DMCL is justified in terms of Regulations 20 (4) of the SEBI Takeover Code in view of the following:
   i. Share Consideration payable to the Sellers under the SPA: Rs. 4,642/- per equity share
   ii. 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
   iii. 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.
   iv. The average of the daily high and low of the equity shares of DMCL, on BSE, during the 2 weeks preceding the date of PA: Rs. 3,300.07.

   (Source of all DMCL price and volume data: BSE website)

   The Offer Price is higher than either of i, ii, iii or iv above, and is therefore justified under the SEBI Takeover Code. The amount paid as Non-Compete Consideration per equity share is 25% of the Offer Price.
7. To the extent of the Offer Size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by AMCPL, NMCPL and SMCPL in equal proportion. STCPL and PPL will not acquire any shares under the Offer.
8. The Acquirers and the PAC are permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.

Information about the Acquirers and the PAC

9. 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 companies, Morarjee Realties Ltd & Piramal Holdings Ltd are 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.
10. Alltime Mercantile Company Private Limited
    - AMCPL is a private company limited by shares. The company was incorporated on January 17, 2005 and has its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012.
    - AMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.
    - AMCPL is owned by Mrs. Urvi Piramal and Mr. Nandan Piramal and is part of the Piramal Group.
    - Mrs. Urvi Piramal, Mr. Nandan Piramal and Mr. Jaydev Mody are the directors of AMCPL.
    - The period ended March 31, 2005 was the first accounting period of AMCPL. As per the audited accounts for the year ended March 31, 2005, AMCPL did not earn any revenue. During the same period, AMCPL recorded total expenditure of Rs. 0.06 lakh and net loss after tax of Rs. 0.06 lakh. As on March 31, 2005, the paid-up share capital was Rs.1 lakh, net-worth of AMCPL was Rs. 0.82 lakh and book value per share was Rs. 8.23. The ratios of earnings per share and return on net-worth are not applicable since AMCPL had incurred losses.
11. Newzone Mercantile Company Private Limited
    - NMCPL is a private company limited by shares. The company was incorporated on January 14, 2005 and has its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012.
    - NMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.
    - NMCPL is owned by Mrs. Urvi Piramal and Mr. Rajeev Piramal and is part of the Piramal Group.
    - Mrs. Urvi Piramal, Mr. Rajeev Piramal and Mrs. Roopali Piramal are the directors of NMCPL.
    - The period ended March 31, 2005 was the first accounting period of NMCPL. As per the audited accounts for the year ended March 31, 2005, NMCPL did not earn any revenue. During the same period, NMCPL recorded total expenditure of Rs.0.06 lakh and net loss after tax of Rs. 0.06 lakh. As on March 31, 2005, the paid-up share capital was Rs.1 lakh, net-worth of NMCPL was Rs.0.82 lakh and book value per share was Rs. 8.23. The ratios of earnings per share and return on net-worth are not applicable since NMCPL had incurred losses.
12. Superplaza Mercantile Company Private Limited
    - SMCPL is a private company limited by shares. The company was incorporated on January 12, 2005 and has its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012.
    - SMCPL is engaged in the business of investing in companies operating in the field of real estate, property, land development, pharmaceuticals and allied activities.
    - SMCPL is owned by Mrs. Urvi Piramal and Mr. Harsh Piramal.
    - Mrs. Urvi Piramal, Mr. Harsh Piramal and Mrs. Reshma Piramal are the directors of SMCPL.
    - The period ended March 31, 2005 was the first accounting period of SMCPL. As per the audited accounts for the year ended March 31, 2005, SMCPL did not earn any revenue. During the same period, SMCPL recorded total expenditure of Rs.0.06 lakh and net loss after tax of Rs. 0.06 lakh. As on March 31, 2005, the paid-up share capital was Rs.1 lakh, net-worth of SMCPL was Rs.0.82 lakh and book value per share was Rs. 8.23. The ratios of earnings per share and return on net-worth are not applicable since SMCPL had incurred losses.
13. Seastar Trading Company Private Limited
    - STCPL is a private company limited by shares. The company was incorporated on February 9, 2005 and has its registered office at 106, Peninsula Centre, Dr. S.S. Rao Road, Parel, Mumbai 400 012.
    - STCPL is engaged in the business of investing in companies.
    - STCPL is owned by Aarti Management Consultancy Private Limited, Aditi Management Consultancy Private Limited, Anjoss Trading Company Private Limited, Mr. Rajeev Piramal and Mr. Jaydev Mody.
    - Mrs. Urvi Piramal, Mr. Rajeev Piramal and Mr. Jaydev Mody are the directors of STCPL.
    - 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.
    - The period ended March 31, 2005 was the first accounting period of STCPL. As per the audited accounts for the year ended March 31, 2005, STCPL did not earn any revenue. During the same period, STCPL recorded total expenditure of Rs.0.06 lakh and net loss after tax of Rs. 0.06 lakh. As on March 31, 2005, the paid-up share capital was Rs.1 lakh, net-worth of STCPL was Rs.0.82 lakh and book value per share is Rs. 8.23. The ratios of earnings per share and return on net-worth are not applicable since STCPL had incurred losses.
14. Piramal Polymers Limited
    - PPL is a public company limited by shares. The company was incorporated on May 27, 1982 and has its registered office at 106, Peninsula Centre, Dr. S.S.Rao Road, Parel, Mumbai 400 012.
    - PPL is engaged in the business of investing in companies.
    - PPL is owned by Urvi Chemicals and Allied Industries Limited ("UCAIL").
    - Mrs. Urvi Piramal, Mr. Pramodkumar Gothi and Mr. S. Kashimpuria are the directors of PPL.
    - As per the audited accounts for the year ended March 31, 2005, PPL recorded total income of Rs. 107.65 lakhs, total expenditure of Rs.38.90 lakhs and Rs. 58.37 lakhs as net profit after tax and prior period adjustments. As on March 31, 2005, the paid-up share capital was Rs.5 lakhs, net-worth and book value per share were negative. The earnings per share for the period ended March 31, 2005 was Rs.116.73. The ratio of return on net-worth is not applicable since PPL had negative networth. The shares of PPL are not listed on any stock exchanges in India.

      A scheme of arrangement and amalgamation is filed before the High Court of Bombay (the "Scheme") which inter-alia 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.

Information about the Target Company

15. 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's registered office is located at Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013. The Target Company'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 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 agreed to sell 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 to the above, during July 2005, the Board of Directors of DMCL approved the sale of land at Tirupur owned by DMCL to third parties for a consideration of Rs. 25 lakhs. The said sale shall take place during the pendency of this Offer or thereafter, in the ordinary course of business.
16. As per the audited figures for the year ended March 31, 2005, DMCL had issued, subscribed and paid-up equity share capital of Rs.125 lakhs, comprising 2,50,000 fully paid-up equity shares of face value Rs. 50/- each. As on the date of this PA, there are no partly paid-up equity shares or outstanding convertible instruments of DMCL. As at March 31, 2005, total net worth of DMCL was Rs. 1,290.88 lakhs (excluding revaluation reserve of Rs. 399.86 lakhs). For the year ended March 31, 2005, DMCL has reported total income of Rs. 3,441.58 lakhs and profit after tax of Rs. 76.28 lakhs. For the same period, the return on net worth was 5.91% (excluding revaluation reserve from networth) and 4.51% (including revaluation reserve in networth) and earnings per share were Rs. 30.51. As on March 31, 2005, the book value per equity share was Rs. 516.35 (excluding revaluation reserve from networth) and Rs.676.30 (including revaluation reserve in networth). The Price Earnings multiple was 127.69 as on the date preceding the PA (based on closing price on BSE as on November 28, 2005). The above figures are for the standalone legal entity – on non consolidation basis.
17. Goldlife Mercantile Company Private Limited, a Piramal Group company has extended Rs.1,510 lakhs as secured loan to the Target Company for meeting its funding requirements for the VRS.

Reasons for the Acquisition and Future plan about Target Company

18. The Offer is being made in compliance with, among others, Regulations 10, 12 and other applicable provisions of the SEBI Takeover Code, for the purposes of substantial acquisition of up to 50,000 equity shares of the Target Company, 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.
19. 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.
20. Except in the ordinary course of business and to the extent required, the Acquirers and the PAC undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of DMCL except with the prior approval of the shareholders of the Target Company and shall furnish necessary undertaking in this respect.

Statutory and Other Approvals required for this Offer

21. The Offer is subject to the receipt of approval from Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 ("FEMA") for the acquisition of equity shares from non-residents under the Offer.
22. To the best of knowledge and belief of the Acquirers and the PAC, as of the date of the PA, other than the above, no statutory approvals are required to acquire the equity 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.
23. It may be noted that in case of non-receipt of statutory approvals within a reasonable time, The Securities and Exchange Board of India ("SEBI"), if satisfied that the non receipt of the statutory approvals was not due to willful 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 the date of closure of the Offer.

Disclosure in terms of Regulation 21 of the SEBI Takeover Code

24. 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 the Company.

Financial Arrangements

25. 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 Maximum Consideration has been drawn and placed in an escrow account (please see the following paragraph).
26. 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 total Offer consideration assuming full acceptance which 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.
27. 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 the firm arrangements for meeting their obligations under the SEBI Takeover Code. Based on the certificates from M/s. Amit Desai & Co, Chartered Accountants, 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.

Other terms of this Offer

28. A letter of offer (the "Letter of Offer"), specifying the detailed terms and conditions of this Offer, along with a Form of Acceptance-cum-Acknowledgement (the "Form of Acceptance"), will be mailed to all the shareholders of DMCL (other than the Acquirers, the PAC and the Sellers) whose names appear on the register of members of DMCL, and to the beneficial owners of the equity shares of DMCL whose names appear on the beneficial records of the respective depositories, at the close of business hours on Friday, December 16, 2005 (the "Specified Date"). All the shareholders (except the Acquirers, the PAC and the Sellers) who own the shares of DMCL anytime before the closure of the Offer are eligible to participate in the Offer.
29. Shareholders who are holding equity shares in physical form and wish to tender their equity shares will be required to send the Form of Acceptance, original Share Certificate(s) and transfer form(s) duly signed & witnessed to Karvy Computershare Private Limited, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034, acting as the registrar to the Offer (the "Registrar to the Offer"), in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance so that the same are received on or before the close of the Offer, i.e. Wednesday, February 1, 2006. In case of registered shareholders non-receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer form(s) duly signed, the Offer shall be deemed to be accepted.
30. For shareholders holding equity shares of DMCL in dematerialised form, the Registrar to the Offer has opened a special depository account with Karvy Stock Broking Limited, as the depositary participant ("DP") in National Securities Depository Limited ("NSDL") called "KCPL Escrow Account – DMCL Open Offer". Beneficial owners and shareholders holding equity shares in the dematerialised form who wish to accept the Offer, will be required to send their Form of Acceptance to the Registrars to the Offer at Karvy Computershare Private Limited, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance so that the same are received on or before the close of the Offer, along with a photocopy of the delivery instructions 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 mentioned above. The details on the delivery instructions are to be filled in as per the instructions given below:

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

Shareholders having their beneficiary account in Central Depository Services India Limited ("CDSL") have to use inter-depository delivery instruction slip for the purpose of crediting their equity 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 have been accepted. Shareholders holding dematerialised shares and tendering shares in the Offer should ensure the credit of their shares in favour of the special depository account mentioned above before the close of business hours on Wednesday, February 1, 2006.

In addition to the above mentioned address of the Registrar to the Offer, all owners of equity shares of DMCL, registered or unregistered who wish to avail of and accept the Offer can also 'hand deliver' the Form of Acceptance along with all the relevant documents at any of their collection centres mentioned below in accordance with the procedure as set out in the 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:

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 Road, T. Nagar Chennai – 600 017	Mr.Gunashekhar	chennaiirc@karvy.com	044-28153445/ 28151034/ 28153658	044-28153181	Hand Delivery
4.	Hyderabad	46, Avenue 4, Street No1 Banjara Hills, Hyderabad – 500 034	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 Industrial 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 – 400 023	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 10.00 am to 3 pm Saturday 10 am to 1 pm

Holidays: Sundays and Bank Holidays

The equity 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.

31. In case of non-receipt of the Letter of Offer / Form of Acceptance / Form of Withdrawal eligible shareholders and unregistered owners may download the same from SEBI's website http://www.sebi.gov.in or obtain a copy of the same by writing to the Registrar to the Offer at the collection centres set out in paragraph above clearly marking the envelope "The Dawn Mills Company Limited - Open Offer" or make an application on plain paper stating their name, address, folio number, number of equity shares held, distinctive numbers, number of equity shares offered, DP name, DP ID, beneficiary account number, bank particulars along with original share certificate(s), duly signed & witnessed transfer form(s) or a photocopy of the delivery instructions (as the case may be) in "Off market" mode or a counterfoil of the delivery instructions in "Off market" mode duly acknowledged by the DP in favour of the special depository account mentioned above, as may be relevant, to the collection centres on or before the date of closure of the Offer i.e. Wednesday, February 1, 2006. The application should be signed by all the shareholders as per the registration details available with DMCL and should be sent to the Registrar to the Offer in an envelope clearly marked "The Dawn Mills Company Limited - Open Offer".
32. In case any person has submitted his equity shares in DMCL 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 equity shareholders should ensure the process of getting the equity shares dematerialised is completed well in time so that the credit of the equity shares to the special depository account is completed on or before the Offer closing date, failing which such an application 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 close of the Offer.
33. 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 instructions to be contained in the Letter of Offer, together with the acknowledgement of the lodgement of equity shares for transfer. Such persons should also instruct DMCL and/or its registrar & transfer agents – Bigshare Services Pvt. Ltd. to send the transferred equity share certificate(s) directly to the collection centre located at Karvy Computershare Private Limited, 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034. The applicant should ensure that the equity share certificate(s) reach the designated collection centre on or before the Offer closing date. No indemnity is required from unregistered equity shareholders.
34. The Acquirers shall purchase the equity shares from the shareholders of DMCL who have validly tendered the equity shares under the Offer (i.e. equity shares and /or other documents are in order in terms of the Offer) and remit the consideration in respect thereof within 15 days from the date of closure of the Offer, in cash, by Account Payee Cheque/ Demand Draft / Payorder at the shareholders' sole risk. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and the consideration payable would be sent by registered post. The payment instrument will be drawn in favour of the Sole/First named shareholder in case of joint registered holders.
35. The Registrar to the Offer will hold in trust the equity shares/share certificates, equity shares lying in credit of the special depository account, Form of Acceptance, if any, and the transfer form(s) 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.
36. Any equity shares of DMCL that are subject matter of litigation or are held in abeyance due to pending court cases/ attachment order(s) / restriction from other statutory authorities, wherein the shareholder(s) of DMCL may be precluded from transferring the equity shares during pendency of the said litigation are liable to be rejected in case directions/ orders of the Court/relevant statutory authority permitting transfer of these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.
37. 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 equity shares tendered under the offer by Foreign Institutional Investors ("FIIs") as defined in Section 115 AD of the Income Tax Act. However, while tendering their equity shares under the Offer, Non Resident Indians ("NRIs"), Overseas Corporate Bodies ("OCBs") and other non resident shareholders will be required to submit a No Objection Certificate ("NOC") or Tax clearance certificate indicating the amount of tax to be deducted by the Acquirers and the PAC before remitting the consideration, from Income Tax authorities under the Income Tax Act. In case the aforesaid NOC or Tax clearance certificate 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. The Acquirers and the PAC also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid NOC is not submitted. 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 of DMCL. In case the RBI approvals are not submitted, the Acquirers and the PAC reserve the right to reject the shares tendered.
38. If the aggregate of the valid responses to the Offer exceeds 50,000 fully paid-up equity shares, then the Acquirers shall accept the valid applications received on a proportionate basis from each shareholder as per Regulation 21(6) of the SEBI Takeover Code. The equity shares of DMCL are compulsorily traded in dematerialised form and the minimum marketable lot for the purposes of acceptance, for both physical and demat will be one equity share.
39. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post/ Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective DP 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 DPs when transferred by the Registrar to the Offer.
40. A schedule of some of the key events in respect of the Offer is as follows:

Activity	Day & Date
Specified Date *	Friday, December 16, 2005
Last date for a competitive bid	Monday, December 19, 2005
Date by which Letter of Offer to be dispatched to shareholders	Monday, January 9, 2006
Date of opening of the Offer	Friday, January 13, 2006
Date of closure of Offer	Wednesday, February 1, 2006
Last date for revising the Offer Price / number of shares	Friday, January 20, 2006
Last date for withdrawing acceptance from the Offer	Friday, January 27, 2006
Last date of communicating rejection/ acceptance and payment of consideration for accepted tenders	Thursday, February 16, 2006

** Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of the equity shares of DMCL (except the Acquirers, the PAC and the Sellers) are eligible to participate in the Offer any time before the closure of the Offer*

General

41. If there is any upward revision in the Offer Price or number of equity shares by the Acquirers and the PAC till the last date of revision viz. Friday, January 20, 2006, or if the Offer is withdrawn, the same would be informed by way of a public announcement in the same newspapers in which this PA has appeared. Such revised price, if any, would be paid for all the equity shares validly tendered any time during the Offer and accepted under the Offer.
42. The Acquirers and the PAC have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act, 1992 or any other regulations made under the SEBI Act, 1992. Based on the information presently available publicly, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992.
43. Pursuant to Regulation 13 of the SEBI Takeover Code, the Acquirers and the PAC have appointed Ambit Corporate Finance Private Limited, Mumbai as the Manager to the Offer and Karvy Computershare Private Limited as the Registrar to the Offer. The office of the Registrar to the Offer is at 46 Avenue 4, Street No. 1, Banjara Hills, Hyderabad 500 034; Ph.No.040- 23312454/ 23320251; Fax No. 040-23431551; email: murali@karvy.com; Contact Person: Mr. Murali Krishna