PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF

KDL BIOTECH LIMITED

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CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF KDL BIOTECH LIMITED

This Public Announcement ("**Public Announcement**" or "**PA**") is being issued by Edelweiss Capital Limited (hereinafter referred to as "**Manager to the Offer**" or "**Edelweiss**"), on behalf of Unimark Remedies Limited (hereinafter referred to as the "**Acquirer**" or **"Unimark"**) to the equity shareholders ("**Shareholders**") of KDL Biotech Limited (hereinafter referred to as the "**KDL**" or "**Target Company**"), pursuant to and in compliance with, among others Regulations 10 and 12 and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("**SEBI (SAST) Regulations 1997**").

I. BACKGROUND TO THE OFFER

1. This open offer ("**Offer**" / "**Open Offer**") is being made under Regulations 10 and 12 of the SEBI (SAST) Regulations pursuant to the following:

   (i) The Acquirer has entered into a Share Purchase Agreement dated 26th July, 2008 with Synpac Pharmaceuticals Limited ("**Synpac SPA**") to acquire 5,640,025 fully paid equity shares of face value of Rs. 10/- each ("**Shares**") at the price of Rs. 8.50/- per Share.

   (ii) The Acquirer has also entered into a Share Purchase Agreement dated 26th July, 2008 with Morganite Trading Company Limited ("**Morganite SPA**") to acquire 240,000 Shares at a price of Rs. 8.50/- per Share. The Morganite SPA and the Synpac SPA as collectively referred to as the "**SPAs**" and the Shares to be acquired under the SPAs are collectively referred to as the "**SPA Shares**". Syntac Pharmaceuticals Limited and Morganite Trading Company Limited are collectively referred to as the "**Sellers**". The aggregate consideration payable by the Acquirer for the SPA Shares is Rs. 49,980,213 (Rupees Four Crores Ninety-Nine Lacs Eighty Thousand Two Hundred and Thirteen Only). The SPA Shares constitute 24.47% of the Expanded Equity Capital (as defined in paragraph 3) of the Target Company.

   (iii) The Acquirer has also entered into a Share Subscription Agreement dated 26th July, 2008 with the Target Company to subscribe to 7,272,727 Shares ("**Subscription Shares**") on a preferential basis constituting 30.26% of the Expanded Equity Capital of the Target Company (as defined in paragraph 3) at the price of Rs. 12/- per Share aggregating to Rs. 87,272,724 (Rupees Eight Crores Seventy-Two Lacs Seventy-Two Thousand Seven Hundred and Twenty-Four Only).

   The total consideration payable in cash for the above transaction in terms of the SPAs and the Preferential Issue (as defined in paragraph 2) is Rs. 137,252,937 (Rupees Thirteen Crores Seventy-Two Lacs Fifty-Two Thousand Nine Hundred and Thirty Seven Rupees Only).

   (iv) The completion of the acquisition of the SPA Shares by the Acquirer is subject to fulfillment of certain condition precedent, as specified in the SPAs, including the fulfillment by the Acquirer of its obligations under the SEBI (SAST) Regulations.

2. On 26th July, 2008, the board of directors of the Target Company, subject to the consent of the Shareholders, has approved the issue and allotment of the Subscription Shares to the Acquirer for a price of Rs. 12 per Subscription Share (the "**Preferential Issue**") and has also approved the execution of the Subscription Agreement. The Preferential Issue would be made in accordance with the Chapter XIII of the Securities and Exchange Board of India (Disclosures and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto ("**DIP Guidelines**"). The Preferential Issue is also subject to certain conditions precedent set out in the Subscription Agreement including approval of the Preferential Issue by the Shareholders by way of a postal ballot under Section 81(1A) and Section 192A of the Companies Act, 1956, and other applicable provisions. At its meeting held on 26th July, 2008, the board of directors of the Target Company has appointed Mr. S. N. Ananthasubramanian, practising Company Secretary as scrutinizer, for conducting the postal ballot voting process. These postal ballot notices would be dispatched to the Shareholders by 28th July, 2008. The result of the voting by postal ballot will be announced on Wednesday, 27th August 2008 at the registered office of the Target Company besides being communicated to the stock exchanges on which the Shares are listed.

3. As of the date of this Public Announcement, the subscribed and paid up Share capital of the Target Company is Rs. 167,624,240 (Rupees Sixteen Crores Seventy-Six Lacs Twenty-Four Thousand Two Hundred and Forty Only) divided into 16,762,424 outstanding Shares ("**Present Share Capital**").

   After the proposed Preferential Issue, the fully paid up Share capital of the Target Company will be Rs. 240,351,510 (Rupees Twenty-Four Crores Three Lacs Fifty-One Thousand Five Hundred and Ten Only) divided into 24,035,151 Shares ("**Expanded Equity Capital**"). There are no outstanding instruments convertible into Shares of the Target Company at a future date.

4. As on the date of this Public Announcement, the Acquirer holds 2,481,614 Shares constituting 14.81% of the present Share capital of the Target Company ("**Present Holding**") in addition to the SPA Shares and the Subscription Shares which the Acquirer has agreed to acquire under the SPAs and Subscription Agreement respectively. The Present Holding, the SPA Shares and the Subscription Shares aggregate to 15,634,366 Shares constituting 65.05% of the Expanded Equity Capital.

5. There are no "Persons Acting in Concert" within the meaning of Regulation 2(1) (e) of the Regulations in relation to the offer.

6. Since more than 15% of the voting rights of the Target Company are proposed to be acquired under the SPAs and the Preferential Issue, which will result in a change in the control of the Target Company, the Acquirer is making an Open Offer to the Shareholders pursuant to and in compliance with Regulations 10 and 12 of the SEBI (SAST) Regulations.

7. This is not a competitive bid.

8. As per the shareholding pattern of the Target Company filed with Bombay Stock Exchange Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**") the Sellers belong to the promoter category of the Target Company.

II. THE OFFER

9. The Offer is being made to acquire upto 4,807,030 Shares being 20% of the Expanded Equity Capital which will be total voting Share capital of the Target Company as on 23rd October, 2008, being the date which is 15 days from the date of closure of the Offer, as required under Regulation 21(5) of the SEBI (SAST) Regulations. This Offer is being made at a price of Rs. 12 (Rupees Twelve Only) per Share (the "**Offer Price**") payable in cash and subject to the terms and conditions to be set out in the letter of offer (the "**Letter of Offer**") in relation to the Offer.

10. Upon completion of the Offer, assuming full acceptances in the Offer and taking into account the Present Holding, the SPA Shares and the Subscription Shares, the Acquirer will hold 20,441,396 Shares being 85.05% of the Expanded Equity Capital of the Target Company.

11. This Offer is being made to all the Shareholders (except the parties to the SPAs) and is not conditional on any minimum level of acceptances.

12. In terms of Clause 40A of the Listing Agreement with the BSE and NSE, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. The Acquirer undertakes to ensure compliance with the provisions of Clause 40A of the Listing Agreement.

13. As on the date of this Public Announcement, the respective directors of the Acquirer have not acquired any Shares in the Target Company including by way of allotment in public or rights issue or by way of preferential allotment by the Target Company during the 26-week period prior to the date of this Public Announcement.

14. The Shares of the Target Company will be acquired by the Acquirer free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

15. This Offer is subject to receipt of the statutory approvals as mentioned in the paragraph VII of the PA. Acquirer has a right to withdraw in terms of Regulation 27 of SEBI (SAST) Regulations.

III OFFER PRICE

16. The Shares are listed on BSE and NSE. The annualized trading turnover based on the trading volume in the Shares of the Target Company on BSE and NSE from January, 2008 to June, 2008 (6 calendar months preceding the month in which the Public Announcement is made) is as under:

Name of Stock Exchange	Total no. of Shares traded during the 6 calendar months prior to the month in which PA is made	Total no. of Shares traded during the 6 calendar months prior to the month in which PA is made (Annualized)	Total No. of listed Shares	Annualized Trading turnover (as a % to total listed Shares)
BSE	1,968,078	3,936,156	16,762,424	23.48%
NSE	500,211	1,000,422	16,762,424	5.97%

(Source:www.bseindia.com, www.nseindia.com)

17. Based on the above, the Shares are frequently traded on the BSE & NSE (source: www.bseindia.com, www.nseindia.com) within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations. However, it is more frequently traded in BSE.

18. The Offer Price of Rs. 12/- (Rupees Twelve Only) per Share is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations in view of the following:

Sr. No.	Particulars	Price
1	Negotiated Price under the SPAs	Rs. 8.50/- per Share
2	Proposed acquisition price under the Preferential Issue	Rs. 12/- per Share
3	Highest price paid by the Acquirer for acquisition, including by way of allotments in a public or rights issue or preferential issue, if any, during 26 weeks period prior to the date of Public Announcement	Rs. 9.40/- per Share*
4	The average of the weekly high and low of the closing prices of the Shares of the Target Company on the BSE, during the 26 weeks period preceding the date of Public Announcement-; and for the last 26 weeks preceding the date of the meeting of the Board of Directors where the Preferential Issue was proposed	Rs. 11.40/- per Share Rs. 11.40/- per Share
5	The average of the daily high and low of the prices of the Shares of the Target Company on the BSE, during the 2 weeks period preceding the date of the Public Announcement-; and for the last 2 weeks preceding the date of the meeting of the Board of Directors where the Preferential Issue was proposed	Rs. 9.06/- per Share Rs. 9.37/- per Share

** The Acquirer has acquired 1,743,192 Shares at the price of Rs. 9.40 per Share through block deal on BSE and 738,422 Shares at a price of Rs. 8.50/- per Share of the Target Company, through an off-market transaction on 25th July, 2008.*

19. The Offer price of Rs. 12/- being the highest of the above is justified.

20. There is no non-compete agreement between the Acquirer, the Sellers and the Target Company.

21. In the event that the Acquirer purchases additional Shares during the Offer period, subject to the SEBI (SAST) Regulations, such purchase shall be disclosed to the stock exchanges where the Shares are listed and to the Manager to the Offer in accordance with Regulation 22(17) of the SEBI (SAST) Regulations.

22. If the Acquirer acquires the Shares after the date of this Public Announcement and upto 7 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 applications received under the Offer.

23. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed Edelweiss Capital Limited as Manager to the Offer. As on the date of this Public Announcement, the Manager to the Offer does not hold any Shares in the Target Company.

IV INFORMATION ON THE ACQUIRER

Unimark Remedies Limited

24. Unimark Remedies Limited, the Acquirer was incorporated under the Companies Act, 1956 as a private limited company on 1st December, 1993 and thereafter was converted into a public limited company on 29th March, 1995. The registered office at 19, Crystal, 1st Floor, Juhu Road, Santacruz (West), Mumbai – 400 054, India. Tel: +91 22 6730 4000, Fax: +91 22 2600 7917. Mr. Mehul J. Parekh and Mr. Sandip J. Parekh are promoters of Unimark Remedies Limited.

25. The Acquirer is engaged in the pharmaceutical business, mainly in the manufacturing of bulk drugs in segments such as cardio vascular and antibiotics, formulations in antibiotics, oncology etc. The Acquirer is engaged in the above mentioned business since the last 15 years.

26. The issued and paid up share capital of the Acquirer, as on date of the Public Announcement, constitutes of 12,993,421 equity shares aggregating to Rs. 129,934,210. The shares of the Acquirer are not listed on any stock exchange.

27. The board of directors of the Acquirer, as on date of the Public Announcement, comprises of Mr. Mehul J. Parekh, Mr. Sandip J. Parekh, Mr. Yogesh N. Parikh, Mr. Harminder Chawla, Dr. John Scott, Mr. P. R. Srinivasan and Mr. Vinayak Shenvi (Alternate Director to Mr. P. R. Srinivasan).

28. None of the directors of the Acquirer are directors on the board of the Target Company. None of the directors of the Acquirer have acquired any Shares of the Target Company during the 12 month period prior to the date of this Public Announcement.

29. The audited financial results of the Acquirer for the financial years 2005-06 and 2006-07 as certified by the then auditors, i.e. M/s Rege & Thakker, (5b, Fairy Manor, 13, Rustom Sidhwa Marg, Fort, Mumbai – 400 001, Tel: +91 22 2265 8613, Fax: + 91 22 2263 2884) are as follows:

Rs. in crores except mentioned otherwise*

Particular	Year ended 31st March, 2007	Year ended 31st March, 2006
Net Sales	420.98	306.33
Profit After Tax	28.20	25.12
EPS (Rs.)	28.20	25.12
Paid up equity share capital	10.00	10.00
Reserves & Surplus	104.44	76.24
Net Worth	113.83	85.84
Book Value per share (Rs.)	113.83	85.84
Return on Net Worth (%)	24.77	29.26

(Source: Annual Reports of Unimark Remedies Limited for the year ending 31st March, 2007 and 31st March, 2006).

V Information about the Target Company

KDL Biotech Limited

30. The Target Company was incorporated under the name of Kopran Drugs Private Limited, on 12th August 1986 as a private limited company under the Companies Act, 1956 with Registrar of Companies, Maharashtra. The Target Company was converted into a public limited company on 2nd July 1998, pursuant to which the name was changed to Kopran Drugs Limited. The name of the company was again changed from Kopran Drugs Limited to KDL Biotech Limited on 18th July 2000. It has its registered office at Village: Savroli, Taluka: Khalapur, District: Raigad, Maharashtra-410 202. It has its corporate office at Parijat House, 1076, Dr. E. Moses Road, Worli, Mumbai – 400 018. Tel: + 91 22 6662 7000 Fax: + 91 22 6666 1265.

31. The Target Company is currently engaged in the production of semi synthetic penicillin ("**SSP**") based products and bio technology products. The Target Company has manufacturing facilities situated in Village Savroli, Taluka Khalapur, District Raigad.

32. The total subscribed and paid up capital of the Target Company as on the date of the Public Announcement is Rs. 167,624,240 (Rupees Sixteen Crores Seventy-Six Lacs Twenty-Four Thousand Two Hundred and Forty Only) divided into 16,762,424 Shares.

33. The Target Company does not have any partly paid-up Shares, outstanding convertible instruments, warrants or stock-options as of date of the Public Announcement.

34. KDL was promoted by Synpac Pharmaceuticals Limited and the Somani Group. Presently the promoters and promoter group of the Target Company holds 5,880,025 Shares in the Target Company representing 35.08 % of the Present Share Capital.

35. The board of directors of the Target Company, as on date of the PA, comprises of:

Sr. No.	Name	Designation
1	Mr. Nalin Bamzai	Managing Director
2	Dr. Rajesh Agrawal	Director
3	Mr. Sanjay Sinha	Additional Director
4	Mr. Harish Bhardwaj	Additional Director
5	Mr. Tushar Kumar Srivastava	Additional Director
6	Mr. Yogendra Kumar Chauhan	Additional Director

36. The Shares of the Target Company are listed on the BSE and NSE ("**Stock Exchanges**"). The closing price of KDL's Shares on 25th July, 2008 was Rs. 11.34 on BSE and Rs. 11.80 on NSE.

37. The Target Company does not have any subsidiary as on the date of the Public Announcement.

38. None of the persons having an interest in the Acquirer is on the board of directors of the Target Company.

39. The audited financial results of the Target Company for eighteen months ended September 30, 2007 and for six months ended March 31, 2006 as certified by KDL's auditors i.e. M/s Khandelwal Jain & Co. are as follows:

*Rs. in crores except stated otherwise**

Particulars	Eighteen months ended September 30, 2007	Six months ended March 31, 2006
Net Sales (Less Excise Duty)	165.84	55.24
Profit After Tax / (Loss)	(13.55)	(11.28)
EPS (Rs.)	(8.08)	(7.79)
Paid up equity Share Capital	16.76	16.76
Optionally Convertible Cumulative Preference Shares	-	26.07
Reserves & Surplus (excluding P&L debit balance)	54.99	44.95
P & L Debit balance	(64.33)	(53.78)
Networth	7.42	34.01
Book Value per Equity Share (Rs.)	4.43	4.74
Return on Net Worth (%)	(182.61)	(33.17)

(Source: Annual Reports of KDL Biotech Limited for the Eighteen months period ended September 30, 2007 and Six months period ended March 31, 2006)

VI REASONS FOR THE OFFER AND FUTURE PLANS

40. This Offer is being made under Regulations 10 and 12 of the SEBI (SAST) Regulations to the Shareholders to acquire upto 4,807,030 Shares, representing in the aggregate 20% of the Expanded Equity Capital which will be total voting Share Capital of the Target Company at a price of Rs. 12/- (Rupees Twelve Only) per Share payable in cash.

41. This Offer is being made for substantial acquisition of shares/voting rights alongwith change in control of the Target Company. The objects of this acquisition by the Acquirer are as follows:

   a) The Acquirer presently manufactures cephalosporin category of antibiotics. However, with the Target Company manufacturing SSP based products, the Acquirer hopes to expand its business in the segment of antibiotics.

   b) Further with the manufacturing of varied antibiotics, the Acquirer hopes to have a sizeable presence in the entire segment of antibiotics, which will enable it to utilize its manufacturing capacities in an optimum manner.

42. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and / or rationalization of operations, assets, investments, liabilities and otherwise of the Target Company. Notwithstanding the above, it will be the responsibility of the board of directors of the Target Company to make appropriate decisions in these matters, in accordance with the requirements of the business of the Target Company.

43. The Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders as required under applicable law.

VII STATUTORY APPROVALS REQUIRED FOR THE OFFER

44. The Offer is subject to the receipt of approval from the Reserve Bank of India for acquiring Shares from non-resident indians who validly tender their Shares under this Offer (if applicable). The Acquirer will make the necessary applications to and filings with the various authorities to obtain the requisite RBI approval on behalf of the non resident Shareholders in respect of whom such prior RBI approval is required.

45. Save and except for the above, to the best knowledge and belief of the Acquirer, as on the date of this Public Announcement, no other statutory approval are required to the Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Offer in the event any statutory approval is not obtained in terms of Regulation 27 of the SEBI (SAST) Regulations.

46. In case of non receipt or delay in receipt of any statutory approvals, SEBI has the power to grant extension of time to Acquirer for payment of consideration to the tendering Shareholders subject to Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default or neglect or inaction or non-action by Acquirers in obtaining the requisite approvals, the amount held in the escrow account shall be subject to forfeiture and be dealt within the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations will also be applicable.

47. To the best of the knowledge of the Acquirer, no consents are required by the Acquirer from banks and financial institutions, for the purpose of making this Offer.

VIII DISCLOSURE UNDER REGULATION 21(2)

48. As per the Listing Agreement with the Stock Exchanges and in terms of Clause 40A of the Listing Agreement, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

49. In the event that the acquisition made by the Acquirer under the SPAs, the Preferential Issue and this Offer results in the public shareholding in the Target Company being reduced below the minimum level required as per Clause 40A of the Listing Agreement, the Acquirer shall take necessary steps to facilitate compliance with the relevant listing provisions thereof, within the time period mentioned therein, in accordance with the provisions of Regulation 21(2) of the SEBI (SAST) Regulations.

IX FINANCIAL ARRANGEMENTS

50. The total fund requirement for the Offer aggregates to Rs. 57,684,360 (Rupees Five Crores Seventy-Six Lacs Eighty-Four Thousand Three Hundred and Sixty Rupees only) ("**Consideration**").

51. The Acquirer, the Manager to the Offer and Standard Chartered Bank ("**Escrow Bank**"), a banking company incorporated in England by Royal Charter in 1853 having its principal office at 1, Aldermanbury Square, London EC2V 7SB and one of its branch office at 90, M. G. Road, Fort, Mumbai – 400 001, have entered into an escrow agreement dated 17th July, 2008 (the "**Escrow Agreement**") in accordance with Regulation 28 of the SEBI (SAST) Regulations whereby the Acquirer has deposited in an escrow account opened with the Escrow Bank a sum of Rs. 14,500,000 (Rupees One Crore Forty-Five Lacs only) ("**Cash Deposit**"). The Cash Deposit is more than the minimum amount required to be deposited by the Acquirer in escrow in terms of the SEBI (SAST) Regulations. The Manager to the Offer has been duly authorized by the Acquirer to operate and realize the value of escrow account in terms of the Regulations.

52. M/s Rege & Thakkar, Chartered Accountants, (Membership no: 43330, 5b, Fairy Manor, 13, Rustom Sidhwa Marg, Fort, Mumbai – 400 001, Tel: +91 22 2265 8613, Fax: + 91 22 2263 2884); has provided a funds sufficiency certificate vide their letter dated 26th July, 2008 that the Acquirer has sufficient means and capability for meeting its obligations under the SEBI (SAST) Regulations.

53. The Acquirer has confirmed vide their letter dated 26th July, 2008 that firm financial arrangements has been made for the implementation of the Offer. The Acquirer has adequate resources to meet the financial requirements of this Offer which will be financed by internal sources/owned funds.

54. In view of the above, the Manager to the Offer is satisfied that firm financial arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations of the Acquirer.

X OTHER TERMS OF THE OFFER

55. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to all Shareholders (except the parties to the SPAs) whose names appear on the Register of members of the Target Company and to the beneficial owners of the Shares of the Target Company, whose names appear as beneficiaries on the records of the respective depositories, at the close of business on 11th August, 2008 ("**Specified Date**").

56. Shareholders who are holding Shares in physical form and who wish to tender their Shares will be required to send the Form of Acceptance cum Acknowledgement, original Share certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer – Bigshare Services Private Limited, E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072. Phone +91 22 2847 0652; Fax +91 22 2847 5207 ("**Bigshare**" or "**Registrar to the Offer**") either by hand delivery on weekdays or by Registered Post, on or before the Close of the Offer, i.e. not later than 1700 hours on 8th October, 2008 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.

57. The Registrar to the Offer, has opened a special depository account with NSDL called, "BSPL Escrow A/C – KBL Open Offer". The name of the Depository Participant ("**DP**") is Standard Chartered Bank, the DP ID is IN301524 and the Client ID is 30020695 ("**Special Depository Account**"). Shareholders having their beneficiary account in CDSL have to use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the Special Depository Account with NSDL.

58. Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance Cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer – Bigshare, either by hand delivery on weekdays or by Registered Post (at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072.), on or before the Close of the Offer, i.e. not later than 8th October, 2008 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered Shares should be received in the Special Depository Account on or before close of Offer, i.e. not later than 1700 hrs on 8th October, 2008.

59. Shareholders who wish to avail of and accept the Offer, can deliver the Form of Acceptance along with all the relevant documents at the office of the Registrar to the Offer, located at E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072 in accordance with the procedure as set out in the Letter of Offer.

60. All owners (registered or unregistered) of Shares (except the parties to the SPAs) are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares offered, distinctive numbers, folio number, together with the original Share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares. No indemnity is required from the unregistered owners.

61. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, distinctive numbers, folio number, number of Shares offered along with the documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e., no later than 8th October, 2008 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating name, address, the number of Shares held, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "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 close of the Offer, i.e., no later than 8th October, 2008. The credit for the Delivered Shares should be received in the Special Depository Account on or before close of Offer, i.e. not later than 1700 hrs on 8th October, 2008.

62. In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 working days prior to the date of closure of the Offer. 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 Mumbai office of the Registrar as mentioned above as per the mode of delivery indicated therein on or before 3rd October, 2008.

63. The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.

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

   - In case of physical Shares: name, address, distinctive numbers, folio number, number of Shares tendered; and
   - In case of dematerialized Shares: Name, Address, number of Shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the Special Depository Account.

65. 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 cum Acknowledgement, if any, and the transfer form(s) on behalf of the Shareholders who have accepted the Offer, till the cheques/ drafts for the consideration and/or the unaccepted Shares/ Share certificates are dispatched/ returned.

66. If the aggregate of the valid responses to the Offer exceeds the Offer size of 4,807,030 Shares (representing 20% of the Expanded Equity Capital of the Target Company), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations in consultation with the Manager to the Offer and the Registrar to the Offer. As the Shares are compulsorily traded in dematerialized form, therefore minimum acceptance / marketable lot will be one Share.

67. Unaccepted Share certificates, transfer deeds and other documents, if any, will be returned by registered post at the Shareholders/ unregistered owners sole risk to the sole/ first Shareholder. Unaccepted Shares held in demat form 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.

68. Shareholders, who have sent their Shares for dematerialization, need to ensure that the process of getting their Shares dematerialized is completed well in time so that the credit in the Special Depository Account is received on or before the date of Closure of the Offer, i.e., no later than 1700 hrs on 8th October, 2008, else their application would be rejected. It will be the responsibility of the Shareholders to ensure that the unaccepted Shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

69. While tendering the Shares under the Offer, NRIs/ OCBs/ foreign Shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company, if so required. In the event that the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Shares tendered. While tendering Shares under the Offer, NRIs/ OCBs/ foreign Shareholders will be required to submit a tax clearance certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid tax clearance certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the Shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such Shareholders.

70. The rejected Shares certificates, transfer forms and other documents, if any, would be returned by registered post at the Shareholders' sole risk. Rejected Shares (to the extent rejected) held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per details received by the depository participant.

71. A schedule of the activities pertaining to the Offer is given below:

Activity	Day & Date
Public Announcement Date	Monday, 28th July, 2008
Specified Date *	Monday, 11th August, 2008
Last date for a competitive bid	Monday, 18th August, 2008
Date by which Letter of Offer to be dispatched to Shareholders	Wednesday, 10th September, 2008
Date of Opening of the Offer	Friday, 19th September, 2008
Last date for Revising the Offer price/ number of Shares	Friday, 26th September, 2008
Last date for Withdrawing of acceptance from the Offer	Friday, 03rd October, 2008
Date of Closing of the Offer	Wednesday, 08th October, 2008
Last date of communicating rejection / acceptance and for dispatch of consideration for acceptance and of Share certificate(s) for the rejected Shares / credit of unaccepted dematerialized Shares.	Thursday, 23rd October, 2008

** 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 Shares (except the parties to the SPAs) are eligible to participate in the Offer anytime before the closure of the Offer.*

XI GENERAL

72. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer can withdraw acceptance tendered by them up-to 3 working days prior to the date of closure of the Offer.

73. The Acquirer reserves the right to revise the Offer Price upwards and/or the number of Shares up to 7 working days prior to the closure of the offer and if there is any upward revision in the Offer Price and/or the number of Shares to be acquired under the Offer by the Acquirer till the last date of revision viz. 26th September, 2008 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original Public Announcement had appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

74. **If there is a competitive bid**:

   - **The public offers under all the subsisting bids shall close on the same date.**
   - **As the Offer Price can not be revised during 7 (seven) working days prior to the Closing date of the Offers/ bids, it would, therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**

75. The Acquirer, the Target Company and the Sellers have not 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, 1992.

76. The Acquirer has appointed Bigshare Services Private Limited as the Registrar to the Offer (Address: E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai – 400 072.; Ph. No. +91 22 2847 0652; Fax No. + 91 22 2847 5207; Website: www.bigshareonline.com; Contact Person; Mr. Ashok Shetty).

77. For further details, please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement.

78. Information provided by the Target Company has been relied upon for the purpose of making disclosures pertaining to the Target Company. The board of directors of the Acquirer have not independently verified information provided by the Target Company and as such under Regulation 22(6) of the Takeover Regulations, the directors of the Acquirer exempt themselves from and do not accept responsibility for the information in relation to the Target Company which is disclosed in the Public Announcement as also information provided by the Registrar to the Offer in the Public Announcement. Subject to the aforesaid, the board of directors accepts full responsibility for the information contained in this Public Announcement. The Acquirer is responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations and subsequent amendments made thereof in respect of this Offer.

This Public Announcement would be available on the SEBI's website (www.sebi.gov.in) and the website of the Manager to the Offer (www.edelcap.com). Eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website at (www.sebi.gov.in) from the Offer Opening Date, i.e. 19th September, 2008

Issued by:

Manager to the Offer
for and on behalf of the Acquirer

Edelweiss
Ideas create, values protect

Edelweiss Capital Ltd.
Express Towers, 14th floor, Nariman Point, Mumbai – 400021.
Tel No: +91-022 4086 3535; Fax No: +91-022- 2288 2119
Contact Person: Mr. Pallav Shah/ Mr. Viral Shah
Website: www.edelcap.com
Email: kbl.openoffer@edelcap.com

Registrar to the Offer

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka,
Andheri (East), Mumbai (Maharashtra) - 400 072
Tel no.: +91 - 22 - 4043 0200; Fax no.: +91 - 22 - 2847 5207
Contact Person: Mr. Ashok Shetty
Website: www.bigshareonline.com
E-mail: openoffer@bigshareonline.com

Date: 26th July, 2008
Place: Mumbai

Adfactors XXX