PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

KHAITAN WEAVING MILLS LIMITED (KWL)

Regd. Office: 6/119, Mittal Industrial Estate, M. V. Road, Andheri (East), Mumbai 400 059, Ph. Nos. (022) 2850 1306, 2850 2086 Fax No. (022) 2859 5514, E-mail: kwmills@vsnl.com

This Public Announcement is being issued by Fedex Securities Limited, on behalf of Balaji Synthetic Sacks Pvt. Ltd. (hereinafter referred to as the " Acquirer",) pursuant to and in compliance with Regulations 10 and 12 of the Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [SEBI (SAST) Regulations 1997] and subsequent amendments thereto.

The Offer

a Balaji Synthetic Sacks Pvt. Ltd., ("BSSL"/"the Acquirer"), a Company, incorporated in the State of Maharashtra and having its registered office at 19, Laxminarayan Shopping Centre, Poddar Road, Malad (East), Mumbai 400 097 (Tel No (022) 2883 6667 Fax No. (022) 2882 9045, E Mail Id: balaji_synthetic@rediffmail.com) is making an open Offer to the Shareholders (i.e. Shareholders other than the Acquirer) of Khaitan Weaving Mills Limited (" KWL", "the Target Company") to acquire 1,47,000 Equity Shares of Rs. 10/- each, representing 20.00 % of issued, subscribed and paid up Capital of KWL, at a price of Rs.32/- (Rupees Thirty two Only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

b. There is no Persons acting in Concert (PAC) with the Acquirer.

c. The Acquirer has not entered into any Agreement for acquisition of Shares with any person or entity.

d. The Offer is in compliance with SEBI (SAST) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the " Regulations").

e The consideration shall be paid in cash.

f. The Offer is not conditional on any minimum level of acceptance.

g. This is not a competitive bid.

h. Fedex Securities Limited, Manager to the Offer do not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

i There is no agreement by the Acquirer with any other Person in connection with the offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

j. The Equity Shares of the Target Company are listed at the Stock Exchange, Mumbai(BSE).The Shares are not admitted as permitted Security in any other Stock Exchange.

k. The Acquirer presently holds 98500 Equity Shares of KWL, representing 13.40 % of the paid up and voting Capital. The Shares were acquired through a market deal at BSE on 5^{th} October 2005 at an average price of Rs. 31/. (The highest price paid is Rs. 31/-, lowest price paid is Rs. 31/- and average price is Rs. 31/-). None of the persons who are deemed to be acting in Concert with the Acquirer as per the Regulations, hold Equity Shares in the Target Company.

l. KWL is engaged in trading in Grocery, Textiles, Yarn, Fabrics etc and investments. For the Year ended March 31, 2005, The Gross Income was Rs. 112.55 Lacs. The Operational Income was Rs. 104.23 Lacs, comprising of sale of Fabrics Rs.21.04 Lacs and Sale of Shares Rs. 83.19 Lacs. The Other Income for the year was Rs. 8.33 Lacs, main components of which are Rent Rs. 1.58 Lacs, Long Term gains Rs. 0.95 Lacs, Dividend Income Rs. 0.63 Lacs, Long Term capital Gains of Rs. 2.20 Lacs from Sale of Flat, Interest on Bank Despots of Rs. 1.93 Lacs and the balance is miscellaneous receipts. KWL had Gross Expenditure of Rs.102.08 Lacs during the year comprising of Cost of goods traded Rs. 98.88 Lacs, Administrative and general expenses of Rs. 3.20 Lacs, Interest & finance charges of Rs. 0.003 Lacs. Depreciation for the year was Rs. 0.47 Lacs. KWL made provision for current and deferred taxes of Rs. 1.86 Lacs. The Net profit for the year was Rs. 8.15 Lacs. The Paid up Capital is Rs. 73.50 Lacs, Reserves and Surplus Rs. 23.88 Lacs. The Net Worth (Net of Deferred Tax Assets) as on 31.03.2005 is Rs. 95.97 Lacs. The Shares had a Book Value of Rs. 13.06. The Earnings per Share in the year 2004-05 was Rs.1.11. During the 3 month's period ended 30.06.2005 (unaudited), KWL had a Gross Income of Rs. 28.28 Lacs and Net Profit of Rs. 5.37 Lacs, giving annualized EPS of Rs. 2.92. The return on Net Worth for the year ended 31.03.2005 was 8.49 % & for the year 3 month's period ended 30.06.2005 return on Net Worth (annualized) was 22.38 %.

Justification of Offer Price

a. The Acquirer has not been allotted any Equity Share of KWL by way of allotment in a public or rights or preferential issue during the twenty six-week periods prior to the date of public announcement. During the preceding 26 weeks from the date this Public Announcement, the Acquirer has acquired 98500 Shares of KWL and the highest price paid for such acquisition is Rs. 31/-. The Equity Shares of KWL are not infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997,during the 6 months period preceding the month in which this public announcement is made (i.e. during the months April 2005 to September 2005). The Equity Shares are most frequently traded in the 6 calendar months period preceding the month in which this Public Announcement is made, at the Stock Exchange, Mumbai as the trading volume during the period is 1,27,400 Equity Shares, constituting 34.67% (annualized) of the listed capital. The average of the weekly high and low of the traded prices of KWL in the preceding 26 weeks from the date of this public announcement is Rs.20/88 and average of the daily high and low of the traded prices during the 2 weeks preceding this public announcement is Rs. 31/-.

b. The Offer Price is justified as it is higher than the highest price paid for acquisition of Shares by the Acquirer as detailed above and is also higher than the average of the weekly high and low prices as quoted at the Stock Exchange, Mumbai, during the 26 weeks preceding this Public Announcement and also higher than the average of the daily high and low prices as quoted at the Stock Exchange, Mumbai during the 2 weeks preceding this Public Announcement, the Book Value as on 31.03.2005, Book Value also as on 30.06.2005 (unaudited). The Offer price is also justified considering EPS, PE ratio of Industry, Return on Net Worth etc. The Book Value as on 31.3.2005, date of last audit is Rs.13.06, EPS Rs.1.11 & Return on Net Worth 8.49%. The EPS (annualized, unaudited) is Rs. 2.92 & Return on Net Worth (annualized, unaudited) is 22.38% for the quarter ended 30.06.2005 & Book Value as on 30.06.2005 is Rs. 13.79. The highest price paid by the Acquirer for acquisition of Shares of Target Company in the 26 weeks period preceding this Public Announcement is Rs. 31/-.

c. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 32/- per fully paid Equity Share is justified.

d. There is no non-compete agreement for payment to any person.

e. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.

f. In the event of any further acquisition of Equity Shares by the Acquirer upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirer shall not be acquiring any Equity Shares of KWL during the period of 7 working days, prior to the date of closure of the Offer.

Information about Acquirer(s) and Persons Acting in Concert with them

a. Balaji Synthetic Sacks Pvt. Ltd.,, (BSSL) is a Company incorporated at Mumbai under the Companies Act 1956 and is having its registered office at 19, Laxminarayan Shopping Centre, Poddar Road, Malad (East), Mumbai 400 097. BSSL has as its main objects, carrying on the business of manufacture , sell, resell, market, deal in Export, Import, of Plastic products and plastic raw material and polymers of all types etc.

b. BSSL is promoted by Shri. P.M. Kathariya and Shri. Anil Nevatia.

c The Directors of BSSL are P M Kathariya, Shri. Anil Nevatia and Shri. Harish Surekha. Shri. P M Kathariya aged 52 years, B.Com., LLB(Gen), FCA is a practicing Chartered Accountant residing at 908, Nalanda Sunder Nagar, S V Road, Malad(West), Mumbai 400 064. He is practicing as a Chartered Accountant since 1978. Shri. Anil Nevatia aged 42 years, B.Com, CA is a practicing Chartered Accountant, residing at 201-B, Harischandra CHS, Raheja Township, Malad(East), Mumbai 400 097. He is practicing as a Chartered Accountant since 1988. Shri. Harish Surekha, aged 45 years, B.Com, residing at A-3, Vijay Kesar, behind Dheeraj Ganga, Chincholi Bunder Road, Malad (West), Mumbai 400 064, is in the business of supply of lubricant Oils & Tours and Travels business.

d. BSSL is engaged in trading in Stocks, Investments etc. . As on 31.03.2005, date of last audit, BSSL had a paid up Equity capital of Rs. 22.00 Lacs and accumulated losses of Rs. 9.74 Lacs. The entire Capital is held by promoters and their family members. In the year 2004-05, BSSL had Gross Income of Rs. 4.60 Lacs, Total expenditure of Rs. 4.46 Lacs and Post Tax Profit of Rs. 0.14 Lacs. BSSL made prior period adjustments of tax of Rs. 0.05 Lacs, during the year. The EPS (Shares of FV Rs.100/-) in the year 2004-05 was Rs. 0.65 and Return on Net Worth 1.17% The Equity Shares of Rs.100 each had a Book Value of Rs. 55.71 as on 31.03.2005. BSSL had a gross income of Rs. 7.56 Lacs, gross expenditure of Rs. 6.37 Lacs & pretax profit of Rs. 1.18 Lacs during 6 month period ended 30^{th} September 2005. After making provision for tax of Rs. 0.40 Lacs, the profit after tax is Rs. 0.78 Lacs, giving annualized EPS of Rs. 0.21. The Net Worth, as on 30.09.2005 is Rs. 70.29 Lacs (Including preference Capital of Rs. 49.20 Lacs.)

e. None of the Directors of KWL represent the Acquirer.

f. There is no person acting in concert with the Acquirer.

Information about the Target Company

a. KWL was originally incorporated on 18^{th} May 1985, at Mumbai, Maharashtra State, under the Companies Act, 1956 in the name and style " Nilhari Trading and Finance Ltd." The name of the Company was changed to " Khaitan Weaving Mills Ltd." vide Special Resolution adopted by members of the Company in their general meeting held on 30.09.1987 and fresh certificate to this effect was issued by the Registrar of Companies, Maharashra on 16^{th} March 1988. KWL made its maiden public issue in February 1986 and got its Equity Shares listed at the Stock Exchange, Mumbai. KWL, made a further Issue of capital in April 1990, by way of a Rights Issue.

b. The Registered Office and principal place of business of KWL is situated at 6/119, Mittal Industrial Estate, M.V. Road, Andheri (East), Mumbai 400 059, Ph. Nos. (022) 2850 1306, 2850 2086 Fax No. (022) 2859 5514. E-mail: kwmills@vsnl.com.

c. KWL is promoted by M/s. B P Khetan, Shri. Ramesh Vadpuria Smt. Pushpa Khetan, Shri. Sita Ram Khetan, Shri. Saroj S Khetan & their family members. As on date of this Public Announcement, the promoter group/persons in control, holds 37930 Equity Shares in the Target Company, constituting 05.16% of the voting capital.

d. The authorized Capital of KWL as on date is Rs. 105.00 Lacs, divided into 10,50,000 Equity Shares of Rs 10/- each & Issued subscribed and paid up Capital is 7,35,000 Equity Shares of Rs. 10/- each aggregating to Rs. 73.50 Lacs. All the Shares are fully paid up.

e. The Marketable lot for the Shares of KWL is 100 for Shares, held in physical form. The Company has not issued Equity Shares in dematerialized form.

f. The Directors of KWL are Shri. B P Khetan (Chairman cum Director), Smt. Pushpa B Khetan and Shri. Vivek B Khetan .

g. KWL has, as its main objects, carrying on business as merchants, traders, distributors, commission agents, to import, to export, to sell etc. in consumer commodities, food and food stuff, chemicals, paper and paper products, machinery, electronic goods and acting as retailers, acting as processors, weavers, dyers, bleachers, printers, and deal in all types of yarn, manufacturers of cloths, fabrics, textiles etc, to carry on business of financial operations, extending financial services, lending, accepting despots, issue guarantees etc. etc.

h. KWL is engaged in trading in Textiles, yarn, fabrics etc and investment in Shares/debentures/bonds.

i. The Equity Shares of KWL are listed at The Stock Exchange, Mumbai (BSE). The Shares are not admitted as a permitted security at any other Stock Exchange. All the Issued Equity Shares of KWL are listed and admitted for trading i.e. there are no outstanding unlisted Equity Shares or Equity Shares where trading permission is not granted by the Stock Exchange. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares. None of the Equity Shares are subject to lock in.

j. The Company has been paying listing fee regularly and there are no arrears of listing fee. KWL has been complying with the listing requirements of the Stock Exchanges, except for filing returns under Chapter II of SEBI(SAST) Regulations. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made as per the Regulations, No action has so far been taken by the Stock Exchanges or SEBI against KWL, its Directors or promoters. However, SEBI has issued a notice on July 21, 2004 for Settlement on Consent terms for non compliance with Chapter II of the Regulations and suggested a penalty of Rs. 1,50,000/- on consent. The Company has replied to the SEBI letter. However, it is noticed that the Company has not complied with the Regulations. Further action in the matter is awaited.

m.As per Audited results for the year ended March 31, 2005, KWL had Gross Income was Rs. 112.55 Lacs. The Operational Income was Rs. 104.23 Lacs, comprising of sale of Fabrics Rs. 21.04 Lacs and Sale of Shares Rs. 83.19 Lacs. The Other Income for the year was Rs. 8.33 Lacs, main components of which are Rent Rs. 1.58 Lacs, Long Term gains Rs. 0.95 Lacs, Dividend Income Rs. 0.63 Lacs, Long Term capital Gains of Rs. 2.20 Lacs from Sale of Flat, Interest on Bank Despots of Rs. 1.93 Lacs and the balance is miscellaneous receipts. KWL had Gross Expenditure of Rs.102.08 Lacs during the year comprising of Cost of goods traded Rs. 98.88 Lacs, Administrative and general expenses of Rs. 3.20 Lacs, Interest & finance charges of Rs. 0.003 Lacs. Depreciation for the year was Rs. 0.47 Lacs. KWL made provision for current and deferred taxes of Rs. 1.86 Lacs. The Net profit for the year was Rs. 8.15 Lacs. The Paid up Capital is Rs. 73.50 Lacs, Reserves and Surplus Rs. 23.88 Lacs. The Net Worth (Net of Deferred Tax Assets) as on 31.03.2005 is Rs. 95.97 Lacs. The Shares had a Book Value of Rs. 13.06. The Earnings per Share in the year 2004-05 was Rs.1/11. During the 3 month's period ended 30.06.2005 (unaudited), KWL had a Gross Income of Rs. 28.28 Lacs and Net Profit of Rs. 5.37 Lacs, giving annualized EPS of Rs. 2.92. The return on Net Worth for the year ended 31.03.2005 was 8.49 % & for the year 3 month's period ended 30.06.2005 return on Net Worth (annualized) was 22.38 %.

n. There has not been any demerger or spin off of activity in the last three years. However, KWL has disposed off certain fixed assets such a Flat and Office premises in the preceding 3 years.

Reasons for the Acquisition and Offer and future plan about Target Company

a. The objects of the acquisition are substantial acquisition of Shares of KWL, followed by change in control. The Acquirer is proposing to take control of KWL .

b. Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. KWL is engaged in trading in Fabrics and investments/trading in Shares/Deb. and Bonds. The Acquirer proposes, to continue with the existing activities. The promoters of the Acquirer are Chartered Accountants and are well versed in investments and finance. The Acquirer proposes to utilize the services of professionals experienced in Trading in commodities and Investments to improve the performance of KWL.

c. Subject to satisfaction of the provisions under the Companies Act, 1956 and /or any other Regulation(s), the Acquirer intends to make changes in the management of KWL It is proposed to induct new Directors on the Board of KWL. The Acquirer is yet to decide on the name of the persons who will be so inducted to the Board.

d. The Acquirer do not have any plans to dispose off or otherwise encumber any assets of KWL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertakes that they shall not sell, dispose of or otherwise encumber any substantial assets of the target company except with the prior approval of the shareholders.

Statutory Approvals/ other approvals required for the Offer

a. As on the date of this announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

b. Barring unforeseen circumstances, the Acquirer would endeavor to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days. In case the Acquirer fails to obtain requisite statutory approval in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

Option to the acquirer in terms of Regulation 21(3)

a. Consequent to this Offer, the public holding of Equity Shares in KWL will not fall below the level stipulated in the Listing Agreement for continued listing and hence continued listing will be ensured.

Financial Arrangements

a. The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged.

b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs.47,04,000/- (Rupees Forty seven Lacs Four thousand only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created an Escrow Account in the form of a Fixed Deposit for Rs.11,76,000/- (Rupees Eleven Lacs Seventy six thousand Only), which is 25% of the total consideration payable under the Offer, with The Dhanalakshmi Bank Ltd., Janmabhoomi Building, Janmabhoomi Marg, Fort, Mumbai 400 001 on October 14, 2005 and a lien has been marked on the said account in favor of Fedex Securities Ltd., Manager to the Offer.

c. The Acquirer has authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

d. As per certificate dated 07.10.2005 from Shri. Manoj Agarwal, (Membership No. 107624) , Chartered Accountants, 22, Manahar Building, 2^{nd} Floor, 66/72, Dadi Seth Agairy Lane, Kalbadevi, Mumbai 400 002 (Tel No. (022) 56550282 Fax No. (022) 56550282 the Net Worth of BSSL as on 07^{th} October 2005 is Rs. 84.03 Lacs

e. Shri. Manoj Agarwal, , (Membership No. 107624) , Chartered Accountants, 22, Manahar Building, 2^{nd} Floor, 66/72, Dadi Seth Agairy Lane, Kalbadevi, Mumbai 400 002 (Tel No. (022) 56550282 Fax No. (022) 56550282 vide their Certificate dated 7^{th} October 2005, certified that the Acquirer has adequate liquid resources to meet the funds requirements of the Offer, including expenses thereof.

f. Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

Other terms of the Offer

a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

b. The Letter of Offer shall be mailed to all shareholders (except the Acquirer) whose names appear in register of Target Company as on Saturday, November 05, 2005, the Specified Date.

c. All shareholders (except the Acquirer) who own the shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

d. Shareholders wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2^{nd} Floor, Horniman Circle, Fort, Mumbai 400 001 (Telephone Nos. (022) 2270 2485, 2264 1376, Fax No. (022) 2264 1349 (Contact Person: Shri. Henry Fernandez) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Wednesday, December 21,2005 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with KWL/its transfer agents for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by KWL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent along with.

e. Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non receipt of the letter of Offer, the eligible person may send his consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer. Persons who hold Equity Shares of KWL on the Specified Date but who are not registered as Shareholders on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above

F. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2^{nd} Floor, Horniman Circle, Fort, Mumbai 400 001 (Telephone Nos. (022) 2270 2485, 2264 1376, Fax No. (022) 2264 1349 (Contact Person: Shri. Henry Fernandez) between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

g. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

h. Unregistered Shareholders and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.

i. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.

j. The acceptance of this Offer by the Shareholders of KWL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

k. The Acquirer shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis in such a way that acquisition from a Shareholder shall not be less than marketable lot or the entire holding, if it is less than the marketable lot. The market lot for KWL's Shares is 100. In view of acceptance of minimum marketable lots, the total number of Shares accepted may marginally exceed the offer size.

l. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement.

m.Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/Under Certificate of Posting.

n. The Equity Shares Certificate(s) and the transfer form (s) together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirers pay the Offer Price.

o. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Friday, December 16, 2005.

p. The Withdrawal option can be exercised by making an application on plain paper alongwith the following details:
(i) Name, (ii) Address, (iii) Distinctive numbers, (iv) Folio nos., (v) No. of Shares tendered/withdrawn

q. The Shares withdrawn by Shareholders, will be returned by Registered Post.

r. The schedule of the activities pertaining to the Offer are given below: -

Activity	Date
Public Announcement (PA)	Saturday, October 15, 2005
Specified date	Saturday, November 5, 2005
Last date for a competitive bid	Saturday, November 5, 2005
Letter of Offer to be posted to shareholders	On or before Friday, November 25, 2005
Date of opening of the Offer	Friday, December 02, 2005
Last date for withdrawing acceptance from the Offer	Friday, December 16, 2005
Date of closing of the Offer	Wednesday, December 21, 2005
Last date for revising the Offer price/ number of shares.	Monday, December 12, 2005
Date of communicating rejection/ acceptance and payment of consideration for applications accepted	On or before Thursday, January 03, 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 and all owners (registered or unregistered) of Shares of Khaitan Weaving Mills Limited anytime before the closure of the Offer, are eligible to participate in the Offer

General

a. 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 3 working days prior to the date of closure of the Offer.

b. The Acquirer can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period.

c. If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.

d. As the Offer price cannot be revised during 7 working days prior to the closing date of the Offers / bids, 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.

e. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirer has appointed Fedex Securities Ltd., 1205, Dalamal Tower, Nariman Point, Mumbai 400 021 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Shri. R. Ramakrishnan. Telephone Nos. 2282 9101/9102; Fax No. 022 - 5630 1797.

f. The Acquirer has appointed M/s. Sharex Dynamic (India) Pvt. Ltd., 17/B, Dena Bank Building, 2^{nd} Floor, Horniman Circle, Fort, Mumbai 400 001 (Telephone Nos. (022) 2270 2485, 2264 1376, Fax No. (022) 2264 1349 (Contact Person: Shri. Henry Fernandez) as Registrar to the Offer.

g. The Acquirer,its promoters / Directors, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

h. Balaji Synthetic Sacks Pvt. Ltd., having its registered office at 19, Laxminarayan Shopping Centre, Poddar Road, Malad (East), Mumbai 400 097 , the Acquirer, and each of its Directors jointly and collectively accepts full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirer, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY MANAGER TO THE OFFER

FEDEX SECURITIES LIMITED

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
1205, Dalamal Tower, Nariman Point,
Mumbai 400 021
Tel. Nos. (022) 2282 9101/9102,
Fax : (022) 5630 1797
Contact Person : Shri. R. Ramakrishnan

Place : Mumbai
Date : October 14, 2005

On behalf of
The Acquirer
Balaji Synthetic Sacks Pvt. Ltd.
Registered office : 19, Laxminarayan Shopping Centre,
Poddar Road, Malad (East), Mumbai 400 097
Tel No (022) 2883 6667 Fax No. (022) 2882 9045
E mail: balaji_synthetic@rediffmail.com