***PUBLIC ANNOUNCEMENT** TO THE SHAREHOLDERS OF*

LANXESS ABS LIMITED

(Registered office: 6th Floor, ABS Towers, Old Padra Road, Vadodara - 390 007, Gujarat, India)

This public announcement ("PA") is being issued by SBI Capital Markets Limited (the "Manager to the Offer"), for and on behalf of INEOS ABS (Jersey) Limited ("Ineos")("Acquirer") alongwith INEOS Group Limited ("IGL") and INEOS Holdings Limited ("IHL") (together referred to as "Persons Acting in Concert"/"PACs"), pursuant to Regulation 10 and Regulation 12 and other applicable provisions and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI (SAST) Regulations"/ "Regulations").

A. BACKGROUND TO THE OFFER

1. This open offer ("Offer") is being made by the INEOS ABS (Jersey) Limited a company incorporated under the laws of Jersey having its registered office at Whiteley Chambers, Don Street, St Helier, Jersey JE4 9WG, being the Acquirer within the meaning of Regulation 2(1)(b) of the Regulations alongwith INEOS Group Limited and INEOS Holdings Limited each being a company incorporated under the laws of England having its registered office at Hawkslease, Chapel Lane, Lyndhurst, Hampshire, England acting as PACs within the meaning of Regulation 2(1)(e) of the Regulations in compliance with Regulations 10 and 12 of the Regulations to the shareholders of Lanxess ABS Limited ("Target Company"/"Lanxess").
2. The Acquirer has entered into a Share Purchase Agreement ("SPA") on 28 June 2007 to acquire a maximum of 69.8% of the total issued, subscribed and paid up equity capital of Lanxess aggregating to 1,22,74,429 shares, at a price of Rs. 196.36 per equity share ("Lanxess Price") from Lanxess India Private Limited (Address: Kolshet Road, Thane (W) 400 607, Maharashtra, India, Phone: (022) 2531 1234, Fax: (022) 2545 5039) ("Lanxess India") and at a price of Rs. 201 per equity share ("RA Price") from Mr. Rakesh Agrawal (Address: 61 Alkapuri Society, Alkapuri, Vadodara 390 005, India Phone: (0265) 2335060, Fax: (0265) 2355001;), Tash Investment Private Limited (Address: 9th Floor, ABS Towers, Old Padra Road, Vadodara 390 007, India, Phone: (0265) 2321418, Fax: (0265) 2357238), Geetganga Investment Pvt Ltd, (Address: 9th Floor, ABS Towers, Old Padra Road, Vadodara 390 007, India, Phone: (0265) 2321418, Fax: (0265) 2357238), Mrs. Uma Agrawal, Mr. Rahul Agrawal (Address: 61 Alkapuri Society, Alkapuri, Vadodara 390 005, India Phone: (0265) 2335060, Fax: (0265) 2355001;), Mr. Vishal Agrawal: (Address: 61 Alkapuri Society, Alkapuri, Vadodara 390 005, India, Phone: (0265) 2335060, Fax: (0265) 2355001;) ("RA Seller(s)"). As per stock exchange filings at BSE and NSE Lanxess India and the RA Sellers (together the "Seller(s)") belong to the promoter group of the Target Company.
3. The total maximum consideration payable in cash for the above transaction is Rs. 2,42,55,69,292 ("Price"). In addition to the Price, the Acquirer will pay to RA Sellers a non-compete consideration of Rs. 16,56,32,495 (the "Non-Compete Consideration") for entering into the non-compete undertaking referred to in the SPA. The Non-Compete Consideration is not in excess of 25% of the Offer Price arrived at as per paragraph B, below, under the head "Offer Price".
4. Pursuant to this Offer, the Acquirer proposes to acquire 35,17,125 fully paid-up equity shares of the Target Company (each a "Share") (the "Offer Size") representing 20% of the voting equity capital of the Target Company at a price of Rs 201/- (Rupees Two Hundred and One only) for each Share of the Target Company (the "Offer Price"), to be paid in cash in accordance with the provisions of the Regulations and subject to the terms and conditions mentioned in the letter of offer in relation to the Offer which will be sent to the shareholders of Lanxess (the "Letter of Offer"). There are no partly paid-up equity shares of the Target Company.
5. The Acquirer and the PACs have neither acquired nor been allotted any equity shares of the Target Company in the 12 months prior to the date of this Public Announcement ("PA"). As at date of this PA, neither the Acquirer nor the PACs held any equity shares of the Target Company.
6. This Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the equity shares that would be validly tendered as per the terms of Offer.
7. This is not a competitive bid.
8. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer.

B. THE OFFER PRICE

1. The equity shares of Lanxess are presently listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE).
2. The annualized trading turnover of the equity shares of Lanxess during the six months preceding the date of this Public Announcement (December 2006-May 2007) on each of the stock exchanges on which the equity shares of Lanxess are listed is detailed below

Name of Stock Exchange	Total no. of shares traded during the 6 calendar months prior to the month in which the PA was made	Total no. of listed shares	Annualised trading turnover (in terms of % of total listed shares)
BSE	17,37,731	1,75,85,625	19.76%
NSE	11,79,291	1,75,85,625	13.41%

3. Based on the information available, the equity shares of Lanxess are frequently traded on the Stock Exchanges i.e. BSE and NSE (Source: www.bseindia.com and www.nseindia.com) within the meaning of explanation (i) of Regulation 20 (5) of the SEBI (SAST) Regulations.
4. The Offer Price of Rs. 201/- (Rupees Two Hundred One only) per equity share is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations as it is equal to the highest of the following:

i.	**Negotiated Price** RA Price Lanxess Price	 Rs. 201.00 Rs. 196.36
ii.	Highest Price paid by Acquirer for any acquisition (including by way of allotment in a public or rights or preferential issue) during the 26 week prior to the date of the Public Announcement	Not Applicable
iii.	The average of the weekly high and low of the closing prices of shares of Lanxess on BSE, where it is most frequently traded, during the 26 week period preceding the date of the Public Announcement*.	Rs. 162.14
iv.	The average of the daily high and low of the shares of the Lanxess on BSE, where it is most frequently traded, during the 2 week period preceding the date of the Public Announcement.	Rs. 173.61

* As per Explanation (i) to Regulation 20(11), the market price may be adjusted for quotations, if any, on cum-dividend basis during the same period. In the current situation, the board of directors of the Target Company in its meeting held on January 30, 2007, recommended a dividend of Rs. 3/- per equity share on the par value of Rs. 10/- per equity share which was approved by the shareholders of the Target Company at the Annual General Meeting (AGM) held on April 27, 2007. The shares of the Target Company traded on ex-dividend basis from April 12, 2007. Hence the shares of the Target Company were trading on cum-dividend basis from January 31, 2007 to April 11, 2007. However, based on a conservative approach, the Acquirer has not considered the downward adjustment of the price for the cum-dividend trade dates.

5. In the opinion of the Manager to the Offer, the Offer Price of Rs 201/- per share offered by the Acquirer to the shareholders of Lanxess under the proposed Offer is justified in terms of Regulation 20 (4) of the Regulations.
6. If the Acquirer/ PACs acquire equity shares of Lanxess after the date of the Public Announcement and up to seven working days prior to the closure of the Offer at 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.
7. The equity shares of Lanxess will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all rights attached thereto, including all the rights to dividend, bonus and rights offer declared thereof.
8. The Manager to the Offer does not hold any Shares in the Target Company, as at the date of this PA.

C. INFORMATION ON THE ACQUIRER AND PERSONS ACTING IN CONCERT

INEOS ABS (JERSEY) LIMITED

1. INEOS ABS (Jersey) Limited is a company having its registered office at Whiteley Chambers, Don Street, St Helier, Jersey JE4 9WG. The company was incorporated on June 19, 2007 under the laws of Jersey.
2. The Acquirer is a direct wholly owned subsidiary of INEOS Group Limited ("IGL") having its registered office at Hawkslease, Chapel Lane, Lyndhurst, Hampshire SO43 7FG, United Kingdom.
3. The issued and paid-up equity share capital of the Acquirer constitutes 2 ordinary equity shares of €1 each aggregating to €2. The shares of the Acquirer are not listed on any stock exchange.
4. The Acquirer is an investment company and does not have any income generating operations. Since its incorporation, no financial statements of the Acquirer have been prepared.
5. None of the directors of the Acquirer are on the board of Lanxess.
6. None of the directors of the Acquirer have acquired any shares of Lanxess during the 12 months prior to the date of this PA.

INFORMATION ABOUT PACs

I. INEOS GROUP LIMITED

1. INEOS Group Limited is a private limited company having its registered office and its principal place of business at Hawkslease, Chapel Lane, Lyndhurst, Hampshire SO43 7FG, United Kingdom. IGL was incorporated on March 19, 1998, with the name of Jar Group Limited under the laws of England and Wales. The name of the company was changed to INEOS Group Limited on April 7, 1998.
2. IGL is the ultimate holding company of the INEOS group which is a manufacturer of specialty and intermediate chemicals. The INEOS group operates 68 manufacturing facilities in 17 countries worldwide.
3. IGL has various businesses which are active in the production, distribution, sales and marketing of intermediate and specialty chemicals.
4. The shares of IGL are not listed on any stock exchange. The particulars of shareholders holding 5% or more of the equity share capital of IGL as at the date of this PA are given below:

Shareholder	No. of Shares	Percentage Shareholding
James Arthur Ratcliffe (director)	6,12,56,250	57.6%
John Reece (director)	1,10,26,710	10.4%
Andrew Christopher Currie (director)	1,10,26,710	10.4%
Halifax EES Trustees International Limited	1,08,25,146	10.2%

5. IGL's consolidated revenue for its financial year ended 31 December 2006 was € 26,587.4 million (equivalent to Rs. 1,463.1 billion) and € 4,958.2 million (equivalent to Rs. 272.8 billion) for the financial year ended 31 December 2005. The increase in the revenue was mainly attributable to the inclusion of a full year's results of the Innovene business that was acquired in December 2005 together with robust demand and limited capacity growth in principal markets.
6. IGL's consolidated profit after tax for its financial year ended 31 December 2006 was € 115.0 million (equivalent to Rs. 6.3 billion) as compared to € 87.5 million (equivalent to Rs. 4.8 billion) for the financial year ended 31 December 2005.
7. IGL's paid up equity capital as at 31 December 2006 was € 0.2 million (equivalent to Rs 0.01 billion). As at 31 December 2006, the consolidated total equity shareholders' funds were € 331.3 million (equivalent to Rs 18.2 billion) as compared to € 292.1 million (equivalent to Rs. 16.1 billion) as at 31 December 2005.
8. IGL achieved earnings per share of € 1.39 (equivalent to Rs 76.5) during the financial year ended December 31, 2006, compared with € 1.49 (equivalent to Rs 82) for the financial year ended 31 December 2005. Book value per share as at 31 December 2006 was € 3.11 (equivalent to Rs.171) with par value of € 0.002 (equivalent to Rs.0.110) per share.
9. None of the directors of IGL are on the board of Lanxess.
10. None of the directors of the IGL have acquired any shares of Lanxess during the 12 months prior to the date of this PA.

II. INEOS HOLDINGS LIMITED

1. IHL is a private limited company having its registered office and its principal place of business at Hawkslease, Chapel Lane, Lyndhurst, Hampshire SO43 7FG, United Kingdom. IHL was incorporated on May 14, 2001.
2. IHL is an indirect wholly owned subsidiary of IGL. It is an intermediate holding company of the INEOS Group. The principal activity of the Company is to finance the INEOS group's acquisitions and act as a holding company.
3. The shares of IHL are not listed on any stock exchange.
4. IHL reported total income of € 147.1 million (equivalent to Rs. 8.1 billion) for the financial year ended 31 December 2005 and € 150.9 million (equivalent to Rs. 8.3 billion) for the financial year ended 31 December 2004.
5. IHL made a loss of € 4.6 million (equivalent to Rs. 0.25 billion) in the financial year ended 31 December 2005 as compared to profit after tax of € 58.5 million (equivalent to Rs. 3.2 billion) for the financial year ended 31 December 2004.
6. IHL's paid up equity capital as at 31 December 2005 was € 17.7 million (equivalent to Rs 1.0 billion). As at 31 December 2005, the total equity shareholders' funds were € 31.1 million (equivalent to Rs 1.7 billion) as compared to € 35.9 million (equivalent to Rs. 2 billion) as at 31 December 2004.
7. The book value per share as at 31 December 2005 was € 2.70 (equivalent to Rs. 148.6) with par value of € 1.54 (equivalent to Rs. 84.7) per share.
8. None of the directors of IHL are on the board of Lanxess.
9. None of the directors of IHL have acquired any shares of Lanxess during the 12 months prior to the date of this PA.

D. INFORMATION ABOUT THE TARGET COMPANY

1. The Target Company was originally incorporated as ABS Plastics Limited in India on December 7, 1973. The name was changed to ABS Industries Limited on August 6, 1992 and to Bayer ABS Limited on July 1, 1997. The name was further changed to its current name Lanxess ABS Limited on April 29, 2005. The registered office of the Target Company is located at 6th Floor, ABS Towers, Old Padra Road, Vadodara - 390 007 Gujarat, India.
2. As of March 31, 2007, the paid up share capital of the Target Company consists of 17,585,625 fully paid up equity shares of Rs. 10/- each aggregating to Rs. 175,856,250. There are no partly paid up shares in the Target Company.
3. Lanxess Shares are listed on BSE and NSE. Lanxess Shares are most frequently traded on BSE and NSE in terms of regulation 20 (5) of the Regulations. As on June 29, 2007 the closing price of the shares of Lanxess on BSE and NSE was Rs. 205.55 and Rs. 202.50 per share and the market capitalization of Lanxess was Rs. 3.6 billion.
4. Lanxess ABS Limited is one of the leading manufacturers of Acrylonitrile Butadiene Styrene (ABS) and Styrene Acrylonytrile (SAN) in India. ABS and SAN are versatile engineering thermoplastic material and due to their impact resistant and other properties have widespread applications in the manufacture of housewares, medical equipment and in industries such as the electronics, automotive, telecom and others.
5. Lanxess ABS Limited's total income for its financial year ended 31 December 2006 was Rs.5,734.6 million and for the financial year ended 31 December 2005 was Rs. 4,762.4 million.
6. Lanxess ABS Limited's profit after tax for its financial year ended 31 December 2006 was Rs. 270.7 million as compared to Rs. 162.7 million for the financial year ended 31 December 2005.
7. Lanxess ABS Limited's paid up equity capital as at 31 December 2006 was Rs 175.8 million As at 31 December 2006, the total equity shareholders' funds were Rs 1,890.4 million as compared to Rs. 1,679.8 million as at 31 December 2005.
8. Lanxess ABS Limited achieved earnings per share of Rs. 15.40 during the financial year ended December 31, 2006, compared with Rs 9.26 for the financial year ended 31 December 2005. Book value per share as at 31 December 2006 was Rs. 107.50 with par value of Rs. 10/- per share.

(Source: 34th Annual report Jan-Dec 2006 and publicly available data)

E. REASONS FOR THE ACQUISITION AND FUTURE PLANS FOR TARGET COMPANY

1. The Offer to the shareholders of the Target Company as explained in paragraph A above under the head "Background to the Offer", is being made pursuant to regulation 10 & 12 of the Regulations involving substantial acquisition of shares or voting rights accompanied with a change in control/ management of the Target Company.
2. The INEOS group is a leading global manufacturer of petrochemicals, specialty chemicals and oil products. Lanxess manufactures various grades of thermoplastic resins and styrene copolymers including acrylonitrile butadiene styrene (ABS) and Styrene Acrylonitrile (SAN). Both ABS and SAN are general-purpose, high-impact and ignition-resistant resins that meet the application needs across a broad range of market segments such as household, electrical, automotive, packaging and toys. The INEOS group does not currently manufacture ABS or SAN. However, the INEOS group manufactures and supplies to Lanxess (amongst others) the raw materials required for manufacturing ABS and SAN. Hence, the INEOS group plans to optimally utilize Lanxess' capacity to produce various grades of ABS and SAN.
3. As at date of this PA, the Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in 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 or otherwise of the Target Company. Notwithstanding the preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in the matters as per the requirements of business and in line with the opportunities from time to time.
4. Other than in the ordinary course of business, the Acquirer undertakes that it shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

F. STATUTORY APPROVALS AND OTHER APPROVALS REQUIRED FOR THIS OFFER

1. The Offer is subject to receipt by the Acquirers of approval from the Reserve Bank of India ('RBI') under the Foreign Exchange Management Act, 1999, and/or the regulations made thereunder ('FEMA'), for acquiring shares validly tendered under this Offer.
2. As of the date of this PA, to the best of the knowledge of the Acquirer and the PACs, other than as set out in paragraph F1 above, there are no other statutory approvals required to acquire the Shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to receipt of such other statutory approvals. In terms of Regulation 27 of the Regulations, the Acquirer and the PACs will not proceed with the offer in the event that such statutory approvals that are required are not obtained.
3. In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.
4. Approvals required from financial institutions or banks for the Offer wherever applicable have been obtained.

G. DISCLOSURE UNDER REGULATION 21

In case the total shareholding of the Acquirer alongwith PACs upon acquisition pursuant to this Offer, assuming full acceptance, results in the public shareholding in the Target Company being reduced below the minimum level required as per the listing agreement, the Acquirer shall take necessary steps to facilitate compliance of the Target Company with the relevant provisions thereof within the stipulated time.

H. FINANCIAL ARRANGEMENTS

1. The maximum purchase consideration payable by the Acquirer in case of full acceptance of this Offer would be Rs. 70,69,42,125 [Rupees Seventy crores sixty nine lakhs forty two thousand two hundred and twenty five only].
2. INEOS ABS (Jersey) Limited, SBI Capital Markets Limited and Citibank N.A, acting through its branch office located at 293, D.N Road, Fort, Mumbai 400001 have entered into an Open Offer Escrow Agreement, (the "Escrow Agreement") dated June 28, 2007 in accordance with Regulations 28 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, the Acquirer has made a cash deposit of Rs. 17,94,00,000 in an escrow account which is in excess of 25% of the value of the total consideration up to Rs.100.00 crores payable under the Offer (assuming full acceptances) with Citibank N.A, Mumbai (the "Escrow Account"). SBI Capital Markets Limited have been duly authorised to realize the value of the aforesaid Escrow Account in terms of the SEBI (SAST) Regulations.
3. Mr. Ashutosh Pednekar, partner, M/s. M. P. Chitale & Co., Chartered Accountants, (ICAI Membership No: 41037), having its office at Hamam House, Ambalal Doshi Marg, Fort, Mumbai - 400 001 (Tel No: +91 22 2266 6223/ 6224, Fax No.: + 91 22 2265 5334) has certified vide letter dated June 27, 2007 that the Acquirer has adequate resources for fulfilling all the obligations under the Open Offer.
4. In view of above, the Manager to the Offer is satisfied that firm arrangements for financial resources required to implement the Offer i.e. funds for payment through verifiable means are in place to fulfill the obligations of the Acquirer under the Offer and are satisfied that the Acquirer has adequate resources to meet the financial requirements of the Offer and ability to implement the Offer in accordance with the SEBI (SAST) Regulations.

I. OTHER TERMS OF THE OFFER

1. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of Lanxess (other than the Acquirer and PACs), whose names appear on the Register of Members of Lanxess and to the beneficial owners of the shares of Lanxess, whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on July 20, 2007 ("Specified Date").
2. Shareholders 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 Intime Spectrum Registry Limited, 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 Monday, September 10, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgment.
3. For shareholders holding Shares in dematerialised form, Intime Spectrum Registry Limited has opened a Special Depository Account with National Securities Depository Limited (NSDL). Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their Shares in the special depository account:

DP Name	Citibank N.A.
DP ID	IN 300054
Client ID	10021653
Account Name	ISRL-LANXESS OPEN OFFER ESCROW ACCOUNT
Depository	National Securities Depository Limited

4. Shareholders having their beneficiary account in Central Depository Service (India) Limited (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.
5. Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares will be required to send their Form of Acceptance cum Acknowledgment along with the photocopy of the delivery instruction in "Off-market" mode or counter foil of delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP") in favour of the Special Depository Account to the 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 Monday, September 10, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgment. The credit for the delivered shares should be received in the Special Depository Account on or before Close of the Offer, i.e., no later than Monday, September 10, 2007.
6. Laxness shareholders who wish to avail of and accept the Offer can also deliver the Form of Acceptance cum Acknowledgment along with all the relevant documents at any of the collection centers below in accordance with the procedure as set out in the Letter of Offer. All centers mentioned herein below would be open as follows.

(Monday to Saturday 10:00 a.m. to 4.30 p.m.)

Sr. No.	Collection Center	Address of Collection Center	Contact Person	Phone No.	Fax No.	Mode of delivery
1.	Mumbai	Intime Spectrum Registry Limited, C-13, Panalal Silk Mills Compound, L B S Marg,Bhandup (W), Mumbai -400078.	Vishwas Attavar	022-25960320 -27	022-25960328-29	Hand Delivery & Registered Post
2.	Mumbai	Intime Spectrum Registry Limited, 203, Davar House, Next to Central Camera, D N Road, Fort, Mumbai - 400 001	Vivek Limaye	022-22694127	022-22694127	Hand Delivery
3.	Ahmedabad	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad - 380 009	Hitesh Patel	079-2646 5179	079-26465179 (Telefax)	Hand Delivery
4.	Bangalore	Intime Spectrum Registry Ltd., No. 658-57,1st Floor, Laxmi Venkateshwar Archade, 11th Main, 4th Block Jayanagar, Opp Vijay Party Hall, Bangalore- 560 011	Arun Meda	080-41242624	080-41242623	Hand Delivery
5.	Chennai	7 / A, Laxman Nagar, East Main Road, Chennai - 600082	B. Srinivas	044 – 26712611	044-26712611 (Telefax)	Hand Delivery
6.	Kolkata	Intime Spectrum Registry Limited, 59C,Chowringhee Road,3rd Floor, Kolkata -700020	S.P. Guha	033-2890539/40	033-22890539/40 (Telefax)	Hand Delivery
7.	New Delhi	Intime Spectrum Registry Ltd., 3rd Floor, A-31, Naraina Industrial Area, Phase I, New Delhi -110 028	Bharat Kumar Bhushan	011-41410592 / 93/94	011-41410591	Hand Delivery

7. All shareholders (registered or unregistered) of Lanxess Shares (except the Acquirer and PACs) 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 their name, address, number of shares held, number of shares offered, distinctive numbers, folio numbers 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
8. In the case of non-receipt of Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, distinctive numbers, folio numbers of shares offered along with documents as mentioned above so as to reach Registrar to the Offer on or before the Close of the Offer i.e. not later than Monday, September 10, 2007 or in the case of beneficiary they may send the application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photo-copy of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favor of the Special Depository Account so as to reach Registrar to the Offer on or before the Close of the Offer i.e. not later than Monday, September 10, 2007.
9. In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, the shareholders desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three (3) working days prior to the date of closure of the Offer (the "Withdrawal Option"). 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 any of the collection centres mentioned above as per the mode of delivery indicated therein on or before Wednesday, September 05, 2007.
   (i) The Withdrawal Option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.
   (ii) In case of non-receipt of Form of Withdrawal, the Withdrawal Option can be exercised by making a plain paper application alongwith 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 photo-copy of delivery instruction in "Off-market" mode or counter-folio of the delivery instruction in "Off-market" mode duly acknowledged by the DP in favour of the Special Depository Account.
10. The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in the credit of the Special Depository Account, Form of Acceptance cum Acknowledgment and the transfer form(s), if any, on behalf of the shareholders of Lanxess who have accepted the Offer, till the cheques/ drafts for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.
11. If the aggregate of the valid responses to the Offer exceeds the Offer size of 35,17,125 fully paid-up equity shares of Lanxess, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. The shares of Lanxess are compulsorily traded in dematerialized form. Hence, minimum acceptance/market lot will be one share.
12. Unaccepted share certificates, transfer deeds 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. Unaccepted shares held in dematerialized form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgment. 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.
13. 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 Close of the Offer i.e., Monday, September 10, 2007 else their application will be rejected.
14. 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 Lanxess. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered. While tendering shares under the Offer NRI/ 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 shareholders under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.
15. A schedule of the activities pertaining to the Offer is given below:

Activity	Day/date
Public Announcement Date	Saturday, June 30, 2007
Specified Date*	Friday, July 20, 2007
Last date for a competitive bid	Saturday, July 21, 2007
Date by which Letter of Offer will be dispatched to Shareholders	Saturday, August 11, 2007
Date of opening of the Offer	Wednesday, August 22, 2007
Last date for revising the Offer Price	Thursday, August 30, 2007
Last date for withdrawing acceptance from the Offer	Wednesday, September 05, 2007
Last date of closure of the Offer	Monday, September 10, 2007
Date of communicating rejection/ acceptance and payment of consideration for accepted Shares	Monday, September 24, 2007

* Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. However, all owners (registered or unregistered) of the shares of Lanxess (except the Acquirer and PACs) are eligible to participate in the Offer anytime before the close of the Offer.

J. GENERAL

1. Shareholders who have accepted the Offer by tendering the requisite documents in terms of this Public Announcement and the Letter of Offer shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closure of the Offer, in terms of Regulation 22(5A) of the SEBI (SAST) Regulations.
2. If there is any upward revision in the Offer Price by the Acquirer till the last date of revision viz., Thursday, August 30, 2007 or withdrawal of the Offer, the same will be informed by way of public announcement in the same newspapers in which this Public Announcement has appeared. The Acquirer would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.
3. 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 the seven (7) working day period 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 order price of each bid and tender their acceptance accordingly.
4. The Acquirer and PACs 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.
5. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer/ PACs have appointed SBI Capital Markets Limited as Manager to the Offer. The Manager to the Offer does not hold any equity shares of the Target Company as on the date of this Public Announcement.
6. The Acquirer/PACs accepts the responsibility for the information contained in this Public Announcement (except that which pertains to the Target Company and has been compiled from publicly available sources). The Acquirer is responsible for each of its obligations in terms of the SEBI (SAST) Regulations.
7. Certain financial details contained in this Public Announcement quoted in Rupees are denominated in Euros. The Rupee equivalent (quote in each case is calculated in accordance with the RBI Reference rate as on June 28, 2007 namely 1Euro = Rs. 55.03 (Source: www.rbi.org.in).

This Public Announcement will also be available on the SEBI's website (www.sebi.gov.in).

Manager to the Offer

SBI Capital Markets Limited

SBI Capital Markets Ltd.
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Mumbai – 400 005
Tel: (91) – 22 2218 4704
Fax: (91) – 22 2218 8332
E-mail: lanxess.openoffer@sbicaps.com
Contact Person: Ms. Kavita Nachnani

Registrar to the Offer

INTIME SPECTRUM REGISTRY LIMITED

Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound,
L B S Marg, Bhandup (W),
Mumbai -400 078.
Tel: (91) – 22 – 2596 0320
Fax : (91) – 22 – 2596 0328/29
Email: lanxess.openoffer@intimespectrum.com
Contact Person: Mr. Sachin Achar

Issued by SBI Capital Markets Limited, Manager to the Offer for and on behalf of the Acquirer.

June 29, 2007
Mumbai