PUBLIC ANNOUNCEMENT

For the attention of the Shareholders of

PAN PACKAGING INDUSTRIES LIMITED

Regd. Office: Riizvi Niketan, Shop No. 4, Gopi Tank Road, Mahim, Mumbai 400 016
Tel. (022) 2444 2420 / 2444 0879 Fax: (022) 2444 2420

This Public Announcement ("PA") is being issued by Khandwala Securities Limited "KSL" or the "Manager to the Offer", on behalf of, M/s. KDS Corporation Private Limited, having Registered Office: SCO 12-13, Sector 9-D, Chandigarh for the purpose of open offer (hereinafter referred to as the "Acquirers") to the fully paid Equity Shareholders of M/s. Pan Packaging Industries Limited (herein after referred to as "PPIL" or the "Company" or the "Target Company"), pursuant to provisions of Regulations 10, 11(1) and 12 and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto. The Acquirer accepts responsibility for the information contained in the Public Announcement. The PA to the letter of offer was issued on Tuesday, 18th October 2005 in The Free Press Journal, Mumbai (English), Prathakal (Hindi) and Navshakti (Maharastra) followed by corrigendum to the PA on 20th October 2005 and 30th November 2005 in the aforesaid newspapers.

Sr. No.	Particulars	Remaks
1.	Name of the Target Company	**M/s. Pan Packaging Industries Limited**
2.	Name of Acquirer(s) including PAC's.	**M/s. KDS Corporation Private Limited**
3.	Name of Manger to the offer	**M/s. Khandwala Securities Limited**
4.	Name of the Registrar to the offer	**M/s. Sharepro Services (India) Pvt. Ltd.**
5.	Offer Details: a. Date of Opening of the offer: b. Date of Closure of the offer:	 12th December 2005 31st December 2005

6. Details of the acquisition:

Sr. No.	Item	Proposed in the Offer Document		Actual	
1.	Offer Price	Rs. 13.20/- per share		Rs. 13.20/- per share	
2.	Shareholding of Acquirer (No. & %) before MOU / PA	Nil		Nil	
3.	Shares acquired by way of MOU or market purchases (No & %)	10,46,300 (19.34%)		10,46,300 (19.34%)	
4.	Shares acquired in the open offer (No. & %)	10,82,020 (20%)		10,82,020 (20%)	
5.	Size of the open offer (No. of shares multiplied by offer price per shares)	10,82,020*Rs. 13.20/- per share aggregating Rs. 1,42,82,664 (Rupees One Crore Forty Two Lakhs Eighty Two Thousand Six Hundred Sixty Four only)		10,82,020*Rs. 13.20/- per share aggregating Rs. 1,42,82,664 (Rupees One Crore Forty Two Lakhs Eighty Two Thousand Six Hundred Sixty Four only	
6.	Shares acquired after PA but before 7 working days prior to closure date, if any (No. & %) 6.1 Price of the shares acquired 6.2 No. of shares acquired 6.3 % of shares acquired	Nil		Nil	
7.	Post offer shareholding of acquirers (No. &%) (2+3+4+6)	21,28,320 (39.34%)		21,28,320 (39.34%)	
8.	Pre & Post offer shareholding of Public (No & %)	**Pre offer**	**Post offer**	**Pre offer**	**Post offer**
		43,63,800 43,63,800	(80.66%) (80.66%)	32,81,780 32,81,780	(60.66%) (60.66%)

7. Amount deposited in the escrow account will be utilized fully, as shares received under open offer is more than 20% of the paid up capital of the Company. Total number of shares received under open offer is more than offered to the public; hence, shares would be acquired on a proportionate basis.
8. Payment of interest: No interest is payable as the open offer is completed as per schedule.
9. Status of investor complaints received: **No Investor Complaints received till now**.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Khandwala Securities Limited Vikas Building, Ground Floor, Green Street, Fort, Mumbai – 400 023 Tel.: 91-22-2264 2300 Fax: 91-22-2261 5172 Email: ibg@kslindia.com	**Sharepro Services (India) Pvt. Ltd.** Satam Estate, Above Bank of Baroda, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099 Tel: (022) 28329828/ 28215168 / 5991 Fax: (022) 28375646 Email: sharepro@vsnl.com
Contact Person: Mr. Ajay Puri	**Contact Person : Mrs. Indira Karkare**