PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

P I Drugs & Pharmaceuticals Limited

Registered Office: Vardhaman Industrial Complex, 116, L B S Marg, Thane (West), India Phone: +91 22 25303357 Fax: +91 22 25303282

This Public Announcement ('PA') is being issued by UTI Bank Limited (hereinafter referred to as the 'Manager to the Offer') on behalf of Fraxis Life Sciences Private Limited (hereinafter referred to as ì'Fraxisî or the ìAcquirerî) and Mr. Arun Kumar, Mr. K. R. Ravishankar and M/s Agnus Holdings Private Limited, (hereinafter referred to as ìPerson Acting in Concerts/PACsî), pursuant to and in compliance with Regulations 10, 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as the ìRegulationsî or ìSEBI (SAST) Regulationsî).

I. THE OFFER AND ITS BACKGROUND:

a) This Offer (the "Offer") is being made by the Acquirer and the PACs to the equity shareholders of P I Drugs & Pharmaceuticals Limited (hereinafter referred to as the "Target Company" or "PI Drugs"). Other than Fraxis and PACs who are acting in concert with each other for the purpose of the Offer, no other person is acting in concert with the Acquirer and the PACs for the Offer. Due to the operation of Regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, there could be persons who could be deemed to be acting in concert with the Acquirer and the PACs. However, such persons are not acting in concert for the purposes of the Offer.

b) On January 25, 2007:

(i) The Acquirer has acquired from Mr. Rajen Desai and PI Shares Trust 2003, who are part of the promoter group of the Target Company, in aggregate 5,15,050 (Five Lacs Fifteen Thousand and Fifty only) equity shares of Rs.10/- each fully paid up at Rs. 66.50 (Rupees Sixty Six and Paise Fifty Only) per equity share representing 7.92% of the paid up capital of the Target Company, through two bulk deals executed on the Bombay Stock Exchange Limited (hereinafter referred to as "BSE").

(ii) The Acquirer has also acquired further 1,900 (One Thousand Nine Hundred Only) equity shares of Rs. 10/- each fully paid up at an average price of Rs. 66.15 (Rupees Sixty Six and Paise Fifteen Only) per equity share of the Target Company through market purchases, representing 0.03% of the paid up capital of the Target Company.

(iii) The Acquirer thus hold in aggregate 5,16,950 (Five Lacs Sixteen Thousand Nine Hundred Fifty only) equity shares of Rs.10/- each fully paid up, representing 7.95% of the paid up capital of the Target Company.

(iv) The Acquirer has disclosed to the Target Company its intent to acquire further equity shares and voting rights in the Target Company and requested the Target Company to consider and recognize the Acquirer as a promoter of the Target Company.

(v) The Board of Directors of the Target Company has, as recorded in its minutes of the meeting dated January 25, 2007 of the Board of Directors noted the request of the Acquirer and pursuant to the consent of the present promoter and promoter group resolved and approved the request made by the Acquirer and agreed to term / categorize the Acquirer as the promoter and intimate the same to BSE.

(vi) Pursuant to the aforesaid resolutions, the Target Company has intimated to BSE, the outcome of the Board Meeting and the resolutions of the Board of the Target Company, to term / recognize the Acquirer as the promoter of the Target Company.

(vii) The Acquirer has further intimated to the Target Company its intention to (a) purchase 10,00,000 (Ten Lacs only) convertible warrants of Rs. 47 each from the promoter group and certain other warrant holders and (b) its willingness to subscribe to 30,00,000 (Thirty Lacs Only) equity shares of Rs. 10 each of the Target Company to be issued on preferential basis.

Pursuant to the aforesaid intention of the Acquirer, the Board of Directors of the Target Company, by its resolution dated January 25, 2007 has, subject to the approval of the shareholders in the extra-ordinary general meeting to be held on February 23, 2007, considered a preferential issue of 30,00,000 (Thirty Lacs Only) equity shares of Rs.10/- each fully paid up at an issue price of Rs. 61/- (Rupees Sixty One only) each including a premium of 51/- (Rupees Fifty One only) each to the Acquirer. The said price has been determined in accordance with the provisions of, amongst others, SEBI (Disclosure and Investor Protection) Guidelines, 2000 ("the Preferential Issue"). These equity shares if allotted would represent 28.57 % of the expanded paid up equity share capital, i.e., 1,05,00,003 (One Crore Five Lacs and Three Only) equity shares of the Target Company [and 26.55% fully expanded paid up equity share capital, i.e., 1,13,00,003 (One Crore Thirteen Lacs and Three Only) equity shares of the Target Company assuming conversion of all outstanding convertible warrants.

c) On January 29, 2007, the Acquirer has purchased 10,00,000 (Ten Lacs only) convertible warrants from the warrant holders referred to in (d) below and has agreed to continue to abide by the terms and conditions of the issue of warrants and the relevant regulations (including lock in provisions) as per the provisions of Chapter XIII of the SEBI (DIP) Guidelines, 2000 as amended.

d) Vide shareholders resolution passed in the extra-ordinary general meeting held on May 15, 2006 the Board of the Target Company had allotted 18,00,000 (Eighteen Lacs Only) convertible warrants at a price of Rs. 47/- (Rupees Forty Seven only) each with the option to the warrant holder to acquire one fully paid equity share of Rs. 10/- (Rupees Ten only) each at a premium of Rs. 37/- (Rupees Thirty Seven only) for every warrant. As per terms of the issue of warrants, Rs. 4.70 (Rupees Four and Paise Seventy only) per warrant being 10% of the issue price of warrants was payable on allotment of warrants and balance 90%, i.e., Rs. 42.30 (Rupees Forty Two and Paise Thirty only) is payable on conversion of warrants into equity shares by the warrant holders. The 10,00,000 (Ten Lacs Only) convertible warrants acquired by the Acquirer forms part of the above-mentioned 18,00,000 (Eighteen Lacs Only) convertible warrants. The convertible warrants are subject to lock in as per the provisions of Chapter XIII of the SEBI (DIP) Guidelines, 2000 as amended.

The names and details of warrant holders from whom the Acquirer has purchased the convertible warrants are as under:

Names of the warrant holders	Warrants held prior to the sale	Warrants sold	Balance after sale	Purchase Price (Rs)	Purchase Consideration (Rs)
Rajen Desai	320,000	320,000	Nil	20.00	64,00,000
(promoter group)					
Hina Patil	310,000	310,000	Nil	20.00	62,00,000
Hemant Lad	370,000	370,000	Nil	20.00	74,00,000
Total	**10,00,000**	**10,00,000**	**Nil**	**-**	**2,00,00,000**

The effective cost of acquisition per equity share arising out of conversion of warrants to the Acquirer shall be Rs. 62.30 (Rupees Sixty Two and Paise Thirty only).

e) On January 29, 2007, pursuant to the request of the Acquirer, the Board of the Target Company has transferred the convertible warrants in the name of the Acquirer subject to the Acquirer continuing to abide by the terms and conditions of the issue of warrants and the relevant regulations.

f) On January 31, 2007, pursuant to the exercise of the option to convert the convertible warrants into equity shares of the Target Company by the Acquirer, the Board of the Target Company has issued and allotted 10,00,000 (Ten Lacs only) equity shares of Rs. 10/- (Rupees Ten Only) each to the Acquirer.

g) Pursuant to the aforesaid purchase of equity shares and conversion of convertible warrants into equity shares of the Company as on January 31, 2007, the Acquirer is holding 15,16,950 (Fifteen Lacs Sixteen Thousand Nine Hundred and Fifty Only) equity shares of Rs.10/- (Rupees Ten only) each fully paid up aggregating to approximately 20.23 % of the expanded paid up equity share capital, i.e., 75,00,003 (Seventy Five Lacs and Three only) equity shares of the Target Company.

h) The Acquirer has expressed their intention for acquisition of control over the Target Company.

The acquisition of shares (through the open market and the conversion of the convertible warrants) by the Acquirer and their express intention for acquiring control over the Target Company has triggered obligation on the part of the Acquirer of making an Open Offer to the shareholders of Target Company pursuant to Regulation 10, 12 and other applicable provisions of the SEBI (SAST) Regulations.

The Acquirer is making an Offer to the public to acquire up to 22,60,001 (Twenty Two Lacs Sixty Thousand and One only) equity shares of Rs 10/- (Rupees Ten only) each fully paid up representing 20% of the paid up equity share capital / Voting Right of Target Company at a price of Rs. 66.50 (Rupees Sixty Six and Paise Fifty Only) per equity share ("Offer Price") payable in cash subject to the terms and conditions mentioned in the PA and the Letter of Offer. **The paid up capital referred to herein is the fully expanded capital post preferential issue and conversion (if any) of the 8,00,000 outstanding warrants which is aggregating to 1,13,00,003 (One Crore Thirteen Lacs and Three Only).**

i) As there is no agreement to acquire equity shares in the Target Company disclosure of salient features of Share Purchase Agreement (SPA) does not arise.

j) The equity shares to be acquired under the Offer will be acquired free form all liens, charges and encumbrances and together with all rights attached thereto, including rights to all dividends to be declared after all the formalities relating to the Offer are completed.

k) The Offer is NOT subject to any minimum level of acceptance. The Acquirer will accept all the valid tenders. In case the equity shares tendered in the Offer by the shareholders of the Target Company are more than the equity shares to be acquired under the Offer, the acquisition of equity shares from each shareholder will be as per provisions of Regulation 21(6) of the SEBI (SAST) Regulations on a proportional basis, irrespective of whether the equity shares are held in physical or dematerialized form. The equity shares of the Target Company are in compulsory dematerialization form and the minimum marketable lot is one equity share.

l) The equity shares of the Target Company are listed on the BSE. Based on the information available, the equity shares of the Target Company are frequently traded.

m) The Acquirers have not acquired any equity shares of Target Company at a price above the Offer Price of Rs. 66.50 (Rupees Sixty Six and Fifty paise only) per equity share, including by way of allotment in public or rights issue or by way of preferential allotment by Target Company during the 26 week period prior to the date of the Public Announcement.

n) Justification for the Offer Price in terms of the Regulation 20(4) & (5) of the SEBI (SAST) Regulations:

a.	Negotiated price under the Agreement referred to in Regulation 14(1) of the SEBI (SAST) Regulations	N.A.
b.	Highest Price paid by the Acquirer for acquisition, if any, during the twenty six period weeks prior to the date of public announcement (Rs.)	66.50
c.	Proposed Subscription Price for issue of equity shares on preferential basis (Rs.)	61.00
d.	The average of the weekly high and low of the closing prices of the equity shares of the Target Company as quoted on The Stock Exchange, Mumbai, where the equity shares are most frequently traded during the twenty six weeks or the average of the daily high and low of the closing prices of the equity shares of the Target Company as quoted on The Stock Exchange, Mumbai, where the equity shares most frequently traded during the two weeks preceding the date of Public Announcement (Rs.)	61.30
e.	Other Parameters for the financial year ended March 31, 2006 as certified by the statutory auditors vide their certificate dated January 31, 2007	
	Return on Net Worth (%)	18.94
	Earnings Per Share (Rs.)	5.77
	Book Value per share (Rs.)	30.47
	PE ratio on Offer Price	11.52

In view of the above, the Offer Price of Rs. 66.50 (Rupees Sixty Six and Fifty paise only) is justified as per the Regulations.

o) There is no competitive bid as on date of the Offer.

p) Other than as disclosed above, there is no Person Acting in Concert as per the provisions of regulation 2(1)(e) of the Regulations.

q) The Manager to the Offer does not hold any equity share in the Target Company as on date of the PA. They declare and undertake that they shall not deal in the equity shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 days from the date of closure of Offer.

r) The Acquirer has not entered into any separate non-compete agreement.

s) The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities.

II. INFORMATION ABOUT THE ACQUIRER AND THE PACs:

Information about the Acquirer:

Fraxis is a private company, limited by shares and incorporated under the Companies Act, 1956 on January 12, 2007. It is registered with the Registrar of Companies, Karnataka under company registration number U24117KA2007PTC041467.

The Registered Office of the company is located at 4025-4026, K.R.Main Road, Jayanagar, 7th Block West, Bangalore – 560 082.

The main objects of Fraxis authorises it to engage in the business of research and manufacturing of all kinds of chemicals, synthetic chemicals, and pharmaceutical products. As on the date of the PA, Fraxis has not commenced any business.

The entire issued and paid up equity share capital of Fraxis consists of 10,000 (Ten Thousand Only) equity shares of Rs.10/- (Rupees Ten only) each fully paid up.

The shareholding pattern as on January 25, 2007 of Fraxis is as under:

S. No.	Name of the Shareholder	Number of Shares held	% age to the total paid up capital
1	Mr. Arun Kumar	5,000	50%
2	Mr.K.R.Ravishankar	5,000	50%
	Total	**10,000**	**100%**

Mr. Arun Kumar, Mr. K.R. Ravishankar and Mr. M. Balasubramanian are the directors of Fraxis.

Brief Profile of Directors of Fraxis is as under:

Mr. Arun Kumar is the Vice-Chairman & Managing Director of Strides Arcolab Limited (hereinafter referred to as "Strides"). He drives overall vision and strategy deliverance. He has over two decades of experience in the pharmaceutical industry with first hand insights into global pharmaceutical industry.

Mr.K.R.Ravishankar is the Executive Director of Strides and has over 15 yrs experience in the pharmaceutical industry.

Mr. M. Balasubramanian is an Associate Member of Institute of Chartered Accountants of India with a Bachelors Degree in Science, and has over 3 decades of experience in Finance and Accounts with several companies.

Information about the PACs:

Mr. Arun Kumar resident of E-101, Adarsh Residency, 8th Block, Jayanagar, Bangalore-560 082 and Mr.K.R.Ravishankar resident of 'Agraganya', No. 1, Serenity Park, Sarjapur road, Kaikondranahalli Village, Carmelram Post, Bangalore 560 035 are Promoters of Strides Arcolab Limited ("Strides"). Established in 1990, Strides is one of India's integrated manufacturer and exporter of finished pharmaceutical dosage forms – both branded and generic. Both Mr. Arun Kumar and Mr. K.R.Ravishankar are the promoters of Fraxis.

M/s Agnus Holdings Private Limited (hereinafter referred to as "Agnus") a company incorporated under the Companies Act, 1956 having its registered office at 4025-4026, K.R.Main Road, Jayanagar, 7th Block West, Bangalore – 560 082. Both Agnus and Fraxis are associate companies.

III. INFORMATION ABOUT THE TARGET COMPANY:

a) The Target Company was originally incorporated as Visistha Trades and Finance Limited on June 28, 1985 under the Companies Act, 1956 in the State of Maharashtra, Registrar of Companies, Maharashtra; Mumbai. Pursuant to the shareholders resolution passed in the extra-ordinary general meeting of the Target Company held on December 15, 2003 the name of the Target Company was changed to P I Drugs & Pharmaceuticals Limited.

b) The registered office of the Target Company is situated at Vardhaman Industrial Complex, 116, L B S Marg, Thane (West), India

c) The equity shares of the Target Company are currently listed on the BSE.

d) The Target Company is a manufacturer and exporter of specialized quality formulations and bulk drugs in the human and animal healthcare segments. The Target Company has its manufacturing plants in Ambernath & Mahad, both near Mumbai. The Target Company's major customers include Cipla, GlaxoSmithKline, Emcure Pharma, Micro Labs, etc in the domestic and exports markets.

e) The Target Company has a wholly owned subsidiary i.e. Elixir Chemicals Limited.

f) As on the Public Announcement, the Authorized Share Capital of the Target Company is Rs. 15,00,00,000/- (Rupees Fifteen Crores Only) comprising of 1,50,00,000 (One Crore and Fifty Lacs Only) equity shares of Rs. 10/- each.

g) As on the Public Announcement, the total issued and paid up capital of the Target Company is 75,00,003 (Seventy Five Lacs and Three Only) fully paid-up equity shares of Rs. 10/- (Rupees Ten Only) each, aggregating to Rs. 7,50,00,030/- (Rupees Seven Crores Fifty Lacs and Thirty only). If the resolution for preferential issue of 30,00,000 equity shares to the Acquirer is approved by the shareholders in the extra ordinary general meeting to be held on February 23, 2007, the total paid up capital would stand increased to 1,05,00,003 (One Crore Five Lacs and Three Only) equity shares of Rs. 10/- (Rupees Ten Only) each. As on the date of the PA there are 8,00,000 (Eight Lacs Only) outstanding convertible warrants. Further, there are no partly paid-up equity shares in the Target Company.

h) As per the certified audited accounts figures for the period year ended 31 March 2006, the Target Company has reported total income of Rs.3234.8 Lacs with PAT of Rs. 375.2 Lacs. For the half yearly ending ended 30 September 2006, the company had revenues of Rs. 1725 Lacs and PAT of Rs. 248 Lacs.

IV. REASONS FOR THE ACQUISITION AND THE OFFER:

a) The Offer has been made pursuant to regulation and other provisions of Chapter III and in compliance with the Regulations. The Offer is being made in compliance with Regulations 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, for the purpose of substantial acquisition of equity shares and voting rights, as disclosed earlier, accompanied with change in control and management of the Target Company, thereby enabling the Acquirer and the PACs to exercise control over the Target Company inter-alia, through the right to appoint directors or through control over management or policy decisions, by virtue of their shareholding. The Acquirer and the PACs reserve the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI (SAST) Regulations and the Companies Act, 1956. The Acquirer and the PACs may also consider changing the name of the Target Company at a later date.

b) The prime object of the Offer is to acquire substantial acquisition of equity shares/voting rights accompanied with the change of control and management of the Target Company.

c) The Directors of the Acquirer Mr. Arun Kumar and Mr.K.R.Ravishankar have wide experience in the area of pharmaceutical business and through this acquisition, the Acquirer intends to expand the business through the Target Company and also derive the benefits of a Listed Company.

d) The Acquirer does not have any plans to sell, dispose off or otherwise encumber any assets of Target Company in the next two years, except in the ordinary course of business. The Acquirer undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders and in accordance with and subject to the applicable laws, permissions and consents, if any.

V. STATUTORY/OTHER APPROVALS REQUIRED FOR THE OFFER

a) The Offer is subject to the Acquirer obtaining necessary approval from the Reserve Bank of India under Foreign Exchange Management Act, 1999 ("FEMA"), if required.

b) The Acquirer will make the above applications, if required, to acquire the shares pursuant to the Offer at an appropriate time.

c) There are no other statutory approvals required for the purpose of the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

d) The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the closure of the Offer.

e) In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the Offer provided the Acquirer agrees to pay interest to the shareholders beyond 15 days.

f) If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in regulation 28(12) (e) of the Regulations.

g) The Acquirer reserves the rights to withdraw the Offer in the event of the requisite statutory approvals being refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original Public Announcement is being made.

h) A no-objection/consent of HDFC Bank Limited, lender to the Target Company, for alteration in the capital structure/ promoters of the Target Company is awaited. The Offer will be subject to receipt of such no-objection/consent of HDFC Bank Limited.

VI. OPTION IN TERMS OF REGULATION 21:

In the event, pursuant to the Offer, the public shareholding in the Target Company falls below 25% of its outstanding equity share capital, the Acquirer will, in accordance with Regulation 21(2) of the SEBI (SAST) Regulations, 1997, facilitate the target company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within the specified time and in accordance with the prescribed procedure under amended clause 40A(viii) of the Listing Agreement and in compliance with the Regulations.

VII. FINANCIAL ARRANGEMENTS:

a) The total financial resources required for the Offer assuming full acceptance at the Offer Price will be Rs.15,02,90,066.50 (Rupees Fifteen Crores Two Lacs Ninety Thousand Sixty Six and Fifty Paise Only) ["Maximum Consideration"]. The Acquirer has made firm arrangements by way of an unsecured loan of Rs. 16,49,00,000/- (Rupees Sixteen Crores Forty Nine Lacs Only) from Agnus Holdings Private Limited, an associate company, for the Maximum Consideration. Agnus Holdings Private Limited has extended unsecured loan to the Acquirer out of the financial assistance of Rs. 55 Crores (Rupees Fifty Five Crores) availed from Housing Development and Finance Corporation Limited (HDFC) in terms of letter number BNG/FIN/19504 dated January 24, 2007 of HDFC. As per terms of the financial assistance Agnus Holdings Private Limited may use the proceeds of the financial assistance for general corporate purpose and onward financing of group companies.

b) In accordance with regulation 28 of the Regulations, the Acquirer has opened an Escrow Account No.009010200027353 with UTI Bank Limited, Main Branch Bangalore, Bangalore and has made a cash deposit of Rs. 3,80,00,000 (Rupees Three Crores Eighty Lacs only) in the account being more than 25% of the Maximum Consideration payable to the shareholders under the Offer. A lien has been marked on the said Escrow Account in favor of the Manager to the Offer by the bank.

c) The Manager to the Offer has been solely authorized by the Acquirer to operate and realize the value of Escrow Account in terms of the Regulations.

d) M/s. P. Chandrasekhar, Chartered Accountants, have certified vide their certificate dated January 31, 2007, that on the basis of necessary information and explanation given by the Acquirer and on verification of assets, liabilities, requirement of funds, the Acquirer has adequate resources to meet the financial requirements of the Open Offer.

e) The Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations. The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

VIII. OTHER TERMS OF THE OFFER:

a) The Letter of Offer along with Form of Acceptance cum Acknowledgment shall be mailed to all those shareholders and warrant holders of Target Company (except the Acquirers and the PACs) whose name appear on the Register of Members of Target Company and to those beneficial owners of the equity shares of Target Company, whose names appear as beneficiaries on the records of the respective Depository Participants, at the close of business hours on February 27, 2007 ('Specified Date').

b) The Registrar to the Offer has opened a Special Depository Account with IDBI Bank Limited, (Registered with NSDL), styled '**BIGSHARE SERVICES PRIVATE LIMITED - OPEN OFFER FOR PI DRUGS AND PHARMACEUTICALS LIMITEDí. The DP ID is IN300450 and Client ID is 13473498.**

c) Shareholders having their beneficiary account in CDSL have to use Inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the Special Depository Account.

d) Shareholders holding equity shares in physical form and wish to tender their equity shares will be required to send their duly signed Form of Acceptance cum Acknowledgement, Original Share Certificate (s) and duly signed and executed Transfer Deed (s) to the Registrar to the Offer, either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post so as to reach on or before the Closing of the Offer, i.e. April 9, 2007 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

e) Beneficial owners and shareholders holding equity shares in the Dematerialised Form and wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the delivery instructions in 'Off-Market' mode or counterfoil of the delivery instruction in 'Off-Market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of the Special Depository Account, to the Registrar either by hand delivery on weekdays between (10.00 a.m. to 1.00 p.m. and 2.00 p.m. to 4.00 p.m.) or by Registered Post, on or before the Closing of the Offer, i.e. April 9, 2007 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

f) Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting equity shares dematerialized is completed well in time so that the credit in the Special Depository Account should be received on or before the closure of the Offer, else the application would be rejected.

g) All owners of the equity shares, Registered or Unregistered (except the Acquirers and the PACs) who own the equity shares any time prior to the closing of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name & Address of the First Holder, Name(s) & Address(es) of Joint Holder(s), if any, 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 Note issued by the Broker through whom they acquired their equity shares. No indemnity is required from unregistered owners.

h) 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 Number, Folio Number and Number of Shares offered, along with documents as mentioned in above point (g), so as to reach the Registrar to the Offer on or before the Closing of the Offer, i.e. April 9, 2007 or by Registered Post so as to reach on or before the Closing of the Offer, i.e. April 9, 2007 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of equity shares held, number of equity shares tendered, 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 Closing of the Offer, i.e. April 9, 2007 or by Registered Post so as to reach on or before the Closing of the Offer, i.e. April 9, 2007

i) The Registrar will hold in trust the Share Certificates, equity 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 of Target Company who have accepted the Offer, till the Cheques/Drafts for the consideration and/or the unaccepted equity shares/share certificates are dispatched / returned.

j) Share Certificates, Transfer Forms and other documents in respect of equity shares not accepted under the Offer, if any, will be returned by Registered Post at the shareholders 'unregistered owners' sole risk to the sole/first shareholder. Equity shares held in dematerialized form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

k) The payment of acquisition of equity shares will be made by the Acquirer in Cash through a crossed Demand Draft/Pay Order to the equity share holders of Target Company whose equity share certificates and other documents are found in order and accepted, with in 15 Days from the date of closing of the Offer.

l) In terms of Regulation 22(5A) of the Regulations, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing date by submitting the required documents, so as to reach the Registrar. The withdrawal option can be exercised by submitting the Form of Withdrawal enclosed with Letter of Offer. Incase of non-receipt of Form of Withdrawal the withdrawal can be exercised by making it on plain paper along with the details as mentioned in point 'g' and 'h' above. The equity shares withdrawn by the shareholders, if any, would be returned by Registered Post.

m) If the number of shares tendered by the shareholders are more than the Offer size, the acquisition from each shareholder will be as per regulation 21(6) on a proportional basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

n) While tendering the equity shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general). In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such equity shares tendered. While tendering equity 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 shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

o) A Schedule of some of the major activities in respect of the Offer is given hereinafter:

Activities	Date & day
Specified date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	February 27, 2007 (Tuesday)
Last date for competitive bid, if any	February 23, 2007 (Friday)
Date by which Letter of Offer to be dispatched to the shareholders	March 14, 2007 (Wednesday)
Date of opening the Offer	March 19, 2007 (Monday)
Last date for revising the Offer Price/Number of shares	March 30, 2007 (Friday)
Last date for withdrawal of acceptance by shareholders who have accepted the Offer	April 4, 2007 (Wednesday)
Date of closing of the Offer	April 9, 2007 (Monday)
Last Date by which communicating acceptance /rejection and payment of consideration for accepted shares / despatch of Share Certificate in case of rejection	April 23, 2007 (Monday)

IX. 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 up to three working days prior i.e. April 4, 2007 to the date of Closure of the Offer.

b) If there is any upward revision in the Offer Price up to seven working days prior to the date of Closure of the Offer i.e. March 30, 2007 or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same Newspapers where this original Public Announcement appeared and such revised Offer Price would be payable to all the shareholders who have tendered their equity shares any time during the Offer and accepted under the Offer.

c) **If there is a Competitive Bid:**

i. The Public Offers under all the subsisting bids shall close on the same date.

ii. 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 the shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

d) The Acquirer, the Seller and Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any other Regulations made under the SEBI Act.

e) Pursuant to regulation 13 of the Regulations, the Acquirer has appointed UTI Bank Limited as Manager to the Offer.

f) The Acquirer has appointed **Bigshare Services Private Limited as Registrar to the Offer having office at E/2, Ansa Industrial Estate, Saki Naka, Andheri (East), Mumbai ñ 400 072. The Contact Person is Mr. N. V. K. Mohan, Phone Number: +91 22 28470652**

g) The Acquirer accepts full responsibility for the information contained in this PA and also for the obligations of Acquirer laid down in the Regulations.

h) This Public Announcement will be available on SEBI's website at www.sebi.gov.in. Eligible persons to the Offer may also download a copy of Letter of Offer along with Form of Acceptance cum Acknowledgement and Form of Withdrawal, which will also be available on SEBI's website from the Offer opening date, i.e., March 19, 2007 and apply in the same.

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

Issued by the Manager on behalf of the Acquirer

UTI BANK
Solutions for a lifetime

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Contact Person: Mr. Sandeep Walawalkar

Dated: February 2, 2007
Place: Mumbai