PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF

RANE BRAKE LINING LIMITED

(Registered Office: "Maithri", 132, Cathedral Road, Chennai – 600 086)

This Public Announcement (PA) is being issued by Ernst & Young Merchant Banking Services Pvt. Ltd ("Manager to the Offer" or "EYMBS"), for and on behalf of Nisshinbo Industries Inc. (hereinafter referred to as "Acquirer" or "NII") along with Rane Holdings Limited (RHL) ("PACs"), pursuant to Regulation 10, Regulation 11 (1) and Regulation 12 of, and in compliance with, Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("SEBI (SAST) Regulations").

1. The Offer

1.1. The Acquirer and PACs are making an offer to the equity shareholders of Rane Brake Lining Limited ("RBL" or "the Target Company") to acquire 15,82,996 fully paid-up equity shares of Rs. 10/- each, representing 20% of the Expanded Voting Capital (as defined in Clause 1.4 herein below) of RBL at a price of Rs 50/- (Rupees Fifty only) per equity share (the "Offer Price"), payable in cash, in terms of Regulation 10, Regulation 11(1) and Regulation 12 of SEBI (SAST) Regulations consequent to the Preferential Issue as per the terms of the Memorandum of Understanding (MOU) dated February 28, 2009 entered into by the Acquirer and the PACs (as defined in Clause 1.2 herein below) to the Acquirer (the "Offer" or "Open Offer").

1.2. The Board of Directors of RBL in its meeting held on February 28, 2009 have agreed to issue and allot; subject to the approval of the shareholders 7,00,000 fully paid up equity shares of Rs 10/- each on preferential basis representing 8.84 % of the Expanded Voting Capital of RBL for cash at a price of Rs 50/- per equity share (including premium of Rs 40/- per share) aggregating to Rs. 350,00,000/- (Rupees Three Hundred and Fifty Lakhs Only) ("Preferential Issue") to the Acquirer in accordance with Section 81(1A) of the Companies Act, 1956 and the guidelines for preferential issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto (the "Guidelines").

1.3. As on the date of this PA, the issued, subscribed and the fully paid up equity capital of RBL is Rs. 7,21,49,800 divided into 72,14,980 equity shares of a face value of Rs. 10 each (Pre Preferential Issue Voting Capital). The Acquirer holds 7,21,500 equity shares of RBL representing 10 % of the Pre Preferential Issue Voting Capital. RHL holds 27,81,624 equity shares of RBL representing 38.55 % of the pre Preferential Issue Voting Capital. RHL is one of the promoters of RBL. The promoters and promoter group of RBL other than RHL hold 3,19,850 equity shares of RBL representing 4.43% of the Pre Preferential Issue Voting Capital. The combined shareholding of the promoters and promoter group of RBL including RHL is 31,01,474 equity shares representing 42.99% of the Pre Preferential Issue Voting Capital.

1.4. Post the Preferential Issue of the new shares, the issued, subscribed and fully paid up equity share capital of the Target Company is going to be Rs. 7,91,49,800 divided into 79,14,980 equity shares of a face value of Rs.10 each ("Expanded Voting Capital"). As a result of the Preferential Issue, the shareholding of the Acquirer will increase to 14,21,500 equity shares representing 17.96% of the Expanded Voting Capital of RBL and the shareholding of PACs will remain at 27,81,624 equity shares representing 35.14% of the Expanded Voting Capital of RBL. The shareholding of the promoters and promoter group of RBL other than RHL will be 3,19,850 equity shares representing 4.04 %, of the Expanded Voting Capital of RBL after the Preferential Issue. The combined shareholding of the promoters and promoter group of RBL including RHL is going to be 31,01,474 equity shares representing 39.15% of the Expanded Voting Capital of RBL.

1.5. Upon completion of the Offer, assuming full acceptance of the Offer, Acquirer and PACs will jointly hold 57,86,120 equity shares representing 73.10% of the Expanded Voting Capital of RBL and the Acquirer together with RHL and promoter group of the Target Company would hold 61,05,970 equity shares representing 77.14% of the Expanded Voting Capital of RBL.

1.6. The Acquirer and PACs have entered into a MOU on February 28, 2009 with the objective of increasing NII's shareholding in RBL from its current shareholding of 10% of the Pre Preferential Voting Capital to 25.05% of the Expanded Voting Capital. With this objective, it is agreed that a Preferential Issue of 700,000 equity shares of Rs.10/- each of RBL will be made to NII, increasing NII's current shareholding from 10% of the Pre Preferential Voting Capital to 17.96% of the Expanded Voting Capital of RBL and pursuant to the Preferential Issue, RHL and NII will jointly make an open offer to the equity shareholders of RBL for 20% of its Expanded Voting Capital. Further, RHL and NII have also agreed that if the shares received under the open offer are not adequate to increase NII's shareholding in RBL to 25.05% of the Expanded Voting Capital, the shortfall will be made up by RHL by way of an interse-transfer or through stock market acquisitions or through further issue of equity shares by RBL.

1.7. The Acquirer, RHL and RBL have also entered into a Shareholders Agreement (the "Agreement" or the "SHA") on February 28, 2009. The SHA governs the rights and obligations of NII and RHL as shareholders of the Target Company. The salient features of the SHA are given below:

- NII is entitled to nominate two (2) directors on the board of directors of RBL, one of whom shall be a director not liable to retire by rotation, if NII together with its subsidiary holds not less than 25.05% of the Expanded Voting Capital of RBL and one director if NII's shareholding together with its subsidiary falls below 25.05% but not less than 10% of the Expanded Voting Capital of RBL. RHL shall have the right to nominate majority of directors on the Board of the Company.
- NII shall be treated as one of the persons in control of RBL when NII's shareholding in RBL increases to 17.5%. RBL shall include NII as one of its promoters and shall make the necessary disclosures accordingly.
- NII shall have the right to transfer all or any part of the equity shares of RBL or create any third party interest in the Shares, subject to a first right of refusal to RHL or its nominees.
- RHL, NII and their subsidiaries shall not directly or indirectly compete with the business of the Target Company or enter into any commercial relationship with any competitor in India without a prior written mutual consent.
- In the event that the shareholding of NII is diluted consequent upon preferential allotment to any other party, upon the request of NII, the equity shareholding of NII in RBL may be restored to 25.05%.

1.8. The Preferential Issue is subject to the approval of the shareholders of RBL by passing a Special Resolution under Sec 81(1A) of the Companies Act, 1956 and other applicable provisions. The Shares to be issued under the Preferential Issue would be allotted within 15 days from the shareholders approval on receipt of subscription monies from the Acquirer and would be subject to all applicable statutory provisions and receipt of applicable statutory approvals as provided under the Guidelines. Shares issued under the Preferential Issue would also be subject to a lock-in period as provided under the Guidelines.

1.9. The Acquirer and PACs have not acquired any equity shares of RBL through market purchases or otherwise during the 12 months period preceding the date of this PA.

1.10. In terms of Regulation 21(5) of the SEBI (SAST) Regulations, for the purpose of computing the percentage of the Offer, the voting rights as at the expiration of 15 days after the closure of the Offer shall be reckoned.

1.11. There are no partly paid-up shares of RBL.

1.12. This Offer is being made to all the public shareholders of the Target Company and is not conditional on any minimum level of acceptance by the shareholders of the Target Company. The Acquirer and PACs will acquire all the shares that are validly tendered as per the terms of the Offer, upto a maximum of 15,82,996 shares at the Offer Price

1.13. No separate consideration has been paid or would be paid by the Acquirer for the Preferential Issue, other than as mentioned in Clause 1.2 above.

1.14. The Acquirer, PACs and the Target Company 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.

1.15. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of RBL.

1.16. The Manager to the Offer does not hold any equity shares in the Target Company as on the date of this Public Announcement.

1.17. This is not a competitive bid.

2. The Offer Price

2.1. The equity shares of RBL are currently listed on Bombay Stock Exchange Limited ("BSE"), National Stock Exchange of India Limited ("NSE") and Madras Stock Exchange Limited ("MSE").

2.2. The annualized trading turnover during the preceding six calendar months ended February 2009 in each of the Stock Exchange where the shares are listed is as follows:-

Name of the Stock Exchange	Total Number of shares traded during Sept '08–Feb '09	Total Number of Listed Shares (Equity)	Annualized Trading Turnover (% of total listed shares)
NSE	73,040	72,14,980	2.02%
BSE	99,711	72,14,980	2.76%
MSE	Not Traded	72,14,980	-

Based on the above information, the equity shares of the RBL are infrequently traded on BSE, NSE and MSE within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations during the six months period mentioned above.

2.3. The Offer Price of Rs 50/- per equity share is justified in terms of Regulation 20(4) and 20(5) read with Explanation (ii) to Regulation 20(11) of the SEBI (SAST) Regulations:-

a)	Negotiated price	Not applicable
b)	Acquisition price under the Preferential Issue	Rs 50/- per equity share
c)	Highest price paid by the Acquirer and PACs for acquisition of any of the equity share of RBL during the twenty six weeks prior to the date of the PA	Not applicable *
d)	Average of the weekly high and low of the closing prices of the equity shares of RBL on BSE during the 26 weeks preceding February 28, 2009 i.e. the date of the meeting of the Board of Directors of the Target Company authorising the Preferential Issue.	45.19
e)	Average daily high and low of the equity shares of RBL on BSE during the 2 weeks preceding February 28, 2009 i.e. the date of the meeting of the Board of Directors of the Target Company authorizing the Preferential Issue.	38.44
f)	Other parameters with reference to the Target Company for	**Year ended March 31, 2008**
	Return on Net Worth (%)	9.23
	Book Value (Rs.)	89.40
	Earnings per Share (Rs.)	12.39
	Price Earnings Ratio based on Offer Price	4.04
	Price Earnings Ratio – Industry Average (Source: Capital Market Journal Vol.XXIII/26, Feb 23 – March 08, 2009.	11.7

*The Acquirer and the PACs have not acquired any equity shares of the Target Company, including through allotment in a public, rights or preferential issue, during the 26-week period prior to the date of the PA, except agreeing to acquire the new shares pursuant to the Preferential Issue at a price of Rs 50/- per equity share.

R. Nagendra Prasad, Chartered Accountant, (Membership No. 203377), for Brahmayya & Co. Chartered Accountant vide report dated February 28, 2009, has stated that based on the decision of the Hon'ble Supreme Court of India in case of Hindustan Lever Employees Union vs Hindustan Lever Limited, 1995, (83 Com case 30), the value of the equity shares of RBL is Rs. 47.79.

In view of the above, the Offer Price of Rs. 50/- per Equity Share is justified as per the SEBI (SAST) Regulations.

2.4. If the Acquirer and PACs acquire equity shares of RBL after the date of Public Announcement upto seven working days prior to the closure of the Offer at a price higher than the Offer Price then the highest price paid for such acquisition shall be payable for all valid acceptances received under the Open Offer.

2.5. To the extent of the Offer size, all equity shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer and PACs. The equity shares acquired by the Acquirer and PACs will be free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3. Reasons for the acquisition, rationale for the Offer and future plans

3.1. The Acquirer has an existing techno-financial collaboration with the Target Company for manufacture of brake linings, clutch facings and disc pads. The Acquirer held 7,21,500 equity shares of the Target Company comprising 10% voting capital before the Pre Preferential Issue. The Acquirer and PACs have entered into a MOU on February 28, 2009 to increase shareholding of the Acquirer in the Target Company to 25.05% of the Expanded Voting Capital which will enable increased commitment and technical co-operation from NII. The Preferential Issue will result in substantial acquisition of equity shares and voting rights by the Acquirer accompanied with change in control of the Target Company and the Acquirer and PACs are jointly making this Offer to the public shareholders of the Target Company in accordance with Regulation 10, Regulation 11(1) and Regulation 12 of the SEBI (SAST) Regulations.

3.2. After conclusion of the Offer, assuming full acceptances in the Offer, the Acquirer & PACs would hold 73.10% of the Expanded Voting Capital in the Target Company and will be in control of the Target Company. The total shareholding of the Acquirer together with PACs, promoter and promoter group of the Target Company would be 77.14% of the Expanded Voting Capital.

3.3. The joint goal of RHL and NII would be to continue and maintain RBL's market leadership position. Their future plans would be to focus on technological up-gradation, cost reduction, greater co-operation with RBL for enhancing formulation engineering capabilities, training of engineers and understanding customer requirements for developing / upgrading the products. The increased co-operation with NII will not only serve the Japanese and Korean manufacturers but also other European and domestic car companies in India.

3.4. As on the date of the PA, the Acquirer and PACs do not have any plans to make any change to the existing line of business of the Target Company or to dispose off or otherwise encumber any assets of the Target Company in the next 24 months except in the ordinary course of business of the Target Company and except to the extent deemed necessary for the purpose of restructuring and/or rationalization of business, assets, investments, liabilities or otherwise of the Target Company for commercial reasons, operational efficiencies or otherwise. It will be the responsibility of the Board of Directors of the Target Company to take appropriate decisions in these matters as per the requirements of the business. Such steps relating to sale or encumbrance, if any, of any substantial asset of the Target Company and restructuring as aforesaid will be governed by the applicable provisions of the Companies Act, 1956, and such approvals as may be required under applicable laws at the relevant time including the SEBI (SAST) Regulations to the extent applicable.

3.5. Save and except as mentioned above, the Acquirer and PACs undertake that they 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, to the extent such approval is required by applicable laws.

3.6. As on the date of this Public Announcement, the Acquirer has one representative on the Board of Directors of RBL. The Acquirer will nominate two (2) directors if the Acquirer together with its subsidiary holds not less than 25.05% of the Expanded Voting Capital of RBL and one director if the Acquirer's shareholding together with its subsidiary is below 25.05% but not less than 10% of the Expanded Voting Capital of RBL and RHL shall have the right to nominate majority of directors on the Board of Directors of the RBL.

4. Information on the Acquirer and PACs

Nisshinbo Industries Inc. (NII) - Acquirer

4.1. NII was incorporated on February 5, 1907 under the laws of Japan having its registered office at 2-31-11, Ningyo-cho, Nihonbashi, Chou-ku, Tokyo 103-8650, Japan. Tel. No. +81-3-5695-8920 Fax No. +81-3-5695-8975. NII is engaged in the sales and manufacturing of friction materials.

4.2. NII is a professionally managed company. The shares of NII are widely held by institutional and individual shareholders. Hence there are no promoters or controlling shareholders over NII. The shares of NII are listed on Tokyo, Osaka, Nagoya, Fukoka and Sapporo Stock Exchanges in Japan. 59% of the share capital is held by FII/Mutual Funds/FIs and Banks and the balance 41% of the shares are held by the public.

4.3. The Board of Directors of NII comprises of 11 directors namely, Yoshikazu Sashida, Takashi Iwashita, Kunihiro Toda, Shizuka Uzawa, Yoshihito Onda, Yoshihiro Sakaki, Masaaki Isobe, Masaya Kawata, Tomofumi Akiyama, Toshiya Hanawa and Koji Kato.

4.4. Based on the latest audited annual accounts of the NII, the summary financial information is as follows:

Rs. In Lakhs

Particulars	For the year ended March 31, 2008
Total Income	17,02,381
Profit before tax	1,02,500
Profit after tax	63,351
Share Capital	1,42,206
Earning per share (Rs. per share)	32.65
Book Value per share (Rs. Per share)	608
Networth	12,67,572
Return on Networth (%)	5.1%

(NOTE: The above figures have been converted into INR using the RBI Reference rate 100 Yen = INR 51.51 (source: www.rbi.org.in) dated February 27, 2009.)

4.5. In April 2009, NII will shift to a holding company system. This will transform NII into a holding company that owns five new companies established from textiles, automobiles brakes, paper, mechatronics and chemical business divisions as well as New Japan Radio Co. Ltd. Following the transformation to a holding company system, each company will be granted management authority so it can act with flexibility and increase its competitiveness.

Rane Holdings Limited (RHL) – PACs

4.6. Rane Holdings Limited, having its registered office in "Maithri", 132, Cathedral Road, Chennai – 600 086, Tel. No. +91 – 44 – 2811 2472, Fax No.+91 - 44 - 2811 2449, is the primary holding company of the Rane Group. Rane Group is one of India's oldest and experienced auto components manufacturer.

4.7. RHL was incorporated on March 3, 1936 as Rane (Madras) Limited as a public limited company under the Indian Companies Act, 1913. The name was changed to Rane Holdings Limited with effect from May 18, 2005.

4.8. The shareholding pattern of RHL as on December 31, 2008 is as under:

No.	Particulars	Shareholding pattern(%)
1.	Promoter/ Promoter Group	42.61
2.	Public	57.39%

4.9. Apart from being a holding company of the Rane Group, RHL is the registered owner of the trademark "Rane" and extends brand equity services to the group companies. RHL also provides a range of other services to its group companies. These include employee training and development, investor services, business development and information systems support.

4.10. As on the date of the PA, RHL has a paid up capital of Rs. 14,27,78,090 consisting of 1,42,77,809 equity shares of face value of Rs.10/- The shares of RHL are listed on BSE, NSE and MSE. RHL has made an application to MSE for voluntary delisting of its shares on December 11, 2008 and is expecting a confirmation from MSE on the same.

4.11. Based on the latest audited annual accounts of RHL, the summary financial information of RHL is as follows:

Rupees in Lakhs

Particulars	For the financial year ended March 31, 2008
Total Income	4,215
Profit before tax	2286
Profit after Tax	2,090
Equity Share Capital	1,427.78
Reserves	16,044
Earnings per Share	14.56
Book Value per Share	122.37
Net Worth	17472
Return on Net Worth (%)	12%

5. Information about the Target Company

5.1. Rane Brake Lining Limited is a public listed company with its registered office at "Maithri", 132, Cathedral Road, Chennai – 600 086, Tel. No. + 91- 44 - 28112472, Fax No.: +91 - 44 - 28112449.

5.2. The Target Company was incorporated on December 17, 2004 under the Companies Act, 1956 in the name of EMS Logistics (India) Private Limited with the object of carrying on transport and logistics business.

5.3. The name of the Target Company was changed to Richfield Logistics Line Private Limited on September 20, 2005 and to Rane Brake Products Private Limited on September 24, 2007. The Target Company became Rane Brake Products Limited, a public limited company, on September 26, 2007.

5.4. The Target Company took over the manufacturing undertaking of erstwhile Rane Brake Linings Limited with effect from April 1, 2007 pursuant to the Order dated December 20, 2007 of the High Court of Madras sanctioning the Scheme of Demerger, Merger and Amalgamation (the Scheme). In terms of the Scheme, the name of the Target Company was changed from "Rane Brake Products Limited" to "Rane Brake Lining Limited" with effect from February 6, 2008. Pursuant to the Scheme, the Objects clause of the Memorandum of Association of the Target Company was amended on August 6, 2007 to bring it in line with the present business.

5.5. The main business of the Target Company is manufacturing and marketing of auto components viz. brake linings, clutch facings, and disc pads for automotive industries and railway brakes and parts out of asbestos and asbestos free friction materials.

5.6. RBL does not hold any shares in other Rane Group companies.

5.7. As on the date of the PA, the paid up share capital of the Target Company is Rs.7,21,49,800 comprising of 72,14,980 Equity Shares of Rs.10/- each.

5.8. There are no outstanding partly paid up shares or any other instruments convertible into Equity Shares of the Target Company at a future date. The paid up share capital of the Target Company shall increase to Rs.7,91,49,800 comprising of 79,14,980 Equity Shares of Rs.10/- each after the Preferential Issue.

5.9. The equity shares of RBL are listed on the BSE, NSE and MSE.

5.10. Based on the latest audited annual accounts of the Target Company, the summary financial information of the Target Company is as follows:

Rupees in Lakhs

Particulars	For the financial year ended March 31, 2008
Total Income	18427
Profit before tax	1119
Profit after Tax	894
Equity Share Capital	722
Reserves	5848
Earnings per Share	12.39
Book Value per Share	89.40
Networth	6450
Return on Net Worth (%)	9.23%

6. Statutory Approvals and Other Approvals for the Offer

6.1. The Offer is subject to the receipt of approval from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder ("FEMA"). The Acquirer will make application for the requisite approvals from the RBI, if any, at an appropriate time.

6.2. To the best of the knowledge of the Acquirer and PACs, as on the date of this PA, there are no other statutory approvals or approvals from financial institutions or banks required for the acquisition of equity shares tendered pursuant to this Offer. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals.

6.3. In case of delay in receipt of any statutory approval, SEBI has the power to grant an extension of the time required for payment of consideration under the Offer provided that the Acquirer agrees to pay interest in accordance with Regulation 22(12) of the SEBI (SAST) Regulations. If the delay occurs due to the wilful default or neglect or inaction or non-action on the part of the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will be applicable. The Acquirer will not proceed with the Offer in terms of Regulations 27 of the SEBI (SAST) Regulation in the event the statutory approvals indicated above are refused.

7. Disclosure in terms of Regulation 21(2)

7.1. As per the listing agreements with BSE, NSE, MSE and the Target Company, the Target Company is required to maintain a minimum threshold of public shareholding for listing on a continuous basis. The Acquirer and PACs undertake that in case the public shareholding falls below the limits specified in the Listing Agreement with the stock exchange for listing on a continuous basis pursuant to shares acquired pursuant to the Offer and open market purchases made by the Acquirer and PACs during the Offer, if any, then the Acquirer and PACs shall take necessary steps to facilitate compliance by the Target Company with the relevant provisions of Clause 40A of the Listing Agreement, within the time period mentioned therein.

7.2. With regard to maintaining the listing status of the Target Company in future, taking into account the current market conditions, the Acquirer and PACs have not yet taken a decision on the manner in which the compliance with Clause 40A will be met in the event the public shareholding falls below the limits specified in the Listing Agreement after the open offer or any point of time in the next three years period. The Acquirer and the PACs shall, depending on the market conditions prevailing at the relevant point in time, adopt the methods specified in Clause 40A based on commercial considerations, the interest of the Target Company and its shareholders to comply with Clause 40A in accordance with all applicable laws.

8. Financial Arrangements for the Offer

8.1 The total fund requirement or the maximum consideration of the Offer, assuming full acceptance of the Offer, will be Rs. 791,49,800 (Rupees Seven Hundred and Ninety One Lakhs Forty Nine Thousand Eight Hundred only) i.e. consideration payable for acquisition of 15,82,996 fully paid-up equity shares of RBL at an Offer Price of Rs 50 per share.

8.2 The Acquirer and PACs have made firm financial arrangements to meet their obligations in full under the Offer. For this purpose the Acquirer and PACs intend to utilize their own resources.

8.3 In addition, NII, RHL, EYMBS and Hong Kong and Shanghai Banking Corporation Limited, a company incorporated under the Companies Ordinance of the Hong Kong Special Administrative Region ('HKSAR'), having its India corporate office at 52/60 Mahatma Gandhi Road, Fort, Mumbai 400 001, India and acting through its branch at Chennai India ('Escrow Agent'), have entered into an open offer escrow agreement, dated March 2, 2009 (the 'Escrow Agreement') in accordance with Regulation 28 of the SEBI (SAST) Regulations. By way of security for performance of its obligations under the Regulations, the Acquirer and PACs have made a cash deposit of Rs 198,86,213 (Rupees One Hundred and Ninety Eight Lakhs Eighty Six Thousand Two Hundred and Thirteen only) in the 'Rane Brake Lining Limited Open Offer Escrow Account' with the Escrow Agent. The cash deposit complies with the stipulation under Regulation 28 (2) of the SEBI (SAST) Regulations. The Manager to the Offer is duly authorised by the Acquirer and PACs to realize the value of the aforesaid escrow account in terms of the SEBI (SAST) Regulations.

8.4 Mr. Etsuko Nagashima, CPA, Veritas & Co., Tel. No. +81-3-5411-5677, has certified the adequacy of financial resources of the Acquirer for fulfilling the obligations in full under the Offer.

8.5 The Manager to the Offer, on the basis of the above, has satisfied itself that the Acquirer and PACs have the ability to implement the Offer in accordance with the SEBI (SAST) Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

9. Other Terms of the Offer

9.1. The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance cum Acknowledgement ("Form of Acceptance"), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of RBL whose names appear on the register of members of RBL and to the Beneficial Owners of the equity shares of RBL whose names appear as beneficiaries on the records of respective depositories, at the close of the business hours on February 27, 2009 (the "Specified Date").

9.2. All owners of equity shares, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer

9.3. Shareholders who hold equity shares of RBL in physical form and wish to tender their equity share pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and Transfer Deed(s) duly signed to the Registrar to the Offer - Integrated Enterprises (India) Limited, 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai- 600017. Telephone Nos: +91 44 - 2814 0801, Fax No: +91 44 - 28142479, Email: sureshbabu@iepindia.com, so as to reach on or before the closure of the Offer i.e. March 13, 2009 in accordance with the instructions provided in the Letter of Offer and the Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

9.4. The Registrar to the Offer will open a special depository account with National Depository Services Limited ("NSDL") as Depository and Integrated Enterprises (India) Limited as Depository Participant called "Demat Escrow Account RBL Open Offer". The. Shareholders of the Target Company having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their shares in favor of the special depository account with NSDL.

Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares of the Target Company will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favor of the special depository account to the Registrar to the Offer- Integrated Enterprises (India) Limited, 2nd Floor, Kences Towers, No. 1, Ramakrishna Street, North Usman Road, T Nagar, Chennai- 600017. Telephone Nos: +91 44 - 2814 0801, Fax No: +91 44 - 28142479, Email: sureshbabu@iepindia.com, so as to reach on or before the close of the Offer, i.e., not later than March 13 2009, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.5. In addition to the above-mentioned address, the shareholders of the Target Company who wish to avail themselves of accepting the Offer can also deliver the Form of Acceptance cum Acknowledgement along with all of the relevant documents at any of the collection centers below in accordance with the procedure as set out in the Letter of Offer. All of the centers of the Registrar to the Offer mentioned herein below will be open as follows: Monday to Friday 10.00 a.m. to 5.30 p.m and on Saturdays 10.00 a.m. to 1.30 p.m. The centers will be closed on Sundays and other Public Holidays.

Name and Address of the Collection Centers of Integrated Enterprises (India) Ltd.

Name and Address of the Collection Centers	Contact Person	Mode of Delivery	Tel No	Fax
Chennai Integrated Enterprises (India) Ltd. 2nd Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai 600017	S Sriram Email: suresh babu@ iepindia.com	Registered Post/Hand Delivery	044-2814 0801/ 044-2814 0802	044-2814 2479
Bangalore Integrated Enterprises (India) Ltd 30 & 31-1, Ramana, Residency, 4th Cross, Bangalore –560 003	Vijayagopal Email: suresh babu@ iepindia.com	Hand Delivery	080-2346 0815	080-2346 0819
Mumbai Integrated Enterprises (India) Ltd No.217, Shilpin Centre, II Floor, Near Shriram Industrial Estate, Katrak Road, Wadala, Mumbai – 400 031.	Ashok Kambli Email: suresh babu@ iepindia.com	Hand Delivery	022-4033 5805/ 4033 5806	022-4033 5807
Ahmedabad Integrated Enterprises (India) Ltd 21, "NIRMAN", Gr.Flr, Bhd. Navrangpura Bus Stop, Navrangpura, Ahmedabad –380 009	G R Balaji Email: suresh babu@ iepindia.com	Hand Delivery	079-2644 3289	079-2656 8122
Hyderabad Integrated Enterprises (India) Ltd Flat No.5-10-197/A, B&C/G4 First Floor, Reliance Krishna Apts, Beside Kalanjali Bhavan, Navat Pahad, Hill Fort Road, Hyderabad – 500 004	Venkate-swaralu Email: suresh babu@ iepindia.com	Hand Delivery	040-2324 2375	040-2329 8944
Kolkata Integrated Enterprises (India) Ltd Trikut, Flat No.1-B, 4C Lansdowne Place, Opp Road of Ramakrishna, Mission Hospital, Kolkata – 700 029	Shankar Krishnamurthy Email: suresh babu@ iepindia.com	Hand Delivery	033-2474 6400	033-2476 7131
New Delhi Integrated Enterprises (India) Ltd 16/11, 3rd Floor, R D Chambers, Arya Samaj Road, Karol Bagh, New Delhi - 110 005	Anantha Padmanabhan Email: suresh babu@ iepindia.com	Hand Delivery	011-2875 6824	011-2875 0478
Pune Integrated Enterprises (India) Ltd 7 & 8 Arthshilp, Gr Fl, 1349, 1350, Shukrawar Peth, Bajirao Road, Pune – 411 002	L Sudhakar Email: suresh babu@ iepindia.com	Hand Delivery	020-2447 3944	020-2443 1569

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of the Offer are liable to be rejected. Beneficial owners are therefore requested to tender their delivery instructions at least two days prior to the closing of the Offer.

9.6. Unregistered owners or shareholders who have not received the Letter of Offer, may send their consent, to the Registrars to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the 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 shares held, number of shares offered, DP Name, DP ID, beneficiary account number and a photocopy of the delivery instruction in the "off-market" mode, duly acknowledged by the DP, in favor of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No indemnity is required from the unregistered owners.

9.7. Shareholders of RBL who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter to RBL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical share for dematerialization should submit their Form of Acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before the date of closure.

9.8. In case the number of shares tendered for sale by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the SEBI (SAST) Regulations. The shares are compulsorily traded in dematerialized form, hence minimum acceptance will be one share.

9.9. The Registrars to the Offer will hold in trust the equity shares and share certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of RBL who have accepted the Offer, until the cheques/ drafts for the consideration and/ or the unaccepted equity shares/ share certificates are dispatched/ returned.

9.10. Equity shares tendered in the Offer by the shareholders of RBL shall be free from lien, charges or encumbrances of any kind whatsoever.

9.11. Non-resident shareholders should submit copy of the permission received from Reserve Bank of India for acquisition of the shares of RBL. In case of its non-submission, Acquirer reserves the right to reject the shares tendered in the Offer.

9.12. The consideration to the shareholders whose shares or share certificates and/ or other documents are found complete, valid and in order, will be paid by crossed account payee cheques/ demand drafts/ electronic clearance service (ECS) where applicable. Such consideration in excess of Rs. 1,500/- or unaccepted share certificate(s) , transfer deed(s) and other documents, if any, will be returned by registered post/ speed post, at the shareholders' registered / unregistered owners' sole risk to the sole/ first shareholder/ unregistered owner. Equity shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. All dispatches involving payment of a value up to Rs. 1,500/- will be made under certificate of posting at the shareholders' sole risk.

9.13. 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 been required to submit to acquire the shares of the Target Company. 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 (the "Income Tax Act"), 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, on the entire consideration amount payable to such shareholder.

9.14. As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a Foreign Institutional Investor ("FII") as defined in Section 115 AD of the Income Tax Act.

9.15. The securities transaction tax will not be applicable to the shares accepted in the Offer.

9.16. A schedule of some of the key events in respect of the Offer is given below:

Activities	Day	Date
Date of publication of Public Announcement	**Tuesday**	**March 3, 2009**
Specified Date*	Friday	February 27, 2009
Last date for competitive bid	Tuesday	March 24, 2009
Date by which letter of offer to be posted to shareholders	Friday	April 17, 2009
Date of Opening of the Offer	Friday	April 24, 2009
Last date for revising the Offer Price/ number of equity shares	Monday	May 4, 2009
Last date up to which shareholders may withdraw	Friday	May 8, 2009
Date of Closure of the Offer	Wednesday	May 13, 2009
Date for communicating acceptance/rejection under the Offer and payment of consideration for applications accepted.	Thursday	May 28, 2009

* Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the letter of offer would be sent and owners (registered or unregistered) of the shares (except the Acquirer and PACs) are eligible to participate in the Offer any time before the closure of the Offer.

10. General

10.1. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement and the Letter of Offer shall have option to withdraw the acceptance tendered by them up to three(3) working days prior to the date of closure of the Offer.

10.2. If there is any upward revision in the Offer Price by the Acquirer and PACs till the last date of revision viz. – May 4, 2009 or withdrawal of the Offer, the same would be informed by way of public announcement in the same newspapers in which this Public Announcement has appeared. The Acquirer and PACs would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.

10.3. If there is a competitive offer/bid:

- **The public offers under all the subsisting bids shall close on the same date.**
- **As the Offer Price cannot be revised during the seven (7) working days period prior to the date of closing 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 offer/ bid and tender their acceptance accordingly.**

10.4. For further details, shareholders are requested to refer to please refer to the Letter of Offer and Form of Acceptance cum Acknowledgement.

10.5. Neither the Acquirer, nor the PACs, nor the directors of the Acquirer and PACs nor the Target Company have been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B or any other regulations made under the SEBI Act.

10.6. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer have appointed EYMBS as Manager to the Offer. As on the date of this Public Announcement, the Manager to the Offer does not hold any shares in Rane Brake Lining Limited.

10.7. The Acquirer, PACs and their directors accept responsibility for the information contained in this Public Announcement and for fulfillment of their respective obligations in terms of the SEBI (SAST) Regulations.

10.8. Certain financial details contained in this Public Announcement quoted in Rupees are denominated in Yen. The Rupee equivalent is calculated in accordance with the RBI reference rates as on February 27, 2009, namely 1 Yen = Rs. 1.94 (Source: www.rbi.org.in).

10.9. This Public Announcement will also be available on SEBI's website (www.sebi.gov.in) Eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which will be available on SEBI's website from the Offer opening date i.e. April 24, 2009

Issued by the Manager to the Offer for and on behalf of the Acquirer and the PACs:

ERNST & YOUNG

Quality In Everything We Do

Ernst & Young Merchant Banking Services Pvt. Ltd.
(Formerly Ind Global Corporate Finance Pvt. Ltd.)
Jalan Mill Compound, 95 Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013, India.
Tel: +91 22 6657 9326, 4035 6300; Fax: +91-22-4035 6400;
Contact Person: Ms. Nishita John; E-mail id: nishita.john@in.ey.com

Place: Mumbai Date: March 2, 2009