Public Announcement to the shareholders of

Thomas Cook (India) Limited

This public announcement (this "PA") is being issued by Kotak Mahindra Capital Company Limited ("Manager to the Offer") for and on behalf of Thomas Cook UK Limited, United Kingdom, a private limited company incorporated under the laws of England with its registered office at Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB, United Kingdom ("TCUK"), also referred to as the "Acquirer", pursuant to and in compliance with, among others, regulation 10 and regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "Regulations").

The Offer

1. This open offer (the "**Offer**") is being made by the Acquirer in compliance with regulations 10 and 12 of the Regulations triggered by an acquisition of more than 15% of the voting rights of the Target Company and a change in the control of the Target Company under the Share Purchase Agreement dated March 7, 2008 entered into by the Acquirer and Dubai Financial Group LLC, (the "**Seller**"). The Acquirer hereby makes an Offer to acquire 32,795,996 Equity Shares of the Target Company of face value Re.1 each representing approximately 20.4% of the current voting capital (expected to be 20% of the diluted voting capital) of the Target Company for cash at a price of Rs.107/- (Rupees One Hundred and Seven Only) per fully paid up Equity Share. This Offer is not subject to any minimum level of acceptance.
2. This Offer is subject to the receipt of certain approvals and the terms and conditions set out below and in the letter of offer that is to follow.
3. Dubai Financial Group LLC (the "**Seller**") currently holds 100% of the fully paid-up equity capital of TCIM Limited ("**TCIM**"), a company incorporated in the United Kingdom. TCIM in turn holds 87,500,000 fully paid-up Equity Shares, of face value Re.1/- each, in Thomas Cook (India) Limited (the "**Target Company**") constituting 54.42% of the fully paid-up equity capital of the Target Company as of the date of this PA. The Seller also directly holds 11,834,610 Equity Shares in the Target Company constituting 7.36% of the equity capital of the Target Company as of the date of this PA (the "**Direct Shares**"). The Seller and TCIM are disclosed as the promoters of the Target Company as per the latest filings made with the stock exchanges.
4. TCUK has executed the following agreements with the Seller:
   a. Share Purchase Agreement ("**SPA**") dated March 7, 2008 to purchase for cash 100% of the fully paid-up equity share capital of TCIM, along with its control, subject to the fulfillment, inter alia, of certain conditions in the SPA (the "**Indirect Acquisition**").
   The Acquirer will also purchase from the Seller such number of Direct Shares, which, taken together with the Equity Shares to be acquired by the Acquirer through the Indirect Acquisition and the Equity Shares purchased in the Offer, will take the Acquirer's shareholding in the Target Company to not more than 74.9% of the equity capital of the Target Company (the "**TCIL Purchase Shares**"). In case any such purchase of TCIL Purchase Shares is carried out, it will be at a price of Rs.107/- (Rupees One Hundred and Seven Only) per Share, and shall be carried out upon the closing of the Offer. Depending upon the extent of response to the open offer, the Equity Shares acquired by the Acquirer from the Seller may constitute between 54.90% to 61.78% of the current paid up equity capital of the Target Company.
   b. Business Purchase Agreements (the "**BPA**") dated March 7, 2008 with the Seller, to acquire for cash (i) 100% of the fully paid-up equity share capital of TCO Limited ("**TCOL**"), a company incorporated in the United Kingdom, (ii) 99.9% of the fully paid-up equity share capital of TC Lebanon S.A.L. ("**TCL**"), a company incorporated in the Republic of Lebanon. In addition, the BPA also proposes termination of certain intellectual property rights licensed to the Seller in relation to the use of the Thomas Cook brand and name in specified jurisdictions in the Middle East region pursuant to a trade mark licence agreement dated 15 July 2006.
5. The salient features of the SPA include the following:
   a. The purchase consideration paid is fixed in rupee terms at a price amounting to Rs. 107 per fully paid up share of the Target Company. The transaction is based on customary representations, warranties, and indemnities, including a reimbursement to the Acquirer in case the reported profit after tax of the Target Company for the financial year ending December 2007 falls below an agreed level of Rs.51.3 Cr. The transaction shall be completed upon the fulfilment of certain conditions precedent agreed between the Acquirer and the Seller.
   b. The Seller has required the Target Company to inform the Reserve Bank of India ("RBI") about the acquisition of TCIM and the consequent change in control of TCIM and the potential acquisition of Equity Shares of the Target Company pursuant to this Offer.
   c. Under the SPA, Seller has undertaken to cause the resignation or removal of its nominees and representatives and Mr. Mahendra Doshi from the Board of Directors of the Target Company, which shall be effective at the earliest date on which the Acquirer's nominees may be appointed as directors of the Target Company in accordance with regulation 22(7) of the Regulations. There are no representatives of the Acquirer on the Board of Directors of the Target Company as of the date of this PA.
   d. The SPA contains certain non-compete provisions whereby the Seller has agreed not to compete with the Target Company for a period of 2 (two years) in the financial services and travel business in India, Mauritius, Bangladesh, Nepal, Sri Lanka, Bhutan, Seychelles, Maldives, Myanmar and Pakistan. There is no separate consideration being paid for the non-compete provision.
   e. Under the SPA, the Seller has undertaken to cause the termination of the shareholders agreement dated February 7, 2007 between the Seller, TCIM and LKP Merchant Financing Limited.
   f. For the period intervening the date of execution of the SPA and TCIM Share Closing Date, the Seller has agreed to cause the business of the Target Company to be operated in ordinary course, subject to certain rights of prior consent granted to the Acquirer in relation to specific matters or material aspects.
6. As the Indirect Acquisition and the contingent purchase of TCIL Purchase Shares will result in the Acquirer indirectly or directly acquiring more than 54.42% of the voting equity capital of the Target Company, this Offer is being made in compliance with regulations 10 and 12 of the Regulations pursuant to the Regulations.
7. As of the date of this PA, the subscribed and paid up equity share capital of the Target Company is Rs.160,782,330/- divided into 160,782,330 outstanding equity shares ("**Equity Shares**") of face value of Re. 1/- each. In addition, as of the date of this PA, the Target Company has Class 'B' 0.001% cumulative convertible/ redeemable preference share capital of Rs.31,97,650 divided into 3,19,765 outstanding preference shares of face value of Re.10/- each, and Class 'C' 0.001% cumulative convertible/ redeemable preference share capital of Rs.27,18,000 divided into 2,71,800 outstanding preference shares of face value of Re.10/- each.
8. As per stock exchange filings at National Stock Exchange of India Limited ("**NSE**") and Bombay Stock Exchange Limited ("**BSE**"), the Seller belongs to the promoter group of the Target Company.
9. The Equity Shares of the Target Company will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof. There shall however be no discrimination in the acceptance of locked-in and non-locked in shares in the Offer.
10. To the extent of the Offer Size and in accordance with this PA and the letter of offer to be sent to all shareholders of the Target Company ("**Letter of Offer**"), the Equity Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by TCUK.
11. This is not a competitive bid.
12. As on the date of this PA, Kotak Mahindra Capital Company, the Manager to the Offer, does not hold any shares of the Target Company.

Offer Price

13. The Equity Shares of the Target Company are listed on the BSE and NSE and are frequently traded. The annualised trading turnover based on the trading volume in the shares of the Target Company on each of the above mentioned stock exchanges during September 2007 to February 2008 (6 calendar months preceding the month in which this PA is made) is as under:

Name of Stock Exchange(s)	Total no. of shares traded during the 6 calendar months prior to the month in which PA is made	Total No. of listed Shares	Annualized Trading turnover (as a % to total listed shares)
BSE	17,445,582	160,782,330	21.70%
NSE	23,482,916	160,782,330	29.21%

Source: BSE and NSE websites

Based on the information available, the Equity Shares of the Target Company are frequently traded; and are most frequently traded on the NSE within the meaning of explanation (i) to Regulation 20 (4) of the Regulations.

14. Since the Acquirer would be acquiring the Target Company through the Indirect Acquisition, the price paid for the purchase of the Equity Shares of TCIM is not relevant for the purpose of determining the offer price of this Offer. However, by way of abundant caution, it may be mentioned that the consideration paid for 100% of TCIM (including the assumption of the debt due from TCIM to the Seller of GBP 49,921,274 million) will amount to the Acquirer indirectly paying Rs.107/- (Rupees One Hundred and Seven only) per Equity Share of the Target Company. The said consideration is fixed in rupee terms.
15. Pursuant to this Offer, the Acquirer proposes to acquire 32,795,996 Equity Shares of the Target Company ("**Offer Size**") representing approximately 20.4% of the current voting capital (expected to be 20% of the diluted equity capital) of the Target Company as on May 27, 2008, being 15 days from the date of closure of the Offer, as required under regulation 21(5) of the Regulations, at a price of Rs.107/- (Rupees One Hundred and Seven only) for each Equity Share of the Target Company (the "**Offer Price**"), to be paid in cash in accordance with the Regulations.
16. None of the Acquirer or any of its Directors have acquired any Equity Shares of the Target Company during the 12 month period prior to the date of this PA.
17. Based on the parameters set out in the Regulations for frequently traded stocks, as per the date of this PA, the Offer Price is justified in view of the following:

Particulars	Price (in Rs. per Share)
The average of the high and low of the closing prices for every week for the last 26-weeks prior to the date of the PA	Rs. 76.0
the average of the daily high and low of the intra-day trading prices for the last 2-weeks prior to the date of the PA	Rs. 80.0
The negotiated price (as more fully set out in paragraph 14)	Rs. 107.0
The highest price paid by the Acquirer or persons acting in concert with them for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the last 26 weeks	Not Applicable

18. The Offer price of Rs.107/- (Rupees One Hundred and Seven only) being the highest of the above is justified.
19. If the Acquirer acquires the Equity Shares of the Target Company after the date of this PA and up to 7 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 the valid applications received under the Offer.

Information about the Acquirer

20. Thomas Cook UK Limited, the Acquirer, is a private company incorporated on July 22, 1991 under the UK Companies Act, 1985.
21. The objects, as mentioned in the charter documents, of the Acquirer include, inter alia to carry on business as a general commercial company and to carry on any trade or business whatsoever.
22. The details of TCUK are as follows:

Name	Thomas Cook UK Limited
Address	Thomas Cook Business Park, Coningsby Road, Peterborough, PE3 8SB, United Kingdom. (Tel: +44 (0)1733 416507; Fax: +44 (0)1733 416484)
Listing Status	Unlisted
Group	100% indirect subsidiary of Thomas Cook Group Plc
Primary Business and Experience	Holding Company for the Thomas Cook group of companies in the UK

23. As on March 4, 2008, the paid up capital of the Acquirer is 141,026,641 ordinary shares of GBP 1 each.
24. The Board of directors of the Acquirer comprises of Dr. Juergen Buser, Mr David Michael Hallisey, Mr P. Fankhauser, Mr Manny Fontenla-Novoa, Mr HL Heuberg and Mr R Teckentrup.
25. The Acquirer has neither acquired nor has been allotted any Equity Shares of the Target Company in the last 12 months period prior to the date of this PA save as in relation to the Indirect Acquisition and the acquisition of the TCIL Purchase Shares which shall be completed in accordance with the SPA
   The Acquirer was the erstwhile owner of TCOL, its then 100% subsidiary, and through TCOL held 60% of the issued equity share capital of the Target Company until December 2005, when TCOL transferred its shareholding in the Target Company to TCIM (at that time, a wholly owned subsidiary of Thomas Cook Aktiengesellschaft ("**TCAG**"). In January 2006, TCAG sold TCIM to the Seller and thereby exited its investment in the Target Company.
   On 19 June 2007, MyTravel Group plc and TCAG merged to create a leading international leisure travel group. The merger was effected by Thomas Cook Group Plc ("**TCG**") acquiring both MyTravel Group Plc and TCAG. TCUK is the 100% indirect subsidiary of TCG, and other than above, neither TCUK nor TCG owned any shares of the Target Company prior to the Indirect Acquisition.

The financial details of TCUK based upon the latest standalone audited financials are as follows:

	Year ended Oct 2007		Year ended Oct 2006		Year ended Oct 2005	
	GBP mn	Rs. Lacs	GBP mn	Rs. Lacs	GBP mn	Rs. Lacs
Net Sales	0.0	0.0	0.0	0.0	0.0	0.0
Profit after Tax	0.1	80	51.8	41,424	19.9	15,914
Equity Share Capital	141.0	112,758	141.0	112,758	141.0	112,758
Networth	170.3	136,189	171.1	136,829	206.8	165,378
Book Value per share* (GBP/ Rs.)	1.2	960	1.2	960	1.5	1,200
Earning per Share ^ (GBP/ Rs.)	0.0	0.0	0.4	320	0.1	80
Return on Networth (%)**	0.1%		30.3%		9.6%	

**Book Value per share computed as the Networth / Number of outstanding shares as at the end of the year*
^ Earnings per share computed as the PAT / Number of outstanding shares as at the end of the year
***Return on Networth calculated as Profit After Tax/ Networth as at the end of the year*
Exchange rate used is the RBI Reference Rate as on March 5, 2008 i.e. Rs. 79.97/ GBP (Source: www.rbi.org.in)

26. Thomas Cook Group plc. is a public company incorporated on February 8, 2007 under the UK Companies Act 1985. TCG is the holding company of the Acquirer.
27. As on March 3, 2008, the allotted, called-up and fully paid share capital of TCG consists of 978,044,359 ordinary shares of Euro 0.10 each.
28. The Board of Directors of TCG comprises of Dr T. Middelhoff, Mr. M Beckett, Mr. M Fontenla-Novoa, Mr HL Heuberg, Mr D Allvey, Mr R Burnell, Dr P Diesch, Mr H Klein, Mr B Lerenius and Dr. A Porter.
29. The details of TCG are as follows:

Name	Thomas Cook Group Plc
Address	The Thomas Cook Business Park, Coningsby Road, Peterborough. PE3 8SB (Tel: +44(0)1733 416507; Fax: +44 (0)1733 416484)
Listing Status	Listed on London Stock Exchange under the ticker TCG.L
Group	Part of the Thomas Cook group of companies; TCG is the holding company in the Thomas Cook group
Relationship with TCUK	Indirectly Holds 100% voting equity shares of TCUK
Primary Business and Experience	On 12 February 2007, the boards of MyTravel Group Plc and KarstadtQuelle announced the proposed merger of MyTravel Group Plc and TCAG to create a leading international leisure travel group. The Merger was effected by TCG acquiring both MyTravel Group Plc and TCAG. The origins of Thomas Cook can be traced back to 1841 and was established under its current name in 2001 when Thomas Cook Holdings Ltd was acquired by C&N Touristic AG. MyTravel Group Plc business was established in the UK in 1972.

The financial details of TCG based upon latest audited financials are as follows:

	Year ended Oct 2007[1]		Year ended Oct 2006[2]		Year ended Oct 2005	
	Eur mn	Rs. Lacs	Eur mn	Rs. Lacs	Eur mn	Rs. Lacs
Gross Revenue	9,439.3	5,779,683	7,780.2	4,763,816	NA	
Profit After Tax	225.5	138,074	179.8	110,092	NA	
Equity Share Capital	97.7	59,822	303.7	185,956	NA	
Networth	(980.3)	(600,238)	(577.5)	(353,603)	NA	
Book Value per share (Euro/ Rs.)*	(1.00)	(612)	(1.14)	(698)	NA	
Earning per Share (Euro/ Rs.) ^	0.33	202	0.35	214	NA	
Return on Networth (%)**	-23.0%	-31.1%	NA			
P/E Ratio ^ ^	13.0	NA	NA			

[1] Income statement for TCG plc for the year ended 31 October 2007, includes the full year of trading for TCAG and the trading of My Travel Group plc for the period from 19 June 2007 to 31 October 2007 (Since merger became effective from June 19, 2007); Balance Sheet represents the balance sheet of Thomas Cook AG, My Travel Plc and TCG plc (the holding company) at 31 Oct 07
[2] TCG Plc was incorporated on February 8, 2007 and therefore does not have financials for 2005 and 2006. However, as per the annual report of TCG for 12 months ended October 31, 2007, financials for 2006 have been provided assuming it held 100% of TCAG during the year
**Book Value per share computed as the Networth / Number of outstanding shares as at the end of the year.*
^ Earnings per share computed as the PAT / Weighted average number of outstanding shares during the year
***Return on Networth calculated as Profit After Tax/ Networth as at the end of the year*
^ ^ P/E Ratio computed as the closing share price of TCG as on October 31 (or the last working day prior to the same) of the relevant year divided by the Earnings per share for that year.
Exchange rate used is the RBI Reference Rate as on March 5, 2008 i.e. Rs. 61.23 / Eur (Source: www.rbi.org.in)

TCG is a professionally managed and widely held company, with 52% of the holding with Arcandor AG, a widely held German corporation, and 48% being public free float.

Information about the Target Company

30. The Target Company was originally incorporated in India in the year 1978 under the Companies Act, 1956. The registered office of the Target Company is located at Thomas Cook Building, Dr. D. N. Road, Fort, Mumbai – 400 001. Tel. Ph.: +91 22 22048556, Fax: +91 22 22871069.
31. As per the latest filings made with the NSE and BSE
   a. The total paid up equity share capital of the Target Company is Rs.160,782,330/- (Rupees Sixteen crore, Seven Lacs, Eighty Two Thousand, Three Hundred and Thirty only) consisting of 160,782,330 fully paid-up Equity Shares. There are no partly paid up Equity Shares in the Target Company. Following table sets out the equity shareholding build up of the Target Company since January 2006:

Month	Event	Equity Shares Outstanding	Face Value (Rs.)	Equity Share Capital (Rs.)
Jan 2006		14,583,333	10	145,833,330
February 2007	Issue of Shares pursuant to merger of LKP Forex Limited and Target Company	16,078,233	10	160,782,330
June 2007	Stock split	160,782,330	1	160,782,330

   In addition, the Target Company has issued
   (i) 105,000,000 redeemable preference shares of face value Rs.10/- each
   (ii) 319,765 convertible / redeemable preference shares of face value Rs.10/- each
   (iii) 271,800 convertible / redeemable preference shares of face value Rs.10/- each
   b. The Seller has sought suitable directions from the SEBI in relation to an internal restructuring of its parent companies in terms of regulation 10 of the Regulations.
32. The Target Company is involved in providing travel related services mainly in India, Mauritius and Sri Lanka and operates in 2 divisions,
   a. Financial Services - Authorized dealers in foreign exchange focused on providing travel related foreign exchange and payment solutions
   b. Travel Related Services - Services include consumer leisure travel retailing (such as retailing of package tours), corporate travel management services (such as air and hotel reservations), leisure inbound service (services for customers of third party tour operators at their arrival) and general sales agency business
33. The Equity Shares of the Target Company are listed on the BSE and the NSE.
34. The Board of Directors of the Target Company currently comprises 11 Directors: Mr. Udayan Bose, Mr. Sayanta Basu, Ms. Jacqueline Ashe, Mr. Madhavan Menon, Mr. AbdulRakeem Kamkar, Mr. A.V. Rajwade, Mr. Hoshang S. Billimoria, Mr. Dilip De, Mr. Vinayak Purohit, Mr. Mahendra Doshi and Mrs. Bharati Rao.
35. The Target Company does not have any subsidiary as on the date of this PA.
36. The financial highlights of the Target Company, based on the audited consolidated financials, are as follows:

(All figures in Rupees Lacs except for per share numbers)	9 months ended Sep 2007	14 months ended Dec 2006*	12 months ended Oct 2005
Total Income	22,576	25,513.3	14,196.1
Profit After Tax	3,052	3,778.3	2,848.1
Equity Share Capital	1,607.8	1,458.3	1,458.3
Reserves and Surplus (Excluding Revaluation Reserves)	NA	3,793.9	15,227.5
Share Suspense Account **	NA	10,537.0	NA
Earning Per Share (Rs.) – Basic	1.7	24.7	19.5
Earning Per Share (Rs.) – Diluted	1.6	21.6	19.5
Book Value Per Share (Rs.) after adjusting for split from Face value of Rs.10 to Rs.1	NA	3.6	11.4
Book Value Per Share (Rs.) assuming issue of share to LKP Forex pursuant to merger (relevant for 2006)	NA	3.36	NA

** In 2006, Thomas Cook (India) Limited acquired Travel Corporation of India and merged with LKP Forex, therefore financials for the year 2006 are not comparable with 2005*
*** Shares allotted to the erstwhile shareholders of LKP Forex Limited pursuant to its merger with the Company effective April 1, 2006 includes 103,284,000 'Class A)' 4.65% Cumulative Non-Convertible Redeemable Preference Shares of Rs. 10 each, 319,765 'Class B)' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10 each, 271,800 'Class C)' 0.001% Cumulative Convertible / Redeemable Preference Shares of Rs. 10 each and 1,494,900 Equity Shares of Rs. 10 each credited as fully paid up to the shareholders of LKP Forex Limited.*
Source: Annual Reports of the Target Company

Reasons for the Acquisition and Future plan about Target Company

37. As the Indirect Acquisition and the purchase of TCIL Purchase Shares (if any, depending on the response to this Offer) will result in the Acquirer indirectly or directly acquiring more than 54.42% of the voting equity capital of the Target Company, this Offer is being made in compliance with regulations 10 and 12 of the Regulations pursuant to the Regulations. Thus, this is expected to be a substantial acquisition of shares / voting rights accompanied with change in control / management.
38. This acquisition fully supports the Acquirer's strategy to expand into emerging markets that the Acquirer believes represents a great growth potential as well as helps strengthen Acquirer's financial services business. Target Company employs about 2,500 staff with a total retail network of about 180 outlets across 40 cities. Approximately half of Target Company's gross revenues are from foreign exchange and the other half are from the travel businesses. In the last two years Target Company has significantly expanded its business and strengthened its market position by acquiring LKP Forex, its largest competitor in the foreign exchange business, and Travel Corporation of India, an inbound operator. Target Company is now the largest foreign exchange operator with approximately 50% market share and the second largest travel group in the high-growth Indian market.
   Through acquiring a controlling stake in the Target Company, the Acquirer believes that it will become a leader in one of the fastest growing travel markets in the world. Acquirer is of the opinion that under its ownership, the Target Company business will grow significantly in a market that Acquirer believes is already growing at approximately 15% per annum. Acquirer is of the opinion that this transaction meets the Acquirer's acquisition criteria in terms of it being earnings accretive and exceeding the cost of capital. Acquirer expects Target Company's profit after tax in excess of Rs.5,143 lacs (approximately Eur8.4 Million) and earnings before interest tax depreciation and amortization (EBITDA) to be around Rs.10,225 lacs (approximately Eur16.7 Million) for the year ended December 31, 2007.
   (Exchange rate used is the RBI Reference Rate as on March 5, 2008 i.e. Rs.61.23 / Eur (Source: www.rbi.org.in))
39. As of date of this PA, the Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the 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 and except to the extent already contracted by the Target Company. Notwithstanding the immediately preceding sentence, the Board of Directors of the Target Company will take appropriate decisions in these matters as per the requirements of business and in line with the business opportunities and exigencies from time to time.
40. 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.
41. The Acquirer has deposited an amount of Rs.3,509,171,572 (Rupees Three Billion, Five Hundred and Nine Million One Hundred and Seventy One Thousand Five Hundred and Seventy Two Only) in cash, amounting to 100% of the Maximum Consideration (as defined in paragraph 46 below). **Hence, in accordance and in compliance with regulation 22(7) of the Regulations, the Acquirer is entitled to appoint its nominees on the board of directors of the Target Company after a period of 21 days from the date of this PA. The Acquirer has an ability under regulation 22(7) of the Regulations to nominate such further directors as may be possible, and may in future appoint such directors in accordance with the Companies Act, 1956 and the Articles of Association of the Target Company.**

Statutory Approvals and Other Approvals required for this Offer

42. This Offer is subject to the Acquirer's obtaining all necessary approvals including approvals from the Reserve Bank of India (the "**RBI**") under the Foreign Exchange Management Act, 1999, as amended from time to time, for the acquisition / transfer of the Equity Shares tendered pursuant to this Offer, if required. The Acquirer and the Target Company will make the requisite application to RBI to obtain their approvals for the acquisition / transfer of Equity Shares validly tendered pursuant to this Offer. As of the date of this PA, to the knowledge of the Acquirer, there are no other statutory approvals required to acquire the Equity 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 the receipt of such other statutory approvals. Acquirer will not proceed with the Offer in the event any statutory approval indicated above is not obtained in terms of regulation 27 of the Regulations.
43. It may be noted that in case of non-receipt of statutory approvals within time, the Securities and Exchange Board of India (the "**SEBI**") has a power to grant an extension of time to the Acquirer for payment of consideration to shareholders subject to the Acquirer agreeing to pay interest for the delay, as directed by SEBI under regulation 22(12) of the Regulations.
44. Any consents required from Banks and financial Institutions, pursuant to any outstanding loan agreements shall be obtained before the Offer Opening Date.

Option in terms of regulation 21(2)

45. Upon completion of the Offer, assuming full acceptances in the Offer and together with the Indirect Acquisition and the acquisition of the TCIL Purchase Shares, the Acquirer will hold not more than 74.9% of the then paid up capital of the Target Company. Consequent to this Offer, the public shareholding is not likely to fall to a level below the limit specified in the listing agreement with the stock exchange for the purpose of listing on continuous basis. Hence, the provisions of regulation 21(2) of the Regulations are not applicable.

Financial Arrangements

46. The total financial resources required for this Offer, assuming full acceptance will be Rs.3,509,171,572 (Rupees Three Billion, Five Hundred and Nine Million One Hundred and Seventy One Thousand Five Hundred and Seventy Two Only) ("**Maximum Consideration**"). The Acquirer proposes to fund the Offer from internal resources. The Acquirer has made firm financing arrangements for the Offer by way of a cash deposit equivalent to the Maximum Consideration as detailed in paragraph 47 below. Mr. Narendra Y. Kadav membership no. 38947, Partner of M/s V.C. Shah & Co. Chartered Accountants (Rajgir Chambers, 3rd Floor, 12-14, Shahid Bhagat Singh Road, Opp. Old Custom House, Mumbai - 400 001.) ("**Accountants**"), have confirmed vide their letter dated March 7, 2008 ("**Fund Sufficiency Certificate**") that the Acquirer has adequate financial resources available for meeting its obligations under the Regulations for a value up to the Maximum Consideration.
47. In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of a cash deposit for an amount of Rs.3,509,171,572 (Rupees Three Billion, Five Hundred and Nine Million One Hundred and Seventy One Thousand Five Hundred and Seventy Two Only) (the "**Cash Deposit**") placed with Kotak Mahindra Bank Limited, Mittal Court Branch, Nariman Point, Mumbai – 400 021 ("**Deposit Bank**"), for the performance of its obligations under the Regulations. The Cash Deposit represents 100% of the Maximum Consideration in accordance with the Regulations. The Manager to the Offer is empowered to instruct the Deposit Bank to issue bankers cheques or demand drafts for amounts as provided in the Regulations.
48. On the basis of the aforesaid financial arrangements and based on the confirmations received from the Deposit Bank and the certificate received from the Accountants, the Manager to the Offer confirms that adequate funds are available with the Acquirer through verifiable means to implement this Offer in full.

Other terms of this Offer

49. This Offer is made to all shareholders of the Target Company and also to persons who acquire Shares before the closure of the Offer and tender these Shares into the Offer in accordance with this PA on or before May 12, 2008; save and except for the Acquirer, parties to the SPA and/or the BPA, and any person deemed to be acting in concert.
50. There shall be no discrimination in the acceptance of locked-in and non-locked in shares in the Offer. However the Acquirer shall only accept Equity Shares of the Target Company that are fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
51. A letter of offer (the "**Letter of Offer**") specifying the detailed terms and conditions of this Offer along with the Form of Acceptance cum Acknowledgement ("**Form of Acceptance**") and Form of Withdrawal will be mailed to all the shareholders, except the Acquirer, parties to the SPA and/or the BPA, and any person deemed to be acting in concert, whose names appear on the Register of Members of the Target Company at the close of business hours on March 10, 2008 ("**Specified Date**"). A copy of the Letter of Offer (including Form of Acceptance) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.
52. The Offer Programme is as under:

Activity	Date	Day
Specified Date*	10-Mar-08	Monday
Last date for a competitive bid, if any	28-Mar-08	Friday
Last date for dispatch of Letter of Offer to the shareholders of the Target Company	18-Apr-08	Friday
Offer Opens On	22-Apr-08	Tuesday
Last date for revising the Offer Price / Offer Size	01-May-08	Thursday
Last date for withdrawing acceptance of the Offer	07-May-08	Wednesday
Offer Closes On	12-May-08	Monday
Last date for communicating acceptance (in full or part) and rejection of applications and payment of consideration for applications accepted	27-May-08	Tuesday

**Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all shareholders (registered or unregistered) of the Target Company, except those persons specified in paragraph 49 are eligible to participate in the Offer*

53. The shareholders of the Target Company who wish to tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer together with their share certificate(s), transfer deed or a photocopy of the delivery instruction to the depository participant and such other documents as may be specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement to the Registrar to the Offer (as defined in paragraph 55 below and at the address mentioned in paragraph 68) in accordance with the instructions contained in the Letter of Offer and Form of Acceptance. In case of non-receipt of the Letter of Offer, shareholders may download the same from the SEBI website as mentioned in paragraph 51 or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of ownership of the said Shares.
54. In case of non-receipt of the Letter of Offer, where the shareholders of the Target Company hold the Equity Shares in dematerialized form, those desirous of participating in this Offer may send their application to the Registrar to the Offer (as defined in paragraph 55 below), such that the applications and the tendered Equity Shares are received by the Registrar to the Offer, on or before the closing time and date of this Offer, stating the name, address, number of Shares held, number of Shares offered, Depository Participant ("**DP**") name, DP ID number, beneficiary account number along with a photocopy of the Delivery instruction in "off-market" mode, duly acknowledged by the DP, as per instructions given under:

Depository Name	Sharepro Services - Escrow A/C - TCIL Open Offer
DP Name	Kotak Mahindra Bank Limited
DP ID Number	IN303173
Beneficiary Account Number	20000424
ISIN	INE332A01019
Market	Off-Market
Execution Date	On or before May 14, 2008

It is the sole responsibility of the shareholders to ensure credit of their Shares in the depository account above, before the closure of the Offer.

55. Persons who have acquired Equity Shares of the Target Company (irrespective of the date of purchase) but whose names do not appear in the Register of Members of the Target Company on the Specified Date or those who have not received the Letter of Offer, may also participate in this Offer by submitting an application on a plain paper giving details regarding their shareholding and confirming their agreement to participate in this Offer as per the terms and conditions of this Offer. This is to be sent to Sharepro Services (India) Private Limited, acting as the Registrar to the Offer ("**Registrar to the Offer**") together with the relevant share certificate(s) and transfer deeds if the Equity Shares are held in physical form, photocopy of the DP Instruction slip duly acknowledged by the DP in case the Equity Shares held in dematerialized form, the original contract note issued by a registered share broker of a recognized stock exchange through whom such Equity Shares were acquired and/or such other documents as may be specified. No indemnity would be required from unregistered shareholders.
56. Applications in respect of Equity Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Equity Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Equity Shares are not received together with the Equity Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
57. **If the Equity Shares tendered in this Offer by the shareholders of the Target Company are more than the Equity Shares to be acquired under this Offer, the acquisition of Equity Shares from each shareholder will be on a proportionate basis as per provisions of regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target Company is 1 (one) Equity Share.**
58. The Registrar will hold in trust the Acceptance Form, Shares, share certificates, transfer deed(s) and/or other documents on behalf of the shareholders of the Target Company who have accepted this Offer, till the warrants / cheques / drafts for the consideration are dispatched and unaccepted share certificates/ Equity Shares, if any are dispatched / returned to the relevant shareholders.
59. The payment of consideration for accepted applications will be made by the Acquirer in cash through account payee cheques, drafts, warrants, etc. sent by registered post for amounts exceeding Rs.1,500/- and otherwise under certificates of posting in accordance with the Regulations.
60. The unaccepted share certificates, transfer forms and other documents, if any, would be returned by registered post at the shareholders' sole risk. Unaccepted Shares (to the extent unaccepted) held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per details received from their depository participant.
61. 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.

General

62. Shareholders who have accepted this Offer by tendering the requisite documents, in terms of this PA / Letter of Offer, can withdraw the same up to 3 (three) working days prior to the date of the closure of this Offer.
63. As per the Regulations, the Acquirer can revise the Offer Price upwards up to 7 working days prior to the closure of this Offer and the revision, if any, in the Offer Price would be announced in the same newspapers where this PA has appeared and the revised price would be paid to all shareholders who tender their Equity Shares in this Offer.
64. If there is a withdrawal of the Offer by the Acquirer, the same will be informed by way of a public announcement in the same newspapers in which this PA has appeared.
65. **If there is 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 shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
66. The Acquirer has not been prohibited by the SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act, 1992.
67. This PA is expected to be available on the SEBI website at http://www.sebi.gov.in/.
68. Pursuant to regulation 13 of the Regulations, the Acquirer has appointed Kotak Mahindra Capital Company Limited as the Manager to the Offer. The Acquirer has appointed Sharepro Services (India) Private Limited as the Registrar to the Offer (Address: Satam Estate, 3rd Floor, Cardinal Gracious Road, Chakala, Andheri (E), Mumbai - 400 099; Ph. No. +91-22- 67720300, 67720400; Fax No.+91-22- 28591568; email: tcil.offer@shareproservices.com; Contact Person Mr. Ganesh Rane / Mr. Anand Moolya).
69. The Acquirer and board of directors of the Acquirer accept full responsibility for the information contained in this PA and also accept responsibility for the obligations of the acquirers laid down in the Regulations.

Issued by the Manager to the Offer, for and on behalf of the Acquirer	Legal Advisor to the Acquirer
kotak Investment Banking **Kotak Mahindra Capital Company Limited** Bakhtawar 3rd Floor, 229 Nariman Point, Mumbai – 400 021 Tel. No.: +91-22-6634 1100 Email: tcil.offer@kotak.com Contact Person: Chandrakant Bhole For investor complaints: kmccredressal@kotak.com	amarchand mangaldas **AMARCHAND & MANGALDAS & SURESH A. SHROFF & CO** Advocates & Solicitors, Pe