CORRIGENDUM TO THE PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

# Zenotech Laboratories Limited

[**Registered office**: 8-2-120/112/88-89/P/2, 4th Floor, Park View Estate, Road No.2, Banjara Hills, Hyderabad, Andhra Pradesh 500 034, India]

This corrigendum (the "Corrigendum") is being issued by ICICI Securities Limited, (the "Manager to the Offer") for and on behalf of Daiichi Sankyo Company, Limited (the "Acquirer" or "Daiichi Sankyo") in connection with the open offer made by the Acquirer to the equity shareholders (other than the parties to the Share Purchase and Share Subscription Agreement dated June 11, 2008 (the "SPSSA")) of Zenotech Laboratories Limited (the "Target Company or ZLL") pursuant to Regulations 10 and 12 of and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended ("Regulations"), to acquire fully paid-up equity shares of face value Rs. 10/- each representing 20% of the Emerging Voting Capital of ZLL (the "Offer") at a price of Rs. 113.62 (One Hundred Thirteen Rupees and Sixty-Two Paise only) per fully paid-up equity share of face value of Rs. 10 each (the "Offer Price") payable in cash. The Corrigendum is in continuation of, and should be read in conjunction with the Public Announcement published on Monday, January 19, 2009 (the "PA"), the corrigendums published on March 2, 2009 (the "First Corrigendum"), on July 10, 2009 (the "Second Corrigendum"), on August 5, 2009 (the "Third Corrigendum"), on August 8, 2009 (the "Fourth Corrigendum"), on November 11, 2009 (the "Fifth Corrigendum"), on July 26, 2010 (the "Sixth Corrigendum") in all editions of The Financial Express, Jansatta and Hyderabad edition of Vaartha, the Letter of Offer dated July 9, 2009 (the "LOF") dispatched to the shareholders of ZLL on July 10, 2009, the announcement dated July 14, 2009 (the "First Announcement") made on the Bombay Stock Exchange Limited (the "BSE"), , the announcement dated December 16, 2009 made on the BSE (the "Second Announcement"), the announcement dated July 9, 2010 made on the BSE (the "Third Announcement") and the Letter of Offer dated July 26, 2010 uploaded on the SEBI website ("Updated Letter of Offer").

The shareholders of ZLL are requested to note the following:

## 1. Update on Litigation

***Petitions before the Company Law Board, Chennai ("CLB")***

As disclosed in the Fifth Corrigendum and as stated in Para 4.19 (h) of the Updated Letter of Offer, certain petitions had been filed by Dr. Jayaram Chigurupati and RLL before the CLB.

In connection with these petitions, the CLB, by its order dated August 3, 2010, directed the parties to maintain status quo in respect of certain agreements executed between them, and had restrained Dr. Jayaram Chigurupati, Mrs. Padmasree Chigurupati and Zenotech LLC (collectively, the "Respondents") from taking any action in violation of the agreements insofar as their shareholding in ZLL was concerned. In addition, the CLB has clarified that if the Respondents opt to exit ZLL following the 'disposal' of the petition, then the Acquirer and RLL will be required to purchase their shares at Rs. 113/- per share or at the market value prevailing at the time of sale which ever is higher. In this regard, the shareholders are advised to refer to the "Important Information" section below.

Following the CLB order dated August 3, 2010 an appeal against a part of this order has been filed before the Hon'ble Andhra Pradesh High Court ("AP High Court") by the Respondents. The matter was initially heard on August 18, 2010 and the hearing concluded on August 20, 2010. The order of the AP High Court on the Respondents' appeal is currently awaited.

However, as the order of the CLB and the appeal of the Respondents before the AP High Court pertains to the ability of the Respondents to deal/sell/transfer the shares held by them in ZLL (that were the subject matter of their agreement with RLL), the resolution of this dispute (which may or may not occur before the end of the Offer on August 23, 2010) will have a direct bearing on the number of shares that can be tendered by the Respondents in the Offer. In light of this development and in order for the shareholders to have a reasonable time to take this into account while making their decision to participate in or refrain from participating in the Offer, the date of closure of the Offer is being extended by Seven (7) days. Similarly, the last date for withdrawal of acceptance is being extended to August 24, 2010. For the revised schedule of activities, the shareholders are advised to refer to the "Revised schedule of activities" set out below. Any further development in this regard before the closure of the Open Offer shall be made in the form of a stock exchange announcement. It may be noted that in any event the Open Offer will not be extended beyond August 30, 2010.

In addition to the above petitions and as disclosed previously, the CLB, by its order dated November 13, 2009, had restrained ZLL from allotting any shares against the exercise of stock options granted under the ZLL Employees Stock Option Scheme, 2005, without the leave of the CLB until further orders. At the time of finalizing the Updated Letter of Offer, the next date of hearing for this matter was scheduled for September 15, 2010.

However, since then, and in response to an application filed by ZLL to vacate the injunction, the CLB has, by its order dated August 18, 2010, has allowed ZLL to implement the Board resolution relating to the allotment of 2,500 shares against the exercise of stock options granted under the Zenotech Employees Stock Option Scheme 2005. As a result of this CLB order, the total number of shares that may now be considered as eligible for conversion within Fifteen (15) days of the closure of the Open Offer has increased by 2,500 shares. In light of this development, the Acquirer has decided to increase the offer size by 500 equity shares.

## 2. Statutory approvals and the current status

As disclosed in the Sixth Corrigendum, Daiichi Sankyo had received the approval of the Foreign Investment Promotion Board ("FIPB") to acquire such number of equity shares that would represent 20% of the share capital of ZLL computed in the manner prescribed under the SEBI regulations, pursuant to the Open Offer. Since then, the RBI, by its letter dated August 18, 2010, has granted the approval to acquire up to 68,86, 000 equity shares.

In view of the increase in the offer size to 68,86,500 fully paid-up equity shares (i.e., by five hundred shares) of ZLL, following the date of the Sixth Corrigendum, the Acquirer will be filing another application with the RBI to seek their approval to acquire the additional shares pursuant to the Offer.

## 3. Revised schedule of activities

The schedule of the activities pertaining to the Offer is given below:

| | Activity | Earlier Schedule | Revised Schedule |
|---|---|---|---|
| 1 | Public Announcement Date | January 19, 2009 | January 19, 2009 |
| 2 | Specified Date | February 13, 2009 | February 13, 2009 |
| 3 | Last date for announcement of a competitive bid | February 8, 2009 | February 8, 2009 |
| 4 | Date of first Corrigendum to the Public Announcement | March 2, 2009 | March 2, 2009 |
| 5 | Date of second Corrigendum to the Public Announcement | July 10, 2009 | July 10, 2009 |
| 6 | Date of third Corrigendum to the Public Announcement | August 5, 2009 | August 5, 2009 |
| 7 | Date of fourth Corrigendum to the Public Announcement | August 8, 2009 | August 8, 2009 |
| 8 | Date of fifth Corrigendum to the Public Announcement | November 11, 2009 | November 11, 2009 |
| 9 | Date of sixth Corrigendum to the Public Announcement | July 27, 2010 | July 27, 2010 |
| 6 | Date by which Letter of Offer dated July 9, 2009 was dispatched to shareholders | July 10, 2009 | July 10, 2009 |
| 7 | Offer Opening Date | August 4, 2010 | August 4, 2010 |
| 8 | Last date for revising the Offer Price / number of Shares | August 11, 2010 | August 11, 2010 |
| 9 | Last date for withdrawing acceptance from the Offer | August 17, 2010 | August 24, 2010 |
| 10 | Date of Closure of the Offer | August 23, 2010 | August 30, 2010 |
| 11 | Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired shares and / or the unaccepted shares / share certificates will be credited / dispatched. | September 6, 2010 | September 13, 2010 |

*Specified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer dated July 9, 2009 was sent and all owners (registered or unregistered) of the shares of the Target Company (except the parties to the SPSSA) are eligible to participate in the Offer anytime before the closure of the Offer.*

## 4. IMPORTANT INFORMATION

**AS STATED PREVIOUSLY, THE ORDER OF THE CLB DATED AUGUST 3, 2010 REQUIRES THE ACQUIRER AND RLL TO ACQUIRE THE SHARES OF THE RESPONDENTS IF THEY SO OPT TO, FOLLOWING THE DISPOSAL OF THE PETITIONS PENDING BEFORE THE CLB. HOWEVER, SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE ACQUIRER HAS SIXTY (60) DAYS TO FILE AN APPEAL AGAINST THE CLB ORDER AND THE FINAL OUTCOME ON THIS MATTER MAY VARY FROM THE DECISION OF THE CLB. SUBJECT TO THE FOREGOING AND UNLESS SO DIRECTED BY ANY HIGHER APPELLATE LEGAL BODY IN INDIA, AS OF THE DATE, THE ACQUIRER DOES NOT HAVE ANY INTENTION TO ACQUIRE ANY SHARES FROM THE RESPONDENTS (AS DEFINED ABOVE) OUTSIDE THE OFFER OR TO MAKE ANY FOLLOW-ON OPEN OFFERS OR TO DELIST THE SHARES OF THE TARGET COMPANY. THE ACQUIRER MAKES NO ASSURANCES AND NONE SHALL BE DEEMED TO HAVE BEEN MADE IN RESPECT ON ANY ACQUISITION OF SHARES OUTSIDE THE OFFER FROM THE RESPONDENTS, A FOLLOW-ON OPEN OFFER OR A DELISTING OF SHARES OF THE TARGET COMPANY. ANY FURTHER DEVELOPMENTS OR INFORMATION WILL BE DISCLOSED TO THE SHAREHOLDERS BY WAY OF AN ANNOUNCEMENT TO THE STOCK EXCHANGE.**

**FURTHERMORE, SHAREHOLDERS ARE REQUESTED TO NOTE THAT AS A RESULT OF THE DEVELOPMENTS IN LITIGATION INVOLVING THE RESPONDENTS, RLL AND ZLL, MATERIAL TERMS AND CONDITIONS OF THE OFFER INCLUDING, THE DATE FOR CLOSURE OF THE OFFER, THE LAST DATE FOR WITHDRAWAL OF ACCEPTANCE, THE SIZE OF THE OFFER, THE LAST DATE FOR PAYMENT FOR SHARES ACCEPTED UNDER THE OFFER HAVE UNDERGONE CHANGE. SHAREHOLDERS ARE ADVISED TO PAY ATTENTION TO THESE CHANGES AND ALSO TAKE INTO ACCOUNT THE UPDATE IN THE LITIGATION SECTION WHILE MAKING THEIR DECISION TO PARTICIPATE IN OR REFRAIN FROM PARTICIPATING IN THE OFFER. SHAREHOLDERS ARE ALSO ADVISED TO SEEK PROFESSIONAL ASSISTANCE OR ADVICE, WHERE DEEMED NECESSARY. SHAREHOLDERS WHO HAVE ALREADY ACCEPTED THE OFFER CAN NOW WITHDRAW THEIR ACCEPTANCE OF THE OFFER, IF THEY SO DECIDE UNTIL AUGUST 24, 2010.**

The Acquirer accepts full responsibility for the information contained in this Corrigendum and its obligations under the Regulations. Except as stated herein, all other terms and conditions of the Offer remain unchanged. The terms used but not defined in this Corrigendum shall have the same meaning as assigned in the PA, the First Corrigendum, the Second Corrigendum, the Third Corrigendum, the Fourth Corrigendum, the Fifth Corrigendum, the Sixth Corrigendum, the First Announcement, the Second Announcement, the Third Announcement, the LOF dated July 9, 2009 and the updated Letter of Offer. This Corrigendum will also be available on the SEBI website: www.sebi.gov.in as well as on the website of BSE: www.bseindia.com.

| Issued by the Manager to the Offer | Financial Advisor to the Acquirer |
|---|---|
| For and on behalf of the Acquirer | |
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Place: Mumbai

Date: August 23, 2010

Size: 37x16 cms