# **CAROL INFO SERVICES LIMITED - DELISTING OFFER** Bid Opens on: January 16, 2012; Bid Closes on: January 20, 2012

## BIDDING CENTERS ARE SET UP AT MUMBAI, DELHI, CHENNAI, KOLKATA, AHMEDABAD, PUNE, BENGALURU, VADODARA, JAIPUR, HYDERABAD, RAJKOT AND INDORE OR POST AS PER INSTRUCTIONS IN PARAGRAPH 14. PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF CAROL INFO SERVICES LIMITED

This public announcement ("Public Announcement/PA") is being issued by Khorakiwala Holdings and Investments Private Limited ("Acquirer/KHIPL"), a company registered in India and having its registered office at Wockhardt Towers, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051, India in respect of the proposed acquisition and delisting of the equity shares of Carol Info Services Limited ("Company") pursuant to Regulation 10 of the Securities & Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations")

### BACKGROUND OF THE DELISTING OFFER

- The Company is a public limited company incorporated under the Companies Act, 1956, having its registered office at Wockhardt Towers, Bandra-Kurla Complex, Bandra (East) Mumbai 400051, India. The issued share capital of the Company Barlia (East) infinitial – 400051, Initia. The Issued state capital on the Company is  $\overline{3}$  355, 197, 970- comprising of 35, 519, 797 equity shares of  $\overline{\overline{3}}$  10/- each. The subscribed and paid-up equity share capital of the Company ("Equity Capital") is  $\overline{\overline{3}}$  354, 364, 720/- comprising of 35, 436, 472 fully paid-up equity shares having a face value of  $\overline{\overline{3}}$  10/- each ("Equity Shares"). The Equity Shares are listed on the Bombay Stock Exchange Limited ("BSE") and National Stock Exchange of India Limited ("NSE"). The Company has Global Depositary Receipts ("GDR") outstanding earlier 140 320 Ereuity Shares paid by UCIC Reak as the outer of the CDR of against 140,120 Equity Shares held by ICICI Bank as the custodian. The GDR of the Company are listed on the Luxembourg Stock Exchange ("LSE").
- The existing promoters of the Company, Khorakiwala Holdings and Investments Private Limited, Palanpur Holdings and Investments Private Limited ("PHIPL"), b) Nafisa H Khorakiwala Habil F Khorakiwala Murtaza H Khorakiwala Huzaifa H Khorakiwala, Abii P Niti akiwala, Abii P Niti akiwala, Niti aza P Niti akiwala, Abii P Niti akiwala, Abii P Niti akiwala, Niti aza P Niti akiwala, Niti akiwa Niti akiwala, Niti akiwal of the Company.
- KHIPL sees to acquire such number of Equity Shares ("Offer Shares") as will be held by the public shareholders ("Public Shareholders") (defined to mean all the shareholders, other than the Promoters and holders of depository receipts issued c) Statemotides, output the reinforce and indices of depositor receips is state overseas against equity shares held by a custodian (the **GDR** Holders') and such custodian) as on the Bid Closing Date i.e. January 20, 2012, provided that the number of Equity Shares to be acquired by KHIPL shall not exceed 12,851,714 Equity Shares representing the balance 36.27% of the Equity Capital of the Company assuming all GDR Holders convert their GDR into Equity Shares as on the Bid Closing Date, and proposes to delist the Equity Shares of the Company from BSE and NSE neurount to the Delisting Definition **Context in Context in Context** and NSE pursuant to the Delisting Regulations (the "Offer"/Delisting Offer"). On December 23, 2010, KHIPL informed the Company of its intention to make the
- d) Delisting Offer and requested the Board of Directors of the Company to convene a meeting to consider the Delisting Offer and to communicate and recommend the said proposal for approval by the shareholders in accordance with the Delisting Regulations
- Regulations. The Board of Directors of the Company vide its resolution dated December 24, 2010, accepted the proposal received from KHIPL to initiate the Delisting Offer in accordance with the provisions of the Delisting Regulations, subject to applicable law and to seek approval of the shareholders of the Company. A special resolution has been passed by the shareholders of the Company through postal ballot, the result of which was declared on February 11, 2011, approving the proposed delisting Regulations. The votes cast by Public Shareholders in favor of the Delisting Offer were more than two times the number of votes cast by the Dublic Shareholders. e) were more than two times the number of votes cast by the Public Shareholders against it. The BSE has issued its in-principle approval to the Delisting Offer vide letter dated March 9, 2011, subject to compliance with the Delisting Regulations. The NSE has issued its in-principle approval to the Delisting Offer vide letter dated March 15, 2011, subject to the compliance with the Delisting Regulations.
- The Acquirer vide its board resolution dated December 28, 2011 has indicated a price of ₹ 160/- per equity share ("Indicative Offer Price") for Equity Shares tendered in the Delisting Offer with a view to reward the Public Shareholders.
- This Public Announcement has been issued in the following newspapers as required q) under Regulations 10(1)

Newspaper	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Mumbai Lakshadeep	Marathi	Mumbai

- KHIPL will inform the Public Shareholders, by way of a notice in the aforementioned h) changes, if any, to the information set out in the PAL.
- KHIPL reserves the right to withdraw the Delisting Offer in certain cases as more fully set out in paragraph 11 of this Public Announcement.

2. **OBJECT OF THE OFFER** 

- The objective in making the Offer is to provide KHIPL with increased operational flexibility to support the Company's business. Further, in view of the agreement to exit the primary business of contract manufacturing, including the proposed sale of nutrition manufacturing facility vide a business transfer agreement dated August 2, 2011, the Offer shall provide an exit opportunity to the Public Shareholders. Accordingly, KHIPL intends to make the Delisting Offer to the Public Shareholders
- b) of the Company in order to acquire such number of Equity Shares as will be held by the Public Shareholders as on the Bid Closing Date and to voluntarily delist the Equity Shares from the BSE and the NSE in accordance with the Delisting Regulations.

#### 3. BACKGROUND OF THE ACQUIRER

- Khorakiwala Holdings and Investments Private Limited is a private company incorporated in 1981 under the Companies Act, 1956 having its registered office at Wockhardt Towers, Bandra-Kurla Complex, Bandra (East) Mumbai 400051, India. The company is primarily engaged in carrying on the business of an investment company. The primary activities of the company include making investments in the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the company include making investments in the primary activities of the primary acting activities of the primary acting activiti
- the group companies and extending loans to group companies. The paid-up share capital of the Acquirer is ₹ 1,660,800/- comprising of 16,608 equity shares of ₹ 100/- each

c) Summary of the financial results of the Acquirer are as below

			in Thousands
Particulars	Year ended March 31, 2011 (Audited)	Year ended March 31, 2010 (Audited)	Year ended March 31, 2009 (Audited)
Total Income	47,293	242,817	217,136
PAT	(148,899)	(84,308)	(151,984)
Equity Capital	1,660	1,660	1,660
Net Worth (excluding miscellaneous expenditure to extent not written off)	2,931,266	3,080,165	3,164,472
Face Value (in ₹)	100	100	100
Book Value per Share (in ₹)	176,497	185,462	190,539
Earnings per Share (in ₹)	(8,965)	(5,076)	(9,151)

Source: Based on certificate dated November 9, 2011 from J.L.Thakkar & Co. Chartered Accountants.

Registered Office and Corporate Office: Wockhardt Towers, Bandra-Kurla Complex, Bandra (East) Mumbai – 400051, India; Tel: +91 22 26534244; Fax: +91 22 26534242; Website: www.carolinfoservices.com; Company Secretary and Compliance Officer: Ms. Amruta Avasare STOCK EXCHANGES FROM WHICH THE EQUITY SHARES ARE SOUGHT TO BE DELISTED

> The Equity Shares of the Company are currently listed on BSE and NSE. The Acquire ses to delist the Equity Shares of the Company from BSE and NSE in accord with the Delisting Regulations.

- Public shareholders should note that as per the Delisting Regulations:
- No application for listing shall be made in respect of the Equity Shares which have been delisted pursuant to the Delisting Offer, for a period of five years from the delisting, except where a recommendation in this regard has been made by the Board for Industrial and Financial Reconstruction under the Sick Industria Companies (Special Provisions) Act, 1985.
- Any application for listing made in future by the Company in respect of the delisted Full photon of the state of the of unlisted companies
- MANAGER TO THE OFFER

5.

- KHIPL has appointed JM Financial Consultants Private Limited having its registered office at 141, Maker Chambers III, Nariman Point, Mumbai 400021, India, as the manager to the Offer ("JM Financial" or "Manager to the Offer")
- **REGISTRAR TO THE OFFER**

KHIPL has appointed Link Intime India Private Limited having its registered office at C-Pannalal Šilk Mills Compound, L.B.S Marg, Bhandup (West), Mumbai – 400078, India, as the registrar to the Offer ("Registrar to the Offer").

STOCK EXCHANGE DATA

The high, low and average market prices of the Equity Shares (in ₹ per share) during the preceding three calendar years on BSE and NSE are as follows: Year BSE (₹)

Year		BSF (4)	
	High*	Low*	Average**
January – December 2009	74.50	26.20	49.03
January – December 2010	150.70	53.80	74.43
January – December 2011	247.95	122.05	163.35
Source: <u>www.bseindia.com</u> )			
Year		NSE (₹)	
	Lliade*	1*	Augramo**
	High*	Low*	Average**
January – December 2009	76.00	28.00	49.01
January – December 2009 January – December 2010	<u> </u>		
	76.00	28.00	49.01

High/low during the period

\* Average of daily closing prices during the period

b) The monthly high and low prices of the Equity Shares (in ₹ per share) and the trading volume (number of Equity Shares) for the six calendar months immediately preceding the date of this Public Announcement in BSE and NSE were as follows:

Month	BSE (₹ )		
	High*	Low*	Volume
July 2011	187.25	171.30	26,194
August 2011	247.95	144.00	19,06,734
September 2011	229.95	152.50	34,436
October 2011	163.75	140.05	12,186
November 2011	158.00	145.00	13,027
December 2011	163.00	142.75	12,654
(Source: <u>www.bseindia.com</u> )			
Month		NSE (₹)	
	High*	Low*	Volume
July 2011	189.90	171.05	23,650
August 2011	247.00	175.25	19,60,059
September 2011	233.75	144.50	34,338
October 2011	164.00	147.50	12,837
November 2011	169.90	130.05	13,588
December 2011	161.50	132.05	14,626
(Source: www.nseindia.com)	)		
* High/low during the period			

9. DETERMINATION OF FLOOR PRICE

KHIPL proposes to acquire the Equity Shares of the Company pursuant to a reverse book-building process ("RBP") conducted in accordance with the terms of the Delisting a) Regulations

The result of the Board meeting held for considering the Offer was notified to BSE b) and NSE ("the Stock Exchanges") on December 24, 2010 ("Relevant Date"). The annualized trading turnover of Equity Shares is determined as under:

Stock Exchange	Total Traded Volume from June 1, 2010 to November 30, 2010	Total Number of Listed Equity Shares as of November 30, 2010	Annualized Trading turnover (% of the total number of equity shares)		
BSE	26,11,387	35,436,472	14.74%		
NSE	29,67,533	35,436,472	16.75%		
Source: www.nseindia.com.and.www.hseindia.com					

Source: <u>www.nseindia.com</u> and <u>www.bseindia.com</u> In terms of Regulation 15 (2) of the Delisting Regulations, the Equity Shares of the Company are frequently traded on both BSE and NSE and are most frequently traded on the table. the NSE

c) In accordance with regulation 15(2)(a) of the Delisting Regulations, the floor price was determined as under

82.60
104.36
-

The floor price has been determined as ₹ 106/- per Equity Share, being higher than the minimum price to be offered to shareholders as per Regulation 15(2)(a) of the Delisting equlat

## 10. DETERMINATION OF THE EXIT PRICE

a) All Public Shareholders can tender Offer Shares of the Company during the Bid Period (as hereinafter defined) as set out in paragraph 13 of this Public Announcement

valid Bids and will not be accepted for the purpose of determining the Discovered Price and for payment of excit Price for the Equity Shares accepted by the Acquirer pursuant to the RBP.

- c) A letter inviting Public Shareholders to tender their Equity Shares to KHIPL by way detailed instructions for submitting Bids will be dispatched to Public Shareholders whose names appear on the register of members of the Company or the depository on the Specified Date as per the proposed timetable set out in paragraph 17 below. 14. DETAILS OF TRADING MEMBER, BIDDING CENTRES AND BIDDING PROCEDURE
- Public Shareholders may tender their Equity Shares through an online electronic system facility, which will be provided by the BSE. The Acquirer has appointed JM Financial Services Private Limited, a company registered under the provisions of the Companies Act, 1956 and having its registered office at Apeejay House, 3, Dinshaw Waccha Road, Churchgate, Mumbai-400021 as the trading member (\*Trading Member) for the purpose of the Offer.
- The Public Shareholders are required to submit their Bids only through the Trading b) Member.
- The details of centres of the Trading Member where the Bids shall be submitted by c)

Sr. No	Bidding City/Centre	Address	Contact Person	Contact Number	Fax Number
1	Mumbai (Fort)	2,3 & 4, Kamanwala Chambers, Sir P M Road, Fort, Mumbai – 400 001	Geeta Pillai	(022) 30213500/ 22665577	(022) 22665902
2	Mumbai (Vile Parle)	1st floor, Patel House, Next to Bank Of Baroda, M.G. Road, Vile Parle (E), Mumbai - 400057	Praveen Manchekar	(022) 26135202/ 03 / 04	(022) 26135241
3	Mumbai (Ghatkopar)	4th Floor, Kailash Plaza, 425, VB Lane, Opp - Odean Theater, Ghatkopar (East), Mumbai - 400077	Tilak Sanil	(022) 30978700	(022) 66712487
4	Delhi	114, Himalaya House, 11th Floor, 23, Kasturba Gandhi Marg, Delhi–110 001	Amarjeet- singh Rathi	(011) 30925500	(011) 41510410
5	Chennai	Gee Gee Crystal – 5th Floor, 91-92, Dr. Radha Krishnan Salai, Mylapore, Chennai – 600 004	T.V Sumithra	(044) 42255666	(044) 42255667
6	Kolkata	Kankaria Estate, 6 Little Russell Street, 8th Floor, Kolkata – 700 071	Rajib R	(033) 39870330	(033) 39870357
7	Bangalore	97/4, Residency Road, Bangalore – 560 025.	Poornima V	(080)30912400/ 401/403	(080) 22212578
8	Ahmedabad	G-10, Ground Floor, Chinubhai Centre, Nehru Bridge Corner, Ashram Road, Ahmedabad– 380 009	Yatin Shah	(079) 26576666/ 30013700	(079) 30013750
9	Indore	UG 7 & 8, Ground Floor, D M Tower, 21/1, Race Course Road, Indore – 452 004	Arti Kashikar	(731) 3072111	(731) 3072121
10	Hyderabad	9 – 10, Uma Chambers, 3rd Floor, Road No 1, Nagarjuna Circle, Punjagutta, Hyderabad – 500 034	D. Chandra- sheker	(040) 66360009/ 39875875	(040) 23350765
11	Jaipur	G-7 & 8, Brij Anukampa Tower, Plot No. K – 13, Ashok Marg, C – Scheme, Jaipur – 302 001	Komal Kumawat	(0141) 3984400	
12	Pune	205, Business Guild, Opp Krishna Dining Hall, Law College Road, Erandawane, Pune – 411 004	Mihir Chaubal	(020) 39871607/ 39871600	(020) 6603 3725
13	Vadodara	G 1, Soham, 49, Alkapuri Society, Alkapuri, Off. R.C. Dutt Road , Opp. HDFC Bank, Baroda – 390 007	Ashutosh Pathak	(0265) 3984300/ 3984311	(0265) 6626387
14	Rajkot	202 – Solitaire, 2 <sup>nd</sup> Floor, Swami Vivekanand Marg, Near Municipal Commissioner Bungalow, Ram Krishna Nagar, Rajkot – 360002 areholders may submi	Hitesh Shah	(0281) 3984000	(0281) 3984117

Public Shareholders may submit their Bids by completing the bid cum acceptance forms accompanying their Offer Letters ("Bid Forms") and submitting these Bid Forms to the Trading Member at any of the Bid Centres set out above by hand delivery on or before the Bid Closing Date. Bid Forms submitted by hand delivery must be delivered to the Bid Centres on working days during 10.00 am to 3.00 pm.

Public Shareholders (in particular those shareholders who are resident in areas where no Bid Centres are located and those who wish to tender their shares under the Delisting Offer by post/courier may also submit their Bids by registered post/ speed post/courier (at their own risk and cost) to JM Financial Services Private Limited; 2, 3 & 4, Kamanwala Chambers, Sir P M Road, Fort, Mumbai – 400001 by clearly marking the envelope "Carol Info Services Limited - Delisting Offer" in

d)

f)

not later than one day before the Bid Closing Date. Downward revision of Bids shall not be permitted. Any such request for upward revision or withdrawal of the Bids should reach the Trading Member at the Bid Centres on or before 3.00 p.m. on January 19, 2012, being one day before the Bid Closing Date. Any such request for upward revision or withdrawal Bids received after 3.00 p.m. on January 19, 2012 will not be accepted.

- Shareholders who obtain shares after the Specified Date may request for a form as a) per paragraph 14 (m) above
- Multiple Bids from same depositary account would be accepted and considered in the Delisting Offer, such that the total number of shares bid for through multiple bids
- does not exceed the number of shares held by the shareholder. All the Public Shareholders whose Bids are verified to be genuine shall be paid the Exit Price stated in this Public Announcement within 10 working days from the closure of the Offer by way of a crossed account payee cheque/demand draft/pay order/ECS/RTGS/NEFT/Direct Credit. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s), and will be dispatched to the shareholders by speed/registered post and only intimations for electronic payments will be dispatched by ordinary post, as the case may be, at the shareholder's sole

 \* Dispatches involving payment of any value will be made by registered post/speed post at the shareholder's sole risk. All other dispatches will be made by ordinary post at the shareholder's sole risk

- pust at the shareholder's Sole TISK Within ten working days from the closure of the Offer, share certificates for any invalid bid, will be dispatched to the shareholders by registered post/speed post, at the shareholder's sole risk. Equity Shares held in dematerialized form for any invalid Bid will be credited back to the respective beneficiary account with their respective Depository Participants (DPs) as per the details furnished by the beneficial owners in the Bid Form. Where the Offer fails due to the circumstances stated in paragraphs 11 and 12 of
- this Public Announcement:-
- the Equity Shares deposited or pledged by a Public Shareholder shall be returned or released to him within ten working days from the Bid Closing Date in terms of the proposed timetable herein: ii. no final application shall be made to the BSE and NSE for delisting of the Equity
- Shares: and iii. the Escrow Account (as defined in paragraph 16(b) of this PA) shall be closed.
- Shareholders holding Equity Shares under multiple folios are eligible to participate in the Delisting Offer and their bids would not be rejected.
- 15. PERIOD FOR WHICH THE DELISTING OFFER SHALL BE VALID

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Once the Equity Shares have been delisted, shareholders, whose Equity Shares have once the Equity Shares have been denses, share houses, whose Equity Shares have not been acquired by KHIPL, may offer their Equity Shares for sale to KHIPL at the Exit Price for a period of one year (**'Exit Period**') following the date of the delisting (**'Exit Offer**'). GDR Holders may also participate in the Exit Offer by converting their GDR into underlying Equity Shares and tendering the same during the Exit Period. 16. DETAILS OF THE ESCROW ACCOUNT AND THE AMOUNT DEPOSITED THEREIN

- The estimated consideration payable under the Delisting Regulations, being the Floor Price of ₹ 106/- per Equity Share multiplied by the number of Equity Shares outstanding with the public shareholders as on the Bid Closing Date and assuming full conversion of GDR, i.e. 12,851,714 Equity Shares, is ₹ 1,362,281,684/- (Rupes)
- One Hundred and Thirty Six Crores Twenty Two Lacs Eighty One Thousand Six Hundred Eighty Four only). In accordance with the Delisting Regulations, KHIPL, Axis Bank Limited (the "Escrow b) Bank" and the Manager to the Offer have entered into an escrow agreement dated December 28, 2011 subsequent to which KHIPL has opened an escrow account
- with the Escrow Bank at their branch at Universal Insurance Building, Sir P.M Road, Fort, Mumbai 400 001 (the "Escrow Account") and the Acquirer has deposited ₹ 1,362,500,000/ € One Hundred and Thirty Six Crores Twenty Five Lacs only), representing 100.02% of the estimated consideration payable as calculated in ragraph (a) above. c) If KHIPL offers an Exit Price, it shall, along with the Manager to the Offer, instruct
- the Escreve Bank to open a special account (the "Special Account"), which shall be used for payment to the Public Shareholders who have tendered Equity Shares in the Delisting Offer. It shall then deposit in the Escrow Account an amount equal to the amount payable to the Shareholders whose shares have been tendered and accepted in the Delisting Offer at the Exit Price (the "Escrow Amount"). 17. PROPOSED TIMETABLE FOR THE OFFER

#### Activity Date Day Date of publication of the PA January 2, 2012 Monday Specified Date for determining the names of Monday shareholders to whom the Offer Letters January 2, 2012 shall be sent Completion of Dispatch of Offer Letters/Bid January 4, 2012 Wednesday Forms to Public Shareholders as on Specified Date Bid Opening Date (10.00 am) January 16, 2012 Monday Last Date of Revision (upwards) or January 19, 2012 Thursday withdrawal of bids Date for determining the Public Shareholding January 20, 2012 Friday Bid Closing Date (3.00 pm) January 20, 2012 Friday Announcement of Discovered Price/Exit Price January 27, 2012 Friday and KHIPL's Acceptance/Non-acceptance of Discovered Price/Exit Price Final date of payment of consideration # Return of Equity Shares to shareholders in case of failure of Delisting Offer/Bids have February 1, 2012 Wednesday February 1, 2012 Wednesday not been accepted

# Subject to the acceptance of the Discovered Price or offer of an Exit Price higher than the Discovered Price by KHIPL

All the dates are subject to change and are dependent on obtaining the requisite statutory and regulatory approval as may be applicable. In the event there is any change in the proposed timetable, it will be announced by way of corrigendum to this PA and in the same newspapers in which this PA appears.

## 18. PRESENT CAPITAL STRUCTURE AND SHAREHOLDING PATTERN OF THE COMPANY

- The authorized equity share capital of the Company is ₹ 1,000,000,000/- comprising of 100,000,000 Equity Shares of ₹ 10/- each. The issued share capital of the Company is ₹ 355,197,970 comprising of 35,519,797 equity shares of ₹ 10/- each. The subscribed and paid-up equity share capital of the Company is ₹ 354,344,720/- comprising of 35,436,472 fully paid-up equity shares having a face. value of ₹10/each. The Delisting of 30/30/472 unity bareup equity states having a face up Equity Shares being held by Public Shareholders.
- As on the date of this Public Announcement, the Company has no outstanding preference shares, partly paid-up shares, convertible instruments, or stock options. b) one of the Equity Shares are subject to any lock in requirements. However

an the data of the DA is as follo

	Name of Shareholder	No. of shares	Face value per share (₹)	Percentage to paid up capital
1	Habil F Khorakiwala	15,190	100	91.46%
2	Nafisa Khorakiwala	20	100	0.12%
3	Palanpur Holdings and Investments Private Limited	1,398	100	8.42%
	Total	16,608		100.00%

#### BACKGROUND OF THE COMPANY 4.

The Company was incorporated as Wockhardt Synchem Private Limited on November 29, 1979, under the Companies Act, 1956. The name of the Company was changed to Wockhardt Synchem Limited pursuant to conversion to public a) Imited company. Subsequently, name of the Company was changed to Wockhardt Limited on November 29, 1985. The name of the Company was further changed from Wockhardt Limited to Wockhardt Life Sciences Limited on December 24, 1999. The name of the Company has been changed from Wockhardt Life Sciences Limited to Carol Info Services Limited on November 7, 2003.

The Registered Office of the Company is situated at Wockhardt Towers, Bandra-Kurla Complex, Bandra (East) Mumbai – 400051, India. The Company shifted its registered office from City Survey No- 681, Village Nahur, Mulund-Goregaon Link Road, Bhandup (W), Mumbai – 400078 to Wockhardt Towers, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051 vide Board resolution dated October 3, 2011.

- b) The Company is engaged in the service segment and its primary activities include contract manufacturing and renting of immovable property. The Company provides contract manufacturing services for nutraceuticals and milk based products.
- c) The Equity Shares of the Company have been listed on the BSE since April 6, 1993 and on NSE since October 14, 1998. The Company is in compliance with the requirements of the Listing Agreement including the continuous listing requirement as per Clause 40A of the Listing Agreement.
- A shareholders resolution dated September 26, 2011 was passed vide postal ballot d) approving the sale of the nutrition manufacturing business of the Company including its manufacturing facility at Lalru, Punjab to G&K Baby Care Private Limited, an affiliate of Danone Group, as a slump sale on a going concern basis for an approximate consideration of  $\mathfrak{T}_3$ , 200,000,000,000/ (Rupees Three hundred and twenty crores only). The Company has signed the business transfer agreement dated August 2, 2011 and has also undertaken not to compete in the nutrition business for a period of three vears from the date of transfer, subject to certain terms and conditions. The transfer yet to be completed and the consideration has not yet been received by the Company.
- Summary of financial results of the Company for the financial years ended March 31, 2011, March 31, 2010 and March 31, 2009 are as under: e) (₹ in Thousands)

	(•	III IIIousalius
Year ended	Year ended	Year ended
March 31, 2011	March 31, 2010	March 31, 2009
(Audited)	(Audited)	(Audited)
611,909	1,102,458	494,551
223,006	676,089	757,790
354,365	354,365	354,365
5,271,990	5,048,984	4,455,539
10	10	10
148.77	142.48	125.73
6.29	19.08	21.38
	March 31, 2011 (Audited) 611,909 223,006 354,365 5,271,990 10 148.77	March 31, 2011 (Audited) March 31, 2010 (Audited)   611,909 1,102,458   223,006 676,089   354,365 354,365   5,271,990 5,048,984   10 10   148.77 142.48

Source: Based on certificate dated November 16, 2011 from J.L.Thakkar & Co. Chartered Accountants

Summary of financial results of the Company for the six months ended September 30, 2011 is as under

Particulars	(₹ in Thousands) Six Months ended September 30, 2011 (Unaudited and Limited Reviewed)	
Total Income	326,347	
PAT	133,961	
Equity Capital	354,365	
Preference Capital	-	
Earnings per Share (in ₹)	3.78	
Source: Based on certificate dated November 16, 2011 from J.L. Thakkar & Co. Chartered Accountants.		

- b) The minimum price per Equity Share payable by KHIPL for the Offer Shares it acquires pursuant to the Delisting Offer, as determined in accordance with the Delisting Regulations, will be the price at which the maximum number of Offer Shares are tendered ("Discovered Price") pursuant to a Reverse Book Building Process conducted in the manner specified in Schedule II of the Delisting Regulations
- c) The Board of Directors of KHIPL has vide its resolution dated December 28, 2011 approved and indicated a price not exceeding ₹ 160/- per share for the Delisting Offer ("Indicative Offer Price"). However this should in no way be construed as:
  - a ceiling or maximum price for the purpose of the reverse book-building process contemplated herein and the Public Shareholders are free to tender their Equity Shares at any price higher than the Indicative Offer Price in accordance with the Delisting Regulations; or
- ii. a commitment by KHIPL to accept the shares tendered in the Delisting Offer if the Discovered Price (price at which maximum Equity Shares have been tendered in the reverse book building process) is less than the Indicative Offer Price: or
- iii. an obligation on the Acquirer to pay the Indicative Offer Price in the event the Discovered Price is lower than the Indicative Offer Price; or
- iv. any restriction on the ability of KHIPL to acquire shares at a price higher or lower han Indicative Offer Price
- KHIPL is under no obligation to accept the Discovered Price. KHIPL may at its d) discretion acquire Equity Shares at the Discovered Price or at a price higher than Discovered Price. Such price at which Delisting Offer is accepted by KHIPL (not less than the Discovered Price) is referred to as the exit price (the "**Exit Price**").
- KHIPL shall announce the Discovered Price and its decision to accept or reject the Discovered Price and if accepted, also announce the Exit Price as applicable, in the same newspapers in which the PA appears, in accordance with the timetable
- Once KHIPL accepts the Exit Price, KHIPL will acquire, subject to the terms and conditions of the PA, including but not limited to fulfillment of the conditions mentioned in paragraph 11 below, all the Equity Shares tendered up to and equal to the Exit Price, for a cash consideration equal to the Exit Price for each such Equity Share
- If KHIPL does not accept the Discovered Price, KHIPL will have no right or obligation **g**) to acquire any Equity Shares tendered pursuant to the Delisting Offer and the Delisting Offer shall not be proceeded with. Any Equity Shares received from shareholders who have tendered shares in the Special Depository Account will be returned in accordance with the Delisting Regulations.

#### 11. CONDITIONS TO THE DELISTING OFFER

The acquisition of the Equity Shares by KHIPL is conditional upon

- KHIPL deciding, in its sole and absolute discretion, to accept the Discovered Price or offer an Exit Price higher than the Discovered Price;
- the Offer Shares being tendered at or below the Exit Price so as to cause the shareholding of Promoters in the Company to reach a minimum of 90% of the Equity Capital excluding the shares which are held by custodian as on the Bid Closing ii Date i.e. January 20, 2012 and against which depository receipts have been issued overseas as per Regulation 17(a) of Delisting Regulations;
- iii. KHIPL obtaining all statutory approvals, as stated in paragraph 20 of this Public Announcement, and
- there being no amendments to the Delisting Regulations or other applicable laws iv. or regulations or conditions imposed by any regulatory/statutory authority/body or order from a court or competent authority which would in the sole opinion of KHIPL, prejudice KHIPL from proceeding with the Delisting Offer.
- 12. DISCLOSURE REGARDING THE MINIMUM ACCEPTANCE CONDITION FOR SUCCESS OF THE OFFER

The Offer made shall be deemed to be successful if post offer, the shareholding of Promoters equals or exceeds 90% of the Equity Capital excluding the shares which are held by custodian as on the Bid Closing Date and against which GDR have been issued vortseas in accordance with Regulation 17(a) of the Delisting Regulations ("Minimum Requirement"). The GDR holders may participate in the Delisting Offer only if the GDR are converted into Equity Shares of the Company and such Equity Shares are tendered on or before the Bid Closing Date. The public shareholding (excluding shares against which GDR are outstanding) as on the Bid Closing Date shall be considered for calculation of the Minimum Requirement.

The maximum Public Shareholding (assuming conversion by all GDR holders on or before the Bid Closing Date) is 12,851,714 Equity Shares, representing 36.27% of the Equity Capital. The Public Shareholding as on December 22, 2011 is 12,711,594 Equity Shares, representing 35.87% of the Equity Capital.

- 13. DATES OF OPENING AND CLOSING OF BID PERIOD
  - The period during which the Public Shareholders may tender their Equity Shares to the Acquirer in the RBP (the "Bid Period") shall commence at 10.00 a.m. on a) January 16, 2012 (the "Bid Opening Date") and close at 3.00 p.m. on January 20, 2012 (the "Bid Closing Date").
  - b) Bid Forms received after 3.00 p.m. on the Bid Closing Date will not be considered

Member on or before 3.00 pm on the Bid Closing Date. Under no circumstances should the Bids be dispatched to KHIPL or the Company, or to the Registrar to the Offer or to the Manager to the Offer. If duly filled Bid Forms arrive before the Bidding Period opens, the Bid will still be valid. The Trading Member, however, will not submit the Bid until the commencement of the Bidding Period.

The Manager to the Offer has opened a special depository account with JM Financial Services Private Limited (the "Special Depository Account"), details of which are as follows:

Trading Member	JM Financial Services Private Limited
Special Depository Account Name	JM Financial Consultants Pvt. Ltd. – Carol
	Delisting Escrow Account
Name of the Depository Participant	JM Financial Services Private Limited
DP Identification Number	IN302927
Client Identification Number	10191666
ISIN	INE109A01014

In order for Bids to be valid, Public Shareholders, who hold Equity Shares in dematerialized form, should transfer their Equity Shares from their respective depository accounts to the Special Depository Account of the Manager to the Offer, All transfers should be in off-market mode. A photocopy of the delivery instructions or counterfoil of the delivery instructions submitted to the depository participant of the Public Shareholder's depository account and duly acknowledged by such depository participant crediting the Public Shareholder's Equity Shares to the Special Depository Account, should be attached to the Public Shareholder's Bid

- Alternatively Public Shareholders may mark a pledge for the same to the Manager to the Offer in favor of the Special Depository Account and enclose along with their bid. a photocopy of the pledge instructions to their depository participant with the due acknowledgement of such depository participant. Public shareholders who hold their Equity Shares through Central Depository
- Services (India) Limited ("CDSL") will have to execute an inter-depository deliver Depository Account of the Manager to the Offer.
- It is the responsibility of Public Shareholders to ensure that their Equity Shares are credited to the Special Depository Account/pledged in favor of the Special Depository Account on or before 3.00 pm on Bid Closing
- If the number of Equity Shares mentioned in the Bid Form is inconsistent with the number of Equity Shares deposited in the Special Depository Account, the number of Equity Shares deposited in the Special Depository Account, the number of Equity Shares tendered by the shareholder.
- k) In order for Bids to be valid, the Public Shareholders who hold Equity Shares in physical form should send their Bid Form together with the share certificate and July executed transfer deed to the Trading Member by hand delivery/Registerec Post/Speed Post/Courier so as to reach the Trading Member on or before 3.00 pr on the Bid Closing Date. The Trading Member shall immediately after entering their Bids on its system send them to the Registrar to the Offer for confirming their genuineness. The Registrar to the Offer shall deliver the certificates which are found to be genuine to the Manager to the Offer. The bids in respect of the certificates which are found to be not genuine shall be deleted from the system. The transfer deed should be in favor of "Khorakiwala Holdings and Investments Private Limited".
- The Manager to the Offer will hold in trust the Equity Shares/share certificates, Equity Shares lying in credit of the Special Depository Account and the transfer form(s) or pledged Equity Shares, until KHIPL completes its obligations under the Offer in accordance with the Delisting Regulations
- m) If any Public Shareholder fails to receive or misplaces the Offer Letter, a copy may be obtained by writing to the Registrar to the Offer at their address given at the end of this PA, clearly marking the envelope "Carol Info Services Limited – Delisting Offer". Alternatively, such Public Shareholder may obtain copies of Bid Forms from the Bid Centres mentioned above
- n) The Equity Shares to be acquired under this Offer are to be acquired free from all liens, charges and encumbrances and together with all rights attached thereto Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
- It shall be the responsibility of the Public Shareholders tendering in the Offer to obtain all requisite approvals (including corporate, statutory and regulatory approvals) prior to tendering their Equity Shares in the Offer and KHIPL shall take no responsibility for the same. The Public Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares failing which the Bid may be considered invalid and may be liable to be rejected. The Public Shareholder should attach a copy of any such approval to the Bid Form.
- In accordance with Clause 5 of Schedule II of the Delisting Regulations, Public Shareholders who have tendered their Equity Shares by submitting Bids pursuant to the terms of the PA and the Offer Letter, may withdraw or revise their Bids upwards

GDR representing 0.40% of Equity Carpital are outstanding and are held by ICICI Bank Limited as Custodian. The GDR of the Company are listed on the Luxembourg Stock Exchange

c) The shareholding pattern of the Company, as on December 22, 2011 is as under:

Particulars	No. of Shares	Shareholding (%)
Promoter and Promoter group (A)	22,584,758	63.73
Banks	5,500	0.02
Mutual funds	1,300	0.00
Insurance Companies	137,100	0.39
Foreign Institutional Investors	885	0.00
Directors	600	0.00
Bodies Corporate	4,525,929	12.77
Individuals	4,811,038	13.58
Clearing members	931,754	2.63
NRI's	2,128,491	6.01
NRN (Non-Resident Non-Repatriable)	168,497	0.48
Trust	500	0.00
Total Public Shareholding (B)	12,711,594	35.87
Shares held by custodians against		
which depository receipts have		
been issued (C)	140,120	0.40
Grand Total (A+B+C)	35,436,472	100.00

Source: Company Certificate

d) Other than the shareholding mentioned herein, neither KHIPL nor any of their respective directors hold any Equity Shares, as on the date of this Public Announcement

### 19. LIKELY POST DELISTING CAPITAL STRUCTURE

The likely post-delisting capital structure of the Company, assuming that all GDR Holders convert their GDR into Equity Shares and tender their Equity Shares and also assuming all Equity Shares outstanding with the Public Shareholders are acquired pursuant to the Delisting Offer, will be as follows:

Shareholder(s)	No. of Equity Shares	% of Equity Capital
Promoters	35,436,472	100.00
OTAL	35,436,472	100.00

### 20. STATUTORY APPROVALS

- KHIPL has applied to the Reserve Bank of India ("**RBI**") for obtaining approval for a) acquiring Equity Shares from resident and non-resident Indians, at the Exit Price, in accordance with applicable laws and regulations vide letter dated October 17, 2011. Pursuant to RBIA.P. (DIR Series) Circular No. 43 dated November 4, 2011 and as per the letter received from RBI dated November 17, 2011, subject to certain conditions, transfer of shares from non-resident to resident does not require prior approval of RBI.
- approval of RBI. To the best of KHIPL's knowledge, as of the date of this Public Announcement, there are no other statutory or regulatory approvals required to acquire the Offer Shares and implement the Delisting Offer, other than as indicated above. If any statutory or regulatory approvals become applicable, the acquisition of Offer Shares by KHIPL and the Delisting Offer will be subject to receipt of such statutory or egulatory approvals.
- It shall be the responsibility of the Public Shareholders tendering in the Delisting Offer to obtain all requisite approvals (including corporate, statutory or regulatory approvals), if any, prior to tendering the Equity Shares held by them in the Delisting Offer, and KHIPL shall take no responsibility for the same. The Public Shareholders should attach a copy of any such approval to the Bid Form, wherever applicable
- KHIPL reserves the right not to proceed with the Delisting Offer in the event the approvals indicated above are not obtained or conditions which the Acquirer considers in its sole discretion to be onerous are imposed in respect of such approvals.
- In the event that receipt of the requisite statutory and regulatory approvals are delayed, KHIPL may, with such permission as may be required, make changes to the proposed timetable or may delay the Delisting Offer and any such change shall be intimated by KHIPL by issuing an appropriate orrigendum in all the newspapers where this Public Announcement is published.

### 21. TAX DEDUCTED AT SOURCE

- General
- As per the provisions of section 195(1) of the I-T Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration payable under the Delisting Offer would be chargeable to capital agains under section 45 of the I-T Act or as business profits as the case may be, Acquirer are required to deduct taxes at source (including surcharge and education cess).

- In absence of any specific provision under the I-T Act, Acquirer will not deduct tax on the consideration payable to resident Shareholders for acquisition of Shares. However, long term gain arising on such transfer would be chargeable to tax under Section 112 of the Indian Income tax Act (herein after the Act). b)
- c) Non-resident Shareholders (including FII) are required to submit their Permanent Account Number ("PAN") for income-tax purposes. In case of Non Residents (including FII), if PAN is not submitted or is invalid or does not belong to the Shareholder, Acquirer will arrange to deduct tax at the rate of 20% (twenty percent) or at the rate in force or at the rate specified in the relevant provisions of the I-T Act, whichever is higher in accordance with provisions of Section 206AA of the Act.
- In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, it would be assumed that the Shareholder is a nond) resident Shareholder and taxes shall be deducted treating the shareholder as non - resident and at the rate as may be applicable to the relevant category to which the Shareholder belongs under the I-T Act, on the entire consideration payable to such Shareholder. Any shareholder claiming benefit under any Double Taxation Avoidance Agreement e)
- between India and any other foreign country should furnish Tax Residence Certificate' provided to him/it by the Income Tax Authority of such other foreign country of which he/it claims to be a tax resident.
- Under any circumstances, the acquirer will not accept any request from any shareholder for no deduction of tax at source or deduction of tax at lower rate on the f) basis of any self computation / computation by any tax consultant of capital gain and tax payable thereon.
- Securities transaction tax will not be applicable to the Shares accepted in delisting g)
- h) The provisions contained under clause (c) and (f) above shall apply notwithstanding anything contrary contained in other paragraphs below. Tax to be Deducted in Case of Non-resident Shareholders (other than FII)
- 2.
- While tendering Shares under the delisting offer, NRIs/OCBs/foreign shareholders shall be required to submit a certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the I-T Act along with the Bid cum Acceptance Form, indicating the amount of tax to be deducted by the Acquirer before remitting the appendencing. The Amount of the I-T Act along with the section and the section of the appendencing. The Amount of the I-T Act along the appendence in secret during the appendencing. The Amount of the I-T Act along the I the consideration. The Acquirer will arrange to deduct taxes at source in accordance with such certificate.
- In case the aforesaid certificate from the Income-tax Authorities under Section b) 195(3) or Section 197 of the I-T Act is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the relevant category to which the Shareholder belongs under the I-T Act, on the entire consideration payable to such any submitted in the state of the state Shareholder

- In case of an individual non resident shareholder, who is either a citizen of India or a person of Indian Origin, who has himself / herself acquired equity shares of the The person of main origin, with has ministen rises adjudice equilate states of the target company with convertible foreign exchange and has also held such shares for at least twelve months prior to the date on which shares, if any, are accepted under the present delisting offer, the applicable rate of tax deduction at source would be 10.30%. However, to be eligible for this lower rate of tax deduction at source the shareholder will have to furnish copy of his / her demat a/c. clearly reflecting the fact that share held in that a/c. are in repatriable mode. Further, copy of the demat a/c. should also reflect that the shares were held for more than twelve. of the demat a/c. should also reflect that the shares were held for more than twelve months prior to the date on which shares, if any, are accepted under the present delisting offer. In case of shares held in physical mode the shareholder will have to furnish certificate from his / her bank to the effect that the purchase consideration of these shares was paid out of non resident external a/c of the shareholder concerned.
- Withholding tax (TDS) implications for FII

c)

- As per provisions of section 196D(2) of the I-T Act, no deduction of tax at source a) will be made from any income by way of capital gains arising from transfer of securities referred to in section 115AD of the I-T Act to a FII as defined in section 115AD of the I-T Act.
- b) A FII should certify ("FII Certificate") the nature of its income arising from transfer of Shares in the Target Company as per the I-T Act by tick marking appropriate box in the Bid cum Acceptance Form.
- In the absence of FII Certificate to the effect that their income from transfer of Shares C) is in the nature of capital gains, the Acquirer will deduct tax at the rate applicable to the category to which such FII belongs on the entire consideration payable to such FII. Should FII submit a certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the I-T Act while tendering the Shares, indicating the amount of tax to be deducted by the Acquirer under the I-T Act, the Acquirer will deduct tax in accordance with the same. 4.
- Declaration / Certification by Non Residents
- For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Acquirer shall take actions based on the information submitted by the Non-Resident Shareholders. In case of unavailability of information with the Acquirer or any ambiguous, incomplete or conflicting information, the capital gain shall be assumed to be short-term in nature.
- The aforementioned categories of Non-Resident Shareholders should certify in the Bid cum Acceptance Form whether the equity shares are held by them on investment/ capital account or on trade account. Issue of withholding tax certificate 5.
  - The Acquirer will issue a certificate in the prescribed form to the Shareholders who

have been paid the consideration after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars. Public Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy of such advice. The tax rates and other provisions may undergo changes.

#### CERTIFICATION BY BOARD OF DIRECTORS OF THE COMPANY 22.

- The Board of Directors of the Company hereby certifies that the Company has not raised capital by issuing securities during the five years preceding the date of this PA
- all material information which is required to be disclosed under the provisions of the continuous listing requirement under the relevant Listing Agreement have been disclosed to the BSE and the NSE, as applicable.

#### 23. COMPLIANCE OFFICER

The Compliance Officer of the Company is: Ms. Amruta Avasare, Company Secretary; Phone: +91 22 2659 6222 Fax: +91 22 2659 6814 • Email: aavasare@carolinfoservices.com 24. DISCLAIMER CLAUSE OF THE BSE

It is to be distinctly understood that the permission given by BSE to use their electronic automated facilities and infrastructure for "Online reverse book building facility for automated facilities and infrastructure for "Online reverse book building facility for delisting of securities" should not in any way be deemed or construed that the compliance with various statutory and other requirements by Carol Info Services Ltd. and the Manager to the Offer etc. are cleared or approved by BSE; nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does BSE have any financial responsibility or liability nor does BSE take responsibility in any way for the financial or other soundness of the Company. Its promoter or its management." It is also to be distinctly understood that the approval given by BSE should not in any way be deemed or construed to mean that the Public Announcement has been cleared or approved by BSE, nor does BSE in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Public Announcement, nor does BSE warrant that the securities will be delisted. That every nerson who desires to avail of the exil on portunity may do so contents of the Public Announcement, nor does BSL warrant that the securities will be delisted. That every person who desires to avail of the exit opportunity may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE or against the Investor Protection Fund set up by BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such Offer and lender of securities through reverse book building process whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

### 25. GENERAL DISCLAIMER

Every person who desires to avail of the Offer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against KHIPL, the Manager to the Offer or the Company whatsoever by reason of any loss which may be Wallaget to the one of the company whatseever by reason of any loss which may be suffered by such person consequent to or in connection with such offer and tender of securities through RBP.

This PA is issued on behalf of KHIPL by the Manager to the Offer. In case the Public Shareholders have any queries concerning the non-receipt of credit or payment for Offer Shares or on delisting processes and procedure, they may address the same to the Registrar to the Offer or the Manager to the Offer.

**REGISTRAR TO THE OFFER** 

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Link Intime India Private Limited Unit: Carol Info Services Limited – Delisting Offer C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (West), Mumbai – 400078 Tel: (022) 2596 0320 Fax: (022) 2596 0329 Contact Person: Mr. Pravin Kasare Email:cisl.delisting@linkintime.co.in

MANAGER TO THE OFFER

## **JM FINANCIAL**

JM FINANCIAL CONSULTANTS PRIVATE LIMITED 141, Maker Chambers III, Nariman Point, Mumbai-400 021 Tel: +91-22-6630 3030; Fax: +91-22-2204 7185 Contact Person: Ms. Lakshmi Lakshmanan Email: lakshmi.lakshmanan@jmfinancial.in

For Khorakiwala Holdings and Investments Private Limited (On behalf of the Board) Sd/- Sd/- Sd/- Dr. Habil F Khorakiwala Dr. Murtaza Khorakiwala

Chairman Directo

Place: Mumbai, India Date: January 1, 2012

Size : 32.9 x 11