

Investor Update

Battenfeld Extrusiontechnik, Germany and American Maplan Corporation, US To Acquire 14% Equity Stake In Kabra Extrusiontechnik

April 4, 2006

Kabra Extrusiontechnik Limited, India's largest manufacturer and exporter of plastic extrusion machinery, will offer 11,16,580 equity shares on preferential basis at a price of Rs. 95 per share to the following foreign companies:

1. Battenfeld Extrusiontechnik GmbH, Germany - 9,00,000 shares
2. American Maplan Corporation, US – 2,16,580 shares

Battenfeld Extrusiontechnik GmbH, Germany, and American Maplan Corporation, US are part of SMS Plastics Technology Group - a global leader in plastic processing machinery.

The new shares will constitute 14% of enhanced equity.

Kabra Extrusiontechnik manufactures a wide range of plastic extrusion machinery for pipes, films, tapes, profiles, pelletising, etc. Since 1983, the company has technical collaboration with Battenfeld Extrusiontechnik, Germany, for a specific range of machinery.

Kabra Extrusiontechnik will now have access to technology for the entire range of plastic extrusion machinery manufactured by Battenfeld Extrusiontechnik and American Maplan Corporation. This will include some new but synergistic range of extrusion machinery, the market for which is large and growing and is being met by small domestic players as well as imports. Also, machinery for some innovative products will be introduced for the first time in India. In addition to this, Kabra Extrusiontechnik will receive complete support on manufacturing and processing technology from its international partners.

Commenting on the preferential issue, Mr. S. V. Kabra, Chairman and Managing Director of Kabra Extrusiontechnik Ltd said, "This relationship combines the strengths of an Indian leader with a global leader in plastic extrusion machinery and opens up exciting opportunities in various markets. It establishes our partner's firm and long-term commitment and involvement for India."

Mr. W. Studener, Managing Director of Battenfeld Extrusiontechnik said, "Kabra Extrusiontechnik now becomes our strategic partner. We will jointly work on growth of plastic extrusion machinery market in India. We would also like to outsource products, components and services."

About Kabra Extrusiontechnik Limited

Kabra Extrusiontechnik Limited, a part of the Kolsite Group, is India's largest manufacturer and exporter plastic extrusion machinery. It manufactures a wide range of plastic extrusion machinery for pipes, films, tapes, profiles, pelletising, etc.

The company has strong engineering and product development skills. It has state of the art manufacturing facilities at Daman spread over an area of 4 lac sq. ft. and is accredited with ISO 9001:2000 certification. It is recognised as a Star Export House by the Government of India and has won several awards. The company is listed on the Bombay and National Stock Exchanges.

Kolsite Group, formed in 1962, has introduced as many as 45 'Firsts' in plastic extrusion field. Today, Kolsite brand is synonymous with quality and reliability. Plastiblends India Ltd (website: www.plastiblendsindia.com), a group company listed on the Bombay Stock Exchange, is India's largest producer and exporter of masterbatches and compounds for the plastic industry.

About Battenfeld Extrusiontechnik, Germany and American Maplan Corporation, US

Battenfeld Extrusiontechnik, Germany and American Maplan Corporation, US are part of SMS Plastics Technology Group - a global leader in plastics processing machinery. SMS has a global market share of about 30% in pipe and profile extrusion machinery and 15% in sheet extrusion machinery. SMS GmbH (website: www.sms-group.com) is the ultimate holding company with revenue of Euro 2 Billion.

Investor Relations

Kabra Extrusiontechnik Limited is committed to create long-term sustainable shareholder value through successful implementation of its growth plans. The company's investor relations mission is to maintain an ongoing awareness of its performance among shareholders and financial community.

For additional information, please contact:

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Safe Harbor

Certain statements in this release concerning our future growth prospects are forward-looking statements which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.