PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF
CHROMATIC INDIA LIMITED (CIL)

Regd. Office: 207, Vardhaman Complex Premises Co-op Soc Ltd., L B S Marg, Vikhroli (W), Mumbai 400 083
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This Public Announcement is being issued by Fedex Securities Limited, on behalf of Cheetah Multitrade Private Limited (formerly called as Intime Multitrade Private Limited) (hereinafter referred to as "the Acquirer") pursuant to and in compliance with Regulations 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 [hereinafter referred to as "Regulations", "SEBI(SAST) Regulations"] and subsequent amendments thereto.

The Offer

a. This Offer is in compliance with Regulation 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").

b Cheetah Multitrade Private Limited, a Company incorporated under the Companies Act 1956 and having its Registered Office and principal place of business at 37/888, Adarsh Nagar, Prabhadevi, Mumbai -400 030(Tel No. (022) 3267 9688, E Mail ID: cmpl@live.in) (hereinafter referred to as "the Acquirer") is making an Open Offer to the public Shareholders (i.e. Shareholders other than the Acquirer, promoter group Shareholders of CIL and parties to the Agreement) of Chromatic India Limited ("CIL", "the Target Company") to acquire 5, 36,420 Equity Shares of Rs. 10/- each representing 20% of issued and subscribed capital of CIL. The Offer is at a price of Rs. 42/- (Rupees Forty Two only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter and at a price of Rs 12/- (Rupees Twelve Only) per Equity Share partly paid. There are 5,12,800 partly paid Shares, on which allotment money of Rs. 30/- (which includes premium of Rs. 25/-) remains unpaid.

c. The Acquirer has entered into Share Purchase Agreement ("Agreement"), on February 9, 2008 with Sri. K R Kamath, Smt. Rajashree Kamath, Sri. S K Sengupta, Smt. Leena Sengupta, Sri. A W Palekar, Smt. Anita Palekar, Lt Col. M K Sengupta (Retd.), Smt. Shyamoli Sengupta and Smt. Prajakta Vartak, promoters/promoter group Shareholders of CIL to acquire 13,36,500 Equity Shares, each fully paid up, representing 49.83% of the present subscribed capital of the Target Company, at a price of Rs. 42/- (Rupees Forty Two only) per fully paid Share for cash consideration. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI (SAST) Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws and Regulations in force.

d. The Agreement provides that (1) out of 5 existing Directors, 4 (Four) Directors on the Board of Directors of the Target Company who represent the present promoter group(the transferors) agree to continue as Directors on the Board for a minimum period of one year from the date of Share Purchase Agreement along with additional 5 (five) Directors from the Acquirer among whom one would be the Chairman of the Board. The existing Independent Director, appointed on 6.2.08 may also continue (2) Simultaneous to the execution of the Agreement the Acquirer shall appoint an Escrow Agent for the purpose of transaction contemplated (3) Simultaneous to execution of the Agreement, the sellers shall Deposit with the Escrow Agent all the share certificates with respect to the Transfer Lots which are held in physical form together and further gather proper authorization for signatories on such blank Transfer Form, wherever applicable. In respect of Transfer Lots held in dematerialized form, shall deposit with the Escrow agent, duly filled in but undated, valid delivery instructions to the Depository participant where the Transfer Shares, in the prescribed form in force as stipulated by the Depository Participant and drawn on the beneficiary Account is held by the respective sellers (4) Simultaneous to the execution of the Agreement and to the deposit of the Certificates with the duly executed blank Transfer Forms of the Transfer Lots the Acquirer shall deposit with the Escrow Agent such number of Bankers cheques of a Scheduled Commercial Bank, of the such value in the name of the Transferors (5) Within two working days of issuance of a certificate by the Merchant Banker as set out under Regulation 23(6) of SEBI Regulations, certifying the fulfillment of all obligations by the Acquirer of the SEBI Regulation, the entire shares in the Transfer Lots alongwith the duly filled in Transfer Forms thereof/Delivery instructions to the respective Depository Participants shall be sent by the Escrow Agent to the share Transfer Agent of the Target Company/respective Depository Participant for transfer of Transfer Lots in favour of the Acquirer and/or its nominees (6)The Transferors shall ensure, through their Directors on the Board of Target Company, the transfer of the entire Transfer Lots submitted to the Target Company within two working days of the receipt thereof in the names of the Acquirer and/or its nominees (7) Within two days of the issuance of certificate of completion of formalities of SEBI Guideline by the Merchant Banker, the Target Company shall inform the same in writing to all the Stock Exchange and shall also convene a meeting of the Board of Directors of the Target Company by giving 7 days advance written notice to all the Directors and the Stock Exchange, if necessary, to ensure the appointment of 5 (five) nominees of the Acquirer and file the appropriate Form No 32 with the Registrar of Companies for such appointments. The said appointments shall be done in such a manner that the requirements/provisions under the Companies Act 1956, the Memorandum and Articles of Association of the Target Company are satisfied. The existing 4(Four) Directors representing the Transferors shall continue as Independent Directors only. The Acquirer, if they so desire, upon depositing 100% of the consideration payable under Open Offer to public Shareholders in Escrow Account, shall be eligible to appoint its nominees on the Board of Directors as Additional Directors after expiry of 21 days from date of Public Announcement and reserves their right to do so without taking control of the Target Company (8) The change in Board in favor of Acquirer/Transfer of control in favor of Acquirer shall be subject to compliance with Regulation 22(7) of SEBI Regulations (9) In the same meeting of the Board of Directors the representative/ nominees of the Transferors on the Board of Directors of the Target Company shall handover the complete charge, control and management of the Target Company along with the minute book, the ledger and other account books, all the original licenses, permits, permits, permissions, all the documents under or with respect to the provision to the Companies Act, Income Tax Act, Sales Tax return, and assessment order, List of shareholders, etc. to the nominee Directors of the Acquirer. (10) Upon transfer of the Transfer Lots in the name of the Acquirer and/or its nominee by the Target Company and induction of the nominees of Acquirer on the Board of Directors of the Target Company the Escrow Agent shall handover bankers cheques lying deposited with them (11) In case of non-compliance with any of the provisions of the Takeover Regulations, the Agreement for acquisition of Shares and change in control shall not be acted upon by the Transferors or the Acquirer.

e. There are no Persons acting in Concert (PAC) with the Acquirer.

f. The consideration shall be paid in cash.

g. The Offer is not conditional on any minimum level of acceptance.

h. This is not a competitive bid.

i. The Acquirer will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement for Purchase of Shares and its related conditions.

j. In case of non-compliance with any of the provisions of the Regulations, the Agreement for Purchase through the Agreement shall not be acted upon by the sellers or the Acquirer.

k. Fedex Securities Limited, Manager to the Offer does not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

l. There is no agreement by the Acquirer with any other person/entity in connection with the offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

m. The Equity Shares of the Target Company are listed at Bombay Stock Exchange Ltd, Mumbai (BSE), and Ahmedabad Stock Exchange (ASE). The Shares are not admitted as permitted Security in any other Stock Exchange.

n. The Acquirer presently does not hold any Equity Shares in CIL.

Justification of Offer Price

a. The Acquirer has not been allotted any Equity Share of CIL by way of allotment in a Public or Rights issue or preferential allotment in the 26 weeks preceding this Public announcement. In the 26 weeks preceding this Public Announcement, the Acquirer has not acquired Equity Shares of CIL in any other manner. The Equity Shares of CIL are not infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, at BSE during the 6 months preceding the month in which this Public Announcement is made (i.e. during the months August 2007 to January 2008) as the trading volume is 2,86,910 Equity Shares constituting annualized trading volume of 21.39% of the issued and subscribed Equity Share Capital. The Equity shares of CIL are infrequently traded on ASE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations. The offer price is higher than the average of the weekly high and low of the closing prices of CIL at BSE in the preceding 26 weeks from the date of this Public Announcement and is also higher than the average of the daily high and low of the traded prices during the 2 weeks preceding this Public Announcement at BSE. The offer price is also equal to the price being paid by the Acquirer for the Shares under the Share Purchase Agreement. In respect of ASE, where the Equity Shares of CIL are infrequently traded, the Offer price has been determined considering Book Value, EPS, Return on Net worth etc. In respect of partly paid Equity Shares, the Offer Price has been determined by reducing the unpaid amount of Rs. 30/- (which includes premium of Rs. 25/-) from the Offer Price. The Acquirer has waived interest as the Target Company has waived interest if the unpaid amount is paid on or before 31st March 2008.

b. The offer price has been determined taking into account the parameters as set out under Regulations 20(4) of the Regulations with respect to BSE and Reg. 20(5) with respect to ASE. In the opinion of the Acquirer and Manager to the Offer, the Offer price of Rs. 42/- per fully paid Equity Share and Rs.12/- per partly paid Equity Share is justified.

c. There is no non-compete agreement for payment to any person.

d. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.

e. In the event of any further acquisition of Equity Shares by the Acquirer upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, the Acquirer shall not be acquiring any Equity Shares of CIL during the period of 7 working days, prior to the date of closure of the Offer.

Information about the Acquirer

a. Cheetah Multitrade Private Ltd. (CMPL) is a private limited Company incorporated on 29-10-2007 in the name and style "Intime Multitrade Private Ltd.", in the State of Maharashtra under the Companies Act 1956. The name of the company was changed to "Cheetah Multitrade Private Ltd" vide Special Resolution adopted by members in their Extraordinary General Meeting held on 18-12-2007 and the Company obtained fresh Certificate consequent to change of name, on 02-01-2008, from the Registrar of Companies, Maharashtra, Mumbai.

b. The Registered Office of the Company is situated at 37/888, Adarsh Nagar, Prabhadevi, Mumbai -400 030 (Tel No. (022) 3267 9688,E Mail ID: cmpl@live.in)

c. CMPL has, as its main objects, "to carry on the business in India and abroad, as Traders, Distributors, Dealers, Exporter, Importer, Brokers, Stockiest, Commission Agents, Agency business, Selling and Marketing business of agricultural, Commercial, Industrial products, Household, Domestic, Farm and Forest Products, Food products, Leather & Leather Products, Rubber and Rubber products, Petroleum and Petroleum products, Engineering products, Goods, plant and machinery, Equipments, Apparatus and other Gadgets, Appliances, Spare Parts, Computer hardware, Software, all types of Dyes and Chemicals, Minerals, pharmaceutical products, etc and any other merchandize and commodity. No money circulating business will be carried out by the Company"

d. CMPL is promoted by Shri Vipin Sharma, Shri. Manish Sharma, Shri. Pradip Doshi and Shri. Abu Sufiyan Shamsul Haq Behlim

e. CMPL does not belong to any Group.

f. CMPL is a closely held Company, i.e. the Equity Shares are not listed in any Stock Exchanges

g. The Directors of CMPL are Shri Vipin Sharma, Shri. Manish Sharma, Shri. Pradip Doshi and Shri. Abu Sufiyan Shamsul Haq Behlim

h. Shri. Manish Sharma, aged 28 years, holds Bachelor's Degree in Commerce. He also holds Diploma in Web Designing and Multimedia from ZAP Infotech Ltd, is a Certified Internal Quality Auditor , certificate issued by Asian Institute of Quality Management , holds Diploma in Construction safety from Future Trends EHS Services Company , Diploma in Airline Reservation and Ticketing from IITC, Bandra and Diploma in Monitoring & Measuring Customer Satisfaction as per ISO 9001:2000 QMS requirements from Asian Institute of Quality Management. He also holds Diploma in Electronic data Processing and Computer Management. He has held several positions in various Companies and was last employed in Tecnimont ICB Pvt. Ltd (E&I Construction Division) as Officer- Project Co-coordinator. He is residing at C-1/13, Textile Society, Bombay Dyeing Compound, Prabhadevi, Mumbai 400 025 (Tel No. (022) 2422 3765, E Mail ID sharmamanish_in@rediffmail.com). Shri. Abu Sufiyan Shamsul Haq Behlim, aged 44 years, is a Non Resident Indian residing at P.O. Box No.5278, Sharjah, U.A.E. He has done his civil engineering in 1985 and after completion of the same he has joined Bin Ahmad Contractor LLC as a civil engineer from 1985 to 1993 and from 1993 he is General Manager in Bin Ahmad Gypsum & Décor Services LLC. U.A.E. Shri. Pradip Doshi, aged 54 years, residing at 210/501, New Satyam Shivam Sundaram Society, R N Natkar Road, Opp. Odian Swimming Pool, Ghatkopar (East), Mumbai 400 077 (Tel No. 3292 7168 E Mail Id: pradeep_doshi@yahoo.com), is an undergraduate. He was a partner in Minaxi Import and Export Co, a partnership concern from 1978 to 1985. Now he is engaged in consulting to various parties for trading of Textile Dyes. Shri. Vipin Sharma, 47 yrs, is residing at 101 Darya Mahal 'A', 80, Nepean Sea Road, Mumbai - 400 006 (Tel No. 24101502) . He is a science graduate from the Bombay University. Shri. Vipin Sharma is a partner in Oceanic Imports and Exports Corporation as well as a director in Oceanic Spirit Pvt. Ltd. (Formerly known as Oceanic Farms (Exports) Pvt. Ltd.) Oceanic Imports & Exports Corporation is importing oak barrels and casks from America as far back as 1980. Oceanic Spirit Pvt. Ltd. is in trading of IMFL.

i. CMPL is yet to commence any activity.

j. CMPL does not have any Subsidiary.

k. CMPL has no overdue liabilities to Banks/FIs /Deposit holders. There was no default in the past.

l. There are no pending litigations against the Acquirer/its promoters/Directors.

m. None of the promoters/Directors of CMPL are on the Board of Directors of any listed Company.

n. As on January 31, 2008, the date when accounts were last audited, CMPL had a paid up Equity Share Capital of Rs. 101.00 Lacs, divided into 10,10,000 equity shares of Rs 10 each., out of which the promoters hold 9,20,000 Equity Shares constituting 91.09% of the paid up capital. The share premium received for the shares that have been allotted is Rs.737.17 Lacs and share application money pending allotment is Rs. 4.42 Lacs. As on January 31, 2008, the company has invested Rs.610.00 Lacs in Reliance Liquid Fund and funds to the tune of Rs. 230.44 Lacs is held in the form of Inter Corporate Deposits and Cash/ Bank balances. The Company is yet to commence commercial operations and hence no profit and loss account is drawn. The Net Worth (Net of Misc. Expenses not written off) as on 31.01.2008 is Rs. 835.92 Lacs, giving the Equity Shares a Book Value of Rs. 82.76.

o. There are no persons on the Board of the Target Company, representing the Acquirer.

Information about the Target Company

a. CIL was incorporated on 21.08.1987 as a private limited Company in the State of Maharashtra under the Companies Act, 1956. The Company was converted to Public limited Company on 31.08.1994 under the name and style of Chromatic Dyestuff Limited. The name of the company was changed into Chromatic India Limited on March 13, 2000. CIL made its initial public offer of Equity Shares on 28th February 1995 and listed the same on Bombay (BSE) and Ahmedabad Stock Exchanges (ASE) .

b. The Registered Office of CIL is at 207, Vardhaman Complex Premises Co-op Society Limited, L B S Marg, Vikhroli (West), Mumbai – 400 083. (Tel. No. (022) 25793345, 25793367 Fax No. (022) 25793973, E-mail ID: dyestuff@bom3.vsnl.net.in

c. CIL has two factories and both the factories are in the manufacture of AZO dyes, mainly reactive dyes. The total capacity of the plant is 1200 tonnes/year and CIL mainly caters to the European Markets at present. CIL currently manufactures complete range of dyes including the very recently introduced colours in the world markets. The factories are located at Khed Taluka, Ratnagiri District of Maharashtra and at MIDC, Dombivli, Thane District of Maharashtra.

d. The Authorized Capital of CIL is Rs. 500 Lacs, divided into 50,00,000 Equity Shares of Rs 10/- each. The issued and subscribed capital as on date is 26,82,100 Shares of Rs. 10/- each aggregating Rs. 268.21 Lacs, of which allotment and call money of Rs.25.70 Lacs on 5,12,800 shares is still in arrears and the paid up capital of CIL as on date is Rs. 242.51 Lacs. All the outstanding Equity Shares except 5, 12,800 Equity Shares are fully paid up. All the Equity Shares are listed and admitted for trading. Post Public Issue, CIL had 30,03,300 Equity Shares. As per the Order of the Hon'ble High Court of Bombay, dated August 22, 2006, approving a scheme of Amalgamation of Blue Rock Dyes and Chemicals Ltd., a wholly owned subsidiary of Chromatic India Ltd., with CIL, investments of Blue Rock in CIL amounting to Rs 32.17 Lacs held in the form of equity shares of CIL was reduced from the face value of the share capital and the share premium paid from the share premium reserves of CIL. The same was given effect to and consequently the issued capital has reduced to the present level of 26,82,100 shares of Rs.10/- each aggregating Rs.268.21 Lacs.

e. The Fixed Assets held by CIL are Land on Lease Hold basis, Factory Building and Residential Flat, Office and other Equipments, Plant and Machinery, Furniture and Fixtures and Vehicles.

f. As on date of this Public Announcement, the promoter group/persons in control, hold 14,87,735 Equity Shares, each fully paid up, representing 55.47% of the listed Capital.

g. CIL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form. The ISIN Number is INE 662C01015. The Marketable lot for the Shares of CIL for the purpose of this Offer shall be 1 (one only).

h. The Directors of CIL are Shri Amol Wasudeo Palekar (Executive Director) Shri Krishnadas Kamath (Executive Director) Shri. Saibal Kumar Sengupta (Executive Director) and Lt Col M K Sengupta (Retd.,)(Executive Director), all representing the promoter group and Shri. Nitin Sethi (Independent Director).

i. CIL has, as its main objects, "to manufacture, prepare, refine, manipulate, import, export, buy, sell, resell, supply, distribute, maintain and otherwise handle, deal in and carry on business in synthetic glue, dyes and dyestuffs and acids, dyes intermediates, basis and heavy organic and inorganic chemicals, compounds, mixtures and auxiliaries which are required for textiles, leather and other industries."

j. CIL has a wholly owned Subsidiary "Arcoiris SA". Arcoiris is located at Lugano, Switzerland. Arcoiris is engaged in the business of trading in dyestuff, mostly manufactured by CIL. On a standalone basis, Arcoiris had a total revenue of (-) 344,317.77 CHF and an operating deficit of (-) 4,368.20 CHF for the year ended December 31, 2006. Arcoiris SA has a total paid up capital of (-)100,000 CHF.

k. The Equity Shares of CIL are listed at BSE and ASE. The Shares are not admitted as a permitted security at any other Stock Exchange. All the outstanding issued Equity Shares of ASL are listed and admitted for trading. There are 5,12,800 partly paid Equity Shares, on which allotment money of Rs. 30/- per Equity Share is still payable. There are no outstanding warrants or options or similar instruments, convertible into Equity Shares at a later stage. No Shares are subject to lock in.

l. CIL has no arrears of listing fee to BSE and ASE. CIL has been complying with the listing requirements of the Stock Exchanges. No action has so far been taken by the Stock Exchanges or SEBI against CIL, its Directors or promoters.

m. The provisions of Clause 49 of the Listing Agreement are not applicable to CIL.

n. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made by CIL from 1997 to 2002. The filings under Reg. 6(2) & 6(4) for 1997 and 8(3) from 1998 to 2002 were made late. The reports for the years 2003, 2004, 2005 and 2006 under Reg. 8(3) has been filed but beyond the due date. The report under Regulation 8(3) for the year 2007 has been filed on time. For non compliance with the provisions of Chapter II of SEBI (SAST) Regulations, for the years 2003 to 2006, SEBI may initiate suitable action against CIL at a later stage.

o. As per the Audited results of CIL as on 31.03.2007, CIL had a Gross Income of Rs. 1769.60 Lacs, comprising of Sales of Rs.1556.10 Lacs, other income of 230.33 Lacs and decrease in stock of Rs. (-)16.83 Lacs. The total expenditure was Rs1652.31 Lacs, comprising raw materials consumed of Rs.1250.72 Lacs, Employee Remuneration and Benefit of Rs.148.42 Lacs, Other expenses of Rs.212.63 Lacs, Interest and bank Charges of Rs13.95 Lacs and Depreciation of Rs.26.58 Lacs. The Profit for the year was Rs. 117.29 Lacs After making deductions for deferred Tax Adjustments, Income Tax and Fringe Benefit Tax, the Net Profit after Tax was Rs.62.05 Lacs giving an EPS of Rs.2.31. The Reserves and surplus as on 31.3.2007 was Rs. Rs.731.90 Lacs and the Net Worth of the company was Rs.974.40 Lacs, giving the Shares, a Book Value of Rs 36.33. The return on Net Worth for the year ended 31.03.2007 was 6.37%. As per unaudited (subjected to limited review by Auditors) results for the 6 months ended 30.09.2007, the Net Sales of the company was Rs.710.58 Lacs and the Net Profit of the company was Rs. 24.77 Lacs. The EPS (annualized) based on 6 months results as on 30.09.2007 is Rs.0.92 and Return on Net Worth (annualized) 5.08.%.

p. There are no major audit qualifications.

q. There has been a scheme of amalgamation in which Blue Rock Dyes and Chemicals Ltd., a wholly owned subsidiary of CIL was amalgamated with CIL. This Scheme of Amalgamation has been approved by the Hon'ble High Court, Bombay on August 11, 2006, and the subsidiary was amalgamated with CIL with effect from April 01, 2006.

r. CIL has no overdue liabilities to Banks/FIs. There are no pending litigations against CIL.

s. The Compliance Officer of CIL is Shri. K R Kamath, Executive Director, residing at F-161, Mulund Darshan, Jayashastri Nagar, Mulund (W), Mumbai – 400 082 who will be available at the registered office address of CIL and shall attend to all investor grievances.

Reasons for the Acquisition and Offer and future plans of the Target Company

a. The objects of the acquisition are substantial acquisition of Shares of CIL followed by change in control. The Acquirer proposes to take control of CIL.

b. Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. CIL is presently engaged in the manufacture of Reactive Dyes, with the company being in the manufacture of complete range of dyes, including the recently introduced Colours in the world markets. The Acquirer proposes to continue with the existing activities. One of the promoters of CMPL, Shri. Pradip Doshi is experienced in the Dyestuff Industry/Trading in Dyestuff and Chemicals required by the Textile Industry. The Acquirer proposes to induct experienced professionals in the field of manufacturing as well as marketing of Dyes and Dye Intermediates to ensure managing the manufacturing and marketing functions of the Target Company in a smooth manner resulting in better value addition to the general investors. The Acquirer is confident of utilizing their own experience in various fields to further the prospects of CIL and ensure steady business and growth. As per the terms of the Agreement, the existing Directors of CIL will continue for a period of one year which will ensure continued service of the experienced management, allow the new promoters time to understand the Industry and business and ensure smooth transition.

c. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or any other Regulation(s), the Acquirer intend to make changes in the management of CIL. It is proposed to induct new Directors on the Board of CIL by the Acquirer. The likely changes in the management /taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

d. The Acquirer does not have any plans to dispose off or otherwise encumber any assets of CIL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the target company except with the prior approval of the shareholders.

Statutory Approvals / other approvals required for the Offer

a. As on the date of this Public Announcement, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

b. Barring unforeseen circumstances, the Acquirer would endeavor to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirer fails to obtain requisite statutory approvals in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

c. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

Option to the Acquirer in terms of Regulation 21(2) / compliance with Clause 40A of the Listing Agreement

a. The acquisition of 20% of the issued and subscribed capital of CIL under this offer together with the Shares being acquired through the Share Purchase Agreement will not result in public shareholding falling below the level required for continued listing. Assuming full acceptance under this Offer, the post offer holding of the Public shall be 30.17% of the subscribed and listed Capital. If consequent to the shares proposed to be acquired under the Share Purchase Agreement, any further acquisition by the Acquirer and this Offer, the public shareholding falls below the level stipulated for continued listing, then the Acquirer will comply with the relevant provisions of Clause 40A of the listing agreement in this regard, within the time limits stipulated therein. The Acquirer undertake and declare that they do not have any intention to delist the Equity Shares of Target Company after this Open Offer. They also undertake that they will comply with the provisions of Clause 40A of the listing agreement, in this regard, within the time limits stipulated therein.

Financial Arrangements

a. The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks/FIs or Foreign sources such as NRIs is envisaged.

b. Assuming full acceptance, the total funds requirements to meet this Offer is Rs. 2,25,29,640 (Rupees Two Crores twenty five Lacs twenty nine thousand six hundred and forty only). In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer have created Escrow Account in the form of Fixed Deposit with The Federal Bank Ltd, Manickpur, Vasai (West), 401 202 for Rs. 2,25,30,000/- (Rupees Two Crores Twenty Five Lacs Thirty Thousand only), on 13.02.2008 which is more than 100% of the total consideration payable under the Offer, and lien has been marked on the said account in favour of Fedex Securities Ltd., Manager to the Offer .

c. The Acquirer has authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

d. As per Certificate dated February 4, 2008, from Shri. O.S. Agrawal, (Membership No. 13716), O S Agrawal & Associates, Chartered Accountants, Sailor Building, 3rd Floor, 373, Dr. D N Road, Mumbai 400 001, Auditors of CMPL, the Net worth of CMPL as on 31.01.2008 is Rs. 835.92 Lacs.

e. Shri. O.S. Agrawal, (Membership No. 13716), O S Agrawal & Associates, Chartered Accountants, Sailor Building, 3rd Floor, 373, Dr. D N Road, Mumbai 400 001, Auditors of CMPL has, vide certificate dated 4th February 2008, certified that the Acquirer have adequate liquid resources to the tune of Rs. 840.44 Lacs, to meet the funds requirements of the Offer. The liquid resources available with the Acquirer as per the certificate are Investment in Reliance Liquid Fund (Mutual Fund) Rs. 610 Lacs, Inter Corporate Deposit Rs. 200.00 Lacs and Cash and Bank balances Rs. 30.44 Lacs

f. Fedex Securities Limited, Manager to the Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

Other terms of the Offer

a. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

b. The Letter of Offer shall be mailed to all shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of CIL, parties to the Agreement & the Acquirer) whose name appear in the register of Target Company as on Friday, March 7, 2008, the Specified Date.

c. All shareholders/ beneficial owners holding Shares in dematerialized form (except the promoter group Shareholders of CIL, parties to the Agreement & the Acquirer) who own Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

d. Shareholders holding Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Bigshare Services Pvt. Ltd., E 2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 (Telephone Nos. (022) 2847 3747/34740652, Fax No. (022) 2847 5207 (Contact Person: Shri. Ashok Shetty) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Wednesday, April 23, 2008 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with CIL /its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by CIL /its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent.

e. Beneficial owners (holders of shares in Dematerialized Form) who wish to tender their shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in "Off –market" mode or counterfoil of the delivery instruction in "Off –market" mode, duly acknowledged by the Depository Participant (DP) in favor of a Special Depository account to be opened by the Registrar to the Offer, in accordance with instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-acknowledgement.
Shareholders having their beneficiary account in Central Depository Service (India) Limited (CDSL) must use the inter depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Account with NSDL.

f. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of CIL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

g. In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications in writing to The Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in Off-market" mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer.

h. Persons who hold Equity Shares of CIL on the Specified Date but who are not registered as Shareholders/beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (f) or (g) above. All eligible Shareholders, including unregistered Shareholders have the option of applying in plain paper and they shall furnish the details listed above.

i. The Form of acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer, M/s. Bigshare Services Pvt. Ltd., E 2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 (Telephone Nos. (022) 2847 3747/34740652, Fax No. (022) 2847 5207 (Contact Person: Shri. Ashok Shetty) between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

j. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

k. Unregistered Shareholders, those who hold in street name and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered Shareholders.

l. The Shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.

m. The acceptance of this Offer by the Shareholders of CIL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

n. The Acquirer shall accept all valid Shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the number of Equity Shares Offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.

o. In case of acceptance on proportionate basis, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder's/unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

p. Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/Under Certificate of Posting.

q. The Equity Shares Certificate(s) and the transfer form(s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pay the Offer Price.

r. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Friday, April 18, 2008.

s. The Withdrawal option can be exercised by making an application on plain paper along with the following details:
   a. Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form
   b. Name, Address, DP Name, DP ID, Client ID No. of the Account from where Shares were tendered and number of Shares tendered/withdrawn, if held in electronic form (dematerialized form)

t. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

u. The schedule of the activities pertaining to the Offer are given below: -

Activity	Date
Public Announcement (PA)	Thursday, February 14, 2008
Specified date	Friday, March 07, 2008
Last date for a competitive bid	Thursday, March 06, 2008
Letter of Offer to be posted to shareholders	Friday, March 28, 2008
Date of opening of the Offer	Friday, April 04, 2008
Last date for withdrawing acceptance from the Offer	Friday, April 18, 2008
Date of closing of the Offer	Wednesday, April 23, 2008
Last date for revising the Offer price/ number of shares.	Friday, April 11, 2008
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Thursday, May 08, 2008

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 owners (registered or unregistered) of Shares of Chromatic India Limited anytime before the closure of the Offer, are eligible to participate in the Offer

General

a. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public announcement / Letter of Offer, can withdraw the same, upto 3 working days prior to the date of closure of the Offer i.e. on or before Friday, April 18, 2008

b. The Acquirer can revise the number of Shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of Shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. **The last date for such revision is Friday, April 11, 2008**

c. If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.

d. 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.

e. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirer have appointed Fedex Securities Ltd., 3rd Floor, Jay Chambers, Service Road, Adj. Western Express Highway, Vile Parle (East), Mumbai 400 057 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Shri. R. Ramakrishnan. (Telephone Nos. (022) 26136460/61, Fax No. (022) 2618 6966, E mail Id : fedex@vsnl.com)

f. The Acquirer has appointed M/s. Bigshare Services Pvt. Ltd., E 2/3, Ansa Industrial Estate, Sakivihar Road, Saki Naka, Andheri (East), Mumbai 400 072 (Telephone Nos. (022) 2847 3747/34740652, Fax No. (022) 2847 5207 (Contact Person: Shri. Ashok Shetty) as Registrar to the Offer.

g. The Acquirer, its promoters/Directors, the Target Company, its promoters and/or Directors have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

h. **Cheetah Multitrade Private Ltd,** the Acquirer, and each of its Directors, jointly and severally accepts full responsibility for the information contained in this Public Announcement and also for the obligations of the Acquirer, laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY MANAGER TO THE OFFER

FEDEX SECURITIES LIMITED

FEDEX SECURITIES LIMITED
SEBI Regn. No. INM 000010163
3rd Floor, Jay Chambers, Service Road,
Adj. Western Express Highway,
Vile Parle (East), Mumbai 400 057
Tel. Nos. (022) 26136460 /61,
Fax No. (022) 2618 6966,
E-Mail ID: fedex@vsnl.com
Contact Person: Shri. R. Ramakrishnan

On behalf of the Acquirer
Cheetah Multitrade Private Ltd
Registered Office: 37/888, Adarsh Nagar, Prabhadevi, Mumbai 400 030
Tel No. (022) 3267 9688, E Mail ID: cmpl@live.in

Place: Mumbai
Date: February 14, 2008