THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

- Please submit this Form with enclosures to the Registrars to the Offer at their address given overleaf.
- Please read the enclosed Letter of Offer dated May 29, 2006 carefully before filling this Acceptance Form.
- All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer.
- Each shareholder of Sanghi Industries Limited to whom this Offer is being made, is free to offer his equity shares in whole or in part while accepting the Offer.

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
SANGHI INDUSTRIES LIMITED Open Offer

From
Folio No./DP ID No./Client ID No.:

OFFER OPENS ON	**: Tuesday - June 6, 2006**
OFFER CLOSES ON	**: Monday - June 26, 2006**

To

The Acquirers – Sanghi Industries Limited Open Offer
CIL Securities Limited
[Unit: Sanghi Industries Ltd]
214, Raghava Ratna Towers, Chirag Ali Lane, Abids,
Hyderabad 500 001.

Dear Sir,

Sub: Open Offer for purchase of up to 4,35,95,800 Equity Shares of Sanghi Industries Ltd ["SIL"] representing 20.00% of the post preferential paid up equity share capital as at the expiration of 15 days after the closure of the open offer at an offer price of Rs.18.50 per fully paid-up equity share by Spinnaker Global Opportunity Fund Ltd., Spinnaker Global Emerging Markets Fund Ltd. and Spinnaker Global Strategic Fund Ltd.

I/We refer to the Letter of Offer dated May 29, 2006 for acquiring the equity shares held by me/us in Sanghi Industries Limited.

I/We, the undersigned, have read the Letter of Offer and understood the contents including the terms and conditions mentioned therein.

☐ **SHARES IN PHYSICAL FORM**

I/We accept the Offer and enclose the original equity share certificate (s) and duly signed transfer deed(s) in respect of my/ our equity shares as detailed below.

S. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No of fully paid-up equity shares
			From	To	
1					
2					
3					
4					
5					
				Total No. of Equity Shares	

Note: Please attach an additional sheet of paper if the above space is insufficient and authenticate the same.

I/ We note and understand that the original equity share certificate (s) and valid share transfer deed(s) will be held in trust for me/ us by Registrar to the Offer until the time the Acquirers pay the purchase consideration as mentioned in the Letter of Offer. I/ We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

TEAR ALONG THIS LINE

ACKNOWLEDGEMENT SLIP
SANGHI INDUSTRIES LIMITED Open Offer

Received from Mr./Ms. ______________________ residing at ______________________

____

a Form of Acceptance cum Acknowledgement for ______________ shares along with:

☐ copy of delivery instruction slip from DP ID ______________ Client ID ______________

☐ __________ Share Certificate(s) __________ transfer deed(s) under folio number(s) ______________for accepting the Offer made by the Acquirer.

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

☐ **SHARES IN DEMATERIALIZED FORM**

I/We, holding equity shares in the dematerialized form, accept the Offer and enclose the photocopy of the Delivery Instruction in “Off-market” mode, duly acknowledged by the Depository Participant (“DP”) in respect of my/our equity shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No of fully paid-up equity shares

I/ We have executed an off-market transaction for crediting the equity shares to the special depository account as per the details below:

☐ via a delivery instruction from my account with CDSL; ☐ via an inter-depository delivery instruction from my account with NSDL

DP Name	CIL Securities Limited
DP ID	13500
Client ID	1201350000042253
ISIN	INE999B01013
Market	Off-Market Mode
Date of Credit	On or before June 26, 2006

I/We note and understand that the equity shares would lie in the special depository account until the time the acquirers dispatch the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the acquirers will pay the purchase consideration only after verification of the documents and signatures.

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

I/We have enclosed the following documents: ☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities; ☐ RBI approvals for acquiring equity shares of Sanghi Industries Limited hereby tendered in the Offer.

I/We confirm that the equity shares of Sanghi Industries Limited, which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers to accept the equity shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, equity share certificate(s)/equity shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirers and the Registrar to the Offer and the Managers to the Offer to send by Registered Post/UPC as may be applicable at my/our risk, the draft/cheque/warrant, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below. In case I have tendered my equity shares in dematerialized form, I authorize acquirers and the Registrar to the Offer and the Managers to the Offer to use my details regarding my address and bank account details as obtained from my depository participant for the purpose of mailing the aforementioned instruments.

I/We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that they may decide to accept in terms of the Letter of Offer and I/We authorize the Acquirers to split / consolidate the equity share certificates comprising the equity shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirers are hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE SHAREHOLDERS	SIGNATURE(S)
1st / Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. A corporation must affix its rubber stamp.

Address of First/Sole Shareholder____

Place :

Date :

Bank Details

So as to avoid fraudulent encashment in transit, the Shareholder(s) holding equity shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For equity shares that are tendered in electronic form, the Bank account details as obtained from the beneficiary position download to be provided by the depositories will be considered and the warrants will be issued with the said Bank particulars.

Name of the Bank		Branch	
Account No.		Current/Savings/(others : please specify)	

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All future correspondence, if any, should be addressed to the Registrar to the Offer at :

CIL Securities Ltd.,
[Unit: Sanghi Industries Limited]
214, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad 500001.
Tel. No.: 91 40 2320 2465 / 3155
Fax No.: 91 40 2320 3028
E-mail: advisors@cilsecurities.com
SEBI Registration No.: INR000002276
Contact Person: Mr. B M Maheshwari

	Collection Centres	Addresses	Contact Person	Mode of delivery	Phone / Fax / Email
	Hyderabad	215, Raghava Ratna Towers, Chirag Ali Lane, Abids Hyderabad – 500 001	Mr. D Chandra Shekar	Hand Delivery/ Reg. Post/ Courier	Phone: 040 2320 3155 /5566 1277 Fax: 040 5566 1267 Mob: 98855 24718 Email: cilsec@rediffmail.com
(2)	Mumbai	20, Great Western Building, 130/132, II Floor, Shahid Bhagat Singh Marg, Opp: Lions Gate, Mumbai - 400 023.	Mr. Gulab Maheshwari	Hand Delivery/ Reg. Post/ Courier	Phone: 022 2288 5177 /2288 5178 Fax: 022 2288 5178 Mob: 93225 98681 Email : gulab_maheshwari@yahoo.com
(3)	Jaipur	P-14, Sahadev Marg 'C' Scheme Jaipur - 302 006	Mr. Mohit Sumani	Hand Delivery/ Reg. Post/ Courier	Phone: 0141 5112495 /5112497 Fax: 0141 2382801/ 3960806 Email: vfinsec@yahoo.com
(4)	Vijayawada	Lakhotia Complex, D.No.39-17-4, Sivanandam Street, Opp.Kalanjali, M.G.Road, Labbipet, Vijayawada – 520 010	Mr. Giri	Hand Delivery/ Reg. Post/ Courier	Phone: 0866 5516042/ 5516043 Mob: 9849592557

Working hours: Monday to Friday - 10 am to 1pm and 2pm to 4 pm. Saturdays – 10 am to 1 pm

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS OR TO THE MANAGERS TO THE OFFER

(1) **All queries** pertaining to this Offer may be directed to the Registrars to the Offer.

(2) **Shareholders holding registered equity shares** should submit the Form duly completed and signed by the holders of the equity shares, along with the original equity share certificate(s) and valid equity share transfer form(s) duly signed as per the specimen signatures lodged with Sanghi Industries Limited and duly witnessed at the appropriate place. Please do not fill in any other details in the transfer deed.

(3) **Shareholders holding equity shares in dematerialized form** should submit the Form duly completed and signed, in accordance with the instructions contained therein, by all the beneficial holders of the Shares, as per the records of the Depository Participant ("DP").

(4) **In case of equity shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold equity shares in Sanghi Industries Limited, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(5) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(6) **Persons who own equity shares (as on the Specified Date or otherwise) but are not the registered holders** and who desire to accept the Offer, will have to communicate their acceptance in writing to the Registrars to the Offer together with the original contract note issued by the broker, the equity share certificate(s), the transfer deed(s) with the buyers details not filled in and other relevant documents. In case the equity share certificate(s) and transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the Form shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/its transfer agents, of the equity share certificate(s) and transfer deed(s). Persons under this clause should submit their acceptance and necessary documents by registered post or courier or in person to the Registrar at their offices as mentioned above.

The sole/first holder may also mention particulars relating to savings/current account number and the name of the bank and branch with whom such account is held in the respective spaces allotted in the Form, to enable the Registrars to print the said details in the cheques/ payment instruments after the name of the payee.

(7) **Non-resident Shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire Shares held by them in Sanghi Industries Limited.

(8) **Non-resident Shareholders** are advised to refer to clause 8.24 of the Letter of Offer regarding important disclosures regarding the taxation of the consideration to be received by them.

(9) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of equity shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(10) All the Shareholders should provide all relevant documents which are necessary to ensure transferability of the equity shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate, No Objection Certificates / letters from legal heirs (in case of single shareholder) in case the original shareholder has expired.

(b) Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).

(c) No objection certificate from any lender, if the equity shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

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FORM OF WITHDRAWAL

SANGHI INDUSTRIES LIMITED Open Offer

From
Folio No./DP ID No./Client ID No.:

OFFER OPENS ON	Tuesday, June 6,, 2006
LAST DATE OF WITHDRAWAL	Wednesday, June 21, 2006
OFFER CLOSES ON	Monday, June 26, 2006

To

The Acquirers – Sanghi Industries Limited Open Offer
CIL Securities Limited
[Unit: Sanghi Industries Ltd]
214, Raghava Ratna Towers, Chirag Ali Lane, Abids,
Hyderabad 500 001.

Dear Sir,

Sub: Open Offer for purchase of up to 4,35,95,800 Equity Shares of Sanghi Industries Ltd ["SIL"] representing 20.00% of the post preferential paid up equity share capital as at the expiration of 15 days after the closure of the open offer at an offer price of Rs.18.50 per fully paid-up equity share by Spinnaker Global Opportunity Fund Ltd., Spinnaker Global Emerging Markets Fund Ltd. and Spinnaker Global Strategic Fund Ltd.

I/We refer to the public announcement dated January 13, 2006 and the Letter of Offer dated May 29, 2006 for acquiring the equity shares held by me/us in Sanghi Industries Limited. I/We, the undersigned have read the aforementioned public announcement(s) and Letter of Offer and understood their contents including the terms and conditions as mentioned therein.

I / We hereby consent unconditionally and irrevocably to withdraw my / our equity shares from the Offer and I / we further authorize the Acquirers to return to me / us, the tendered equity share certificate(s) / equity share(s) at my / our sole risk.

I / We note that upon withdrawal of my / our equity shares from the Offer, no claim or liability shall lie against the Acquirers / Managers to the Offer / Registrars to the Offer.

I / We note that this Form of Withdrawal should reach the Registrars to the Offer on or before the last date of withdrawal i.e. Wednesday- June 21, 2006.

I / We note the Acquirers / Managers to the Offer / Registrars to the Offer shall not be liable for any postal delay / loss in transit of the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialized form in the DP account due to inaccurate / incomplete particulars/ instructions.

I / We also note and understand that the Acquirers will return the original equity share certificate(s), share transfer deed(s) / equity shares in dematerialized form only on completion of verification of the documents, signatures and beneficiary position as available with the depositories from time to time.

The particulars of tendered original equity share certificate(s) and duly signed transfer deed(s) are detailed below:

Sr.No.	Ledger Folio No (s)	Certificate No (s)	Distinctive Nos.		No of fully paid-up equity shares
			From	To	
1					
2					
3					
Total number of Equity Shares					

Note: Please attach an additional sheet of paper if the above space is insufficient and authenticate the same.

TEAR HERE

ACKNOWLEDGEMENT SLIP

SANGHI INDUSTRIES LIMITED Open Offer

Received from Mr./Ms. ______________ residing at ______________

____

a Form of Acceptance cum Acknowledgement for ______________ shares along with:

☐ copy of depository instruction slip from DP ID ______________ Client ID ______________

☐ ______________ Share Certificate(s) ______________ transfer deed(s) under folio number(s) ______________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre:		Signature of Official:		Date of Receipt:	

☐ **SHARES IN DEMATERIALIZED FORM**

I / We hold the following equity shares in dematerialized form and had executed an off-market transaction for crediting the equity shares to the "Sanghi Industries Limited– Spinnaker– Open Offer – Escrow Demat Account". Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our equity shares have been tendered are as follows:

DP Name	DP ID	Client ID	Beneficiary Name	No. of fully paid-up equity shares

I / We note that the equity shares will be credited back only to that depository account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

I / We confirm that the particulars given above are true and correct.

In case of dematerialized equity shares, I/ we confirm that the signatures have been verified by the DP as per their records and the same have been duly attested.

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE SHAREHOLDERS	SIGNATURE(S)
1st / Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Note: In case of joint holdings, all holders must sign. A corporation must affix its rubber stamp.

Address of First/Sole Shareholder____

____

Place:

Date:

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All future correspondence, if any, should be addressed to the Registrar to the Offer at :

CIL Securities Ltd.,
[Unit: Sanghi Industries Limited]
214, Raghava Ratna Towers,
Chirag Ali Lane, Abids,
Hyderabad 500001.
Tel. No.: 91 40 2320 2465 / 3155
Fax No.: 91 40 2320 3028
E-mail: advisors@cilsecurities.com
SEBI Registration No.: INR000002276
Contact Person: Mr. B M Maheshwari

No.	Collection Centres	Addresses	Contact Person	Mode of delivery	Phone / Fax / Email
1.	Hyderabad	215, Raghava Ratna Towers, Chirag Ali Lane, Abids Hyderabad – 500 001	Mr. D Chandra Shekar	Hand Delivery/ Reg. Post/ Courier	Phone: 040 2320 3155 /5566 1277 Fax: 040 5566 1267 Mob: 98855 24718 Email: cilsec@rediffmail.com
(2)	Mumbai	20, Great Western Building, 130/132, II Floor, Shahid Bhagat Singh Marg, Opp: Lions Gate, Mumbai - 400 023.	Mr. Gulab Maheshwari	Hand Delivery/ Reg. Post/ Courier	Phone: 022 2288 5177 /2288 5178 Fax: 022 2288 5178 Mob: 93225 98681 Email : gulab_maheshwari@yahoo.com
(3)	Jaipur	P-14, Sahadev Marg 'C' Scheme Jaipur - 302 006	Mr. Mohit Sumani	Hand Delivery/ Reg. Post/ Courier	Phone: 0141 5112495 /5112497 Fax: 0141 2382801/ 3960806 Email: vfinsec@yahoo.com
(4)	Vijayawada	Lakhotia Complex, D.No.39-17-4, Sivanandam Street, Opp.Kalanjali, M.G.Road, Labbipet, Vijayawada – 520 010	Mr. Giri	Hand Delivery/ Reg. Post/ Courier	Phone: 0866 5516042/ 5516043 Mob: 9849592557

Working hours: Monday to Friday - 10 am to 1pm and 2pm to 4 pm. Saturdays – 10 am to 1 pm

(1) **All queries** pertaining to this Offer may be directed to the Registrars to the Offer.

(2) **In case of equity shares** held in joint names, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold equity shares in Sanghi Industries Limited, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(3) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a Public Office and authorized to use the seal of his office.

(4) **In case of bodies corporate**, certified copies of appropriate authorization (including Board/shareholder resolutions, as applicable) authorizing the sale of shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(5) **All the Shareholders** should provide all relevant documents which are necessary to ensure transferability of the equity hares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

   (a) Duly attested death certificate and succession certificate, No Objection Certificates / letters from legal heirs (in case of single shareholder) in case the original shareholder has expired.

   (b) Duly attested power of attorney if any person apart from the shareholder has signed withdrawal form or transfer deed(s).

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