PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF
SCANA COLOR (INDIA) LIMITED

(formerly known as LAXMANKUMAR BIRLA TRADING LIMITED)

(Regd. Office: 125, T.V. Industrial Estate, Opp. Hind Cycles, Pandurang Budhakar Marg, Worli, Mumbai 400 025) Tel.: 022-32934546; Fax:022-28609040

This public announcement is being issued by the Manager to the Offer, Aryaman Financial Services Limited, on behalf of Mr. Rajesh G. Mehta and Mrs. Bhavna Rajesh Mehta (hereinafter collectively referred to as 'Acquirers') pursuant to Regulation 10 and 12 and other provisions of Chapter III and in compliance with the Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (SAST) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as the "Regulations").

1. The Offer

i. This Open Offer is being made by **Mr. Rajesh G. Mehta** and **Mrs. Bhavna Rajesh Mehta** both residing at Flat No. C / 901, Panchsheel Heights, Mahavir Nagar, Kandivali (West) Mumbai- 400 067. Tel.No.:- 022-32477753 Fax No.:- 022-22876185 pursuant to the Regulation 10 and 12 of Chapter III and in compliance with the Securities and Exchange Board of India, (Substantial Acquisition of Shares and Takeovers) Regulation, 1997[SEBI(SAST)Regulations,1997] and subsequent amendments thereof for substantial acquisition of shares and control over the Target Company to the equity shareholders of **Scana Color (India) Limited**, having Registered office and Corporate office at 125, T.V. Industrial Estate, Opp. Hind Cycles, Pandurang Budhakar Marg, Worli, Mumbai-400 025 **(hereinafter referred to as SCIL / Target Company).**

ii. The Acquirers have entered into a Share Purchase Agreements (SPA) dated 19.01.2007 with the promoters of SCIL as detailed herein below:

Name of The Acquirers	Name & Address of The Vendors	No. of Shares	% of The Share Capital
Mr. Rajesh G. Mehta Mrs. Bhavna R. Mehta	Mr. Rajeev Kumar Jain 402, Gift House 940, New Prabhadevi Road Mumbai - 400 025	3,95,700	13.19%
	Mrs. Nandita Damani, Mr. Rakesh Damani, Rakesh Damani (HUF) Mrs. Suchita Damani 52, Casa Grande, Little Gibbs Road, Malabar Hill, Mumbai - 400 006	2,92,900	9.76%
	Total	**6,88,600**	**22.95%**

The Agreement (Acquisition Agreement/ Agreement) dated 19.01.2007 is for purchase of 6,88,600 (Six lacs Eighty Eight Thousand and Six Hundred) equity shares fully paid up for cash at a price of Rs. 2/- per share. The total consideration for the shares acquired under the agreement amounts to Rs. 13,77,200/- (Rupees Thirteen Lacs Seventy Seven Thousand Two Hundred Only) is payable in cash. The payment of consideration shall be paid by the Acquirers to the Vendors after the completion of Offer on spot delivery contract basis.

iii. The acquirers proposed to acquire minimum 6,00,000 (Six lacs) equity shares representing 20% of the voting capital of SCIL from the existing shareholders through the **Open Offer** at the rate of **Rs. 4.50** per equity share for each fully paid up share.

iv. The shares of the Target Company are listed on The Stock Exchange Mumbai, The Stock Exchange Ahmedabad and The Stock Exchange Hyderabad. The shares are infrequently traded on the respective stock exchanges.

v. **The offer price of Rs. 4.50 per share** has been arrived at as per the Regulation 20 (5) of the SEBI Takeover Regulations taking into account the following:

(a) The negotiated price under the agreement which in this case is Rs. 2.00/-(Two) per share for fully paid - up shares (Regulation 20(5) (a)).

(b) The highest price paid by the Acquirers during the last 12 months period from the date of PA is Rs.2 (Rupee Two). The Acquirers have acquired the 4,40,000 (14.67%) Equity shares of the Target Company (on 31st July 2006) during the 26 weeks prior to the date of the Public Announcement by way of off market purchases at the rate of Rs 2 per share (Regulation 20(5) (b)).

(c) Other Parameters such as - **Book Value** is **Rs. 9.79** per share, **EPS** is **Nil** and **Return on Net Worth is being Nil** and **Profit Earning Capacity Value (PECV)** is also **Nil** since the Company has made loss for the year ended 31.03.06 (Regulation 20(5) (c)).

vi. As on the date of the agreement, the Acquirers hold 4,40,000 shares i.e. 14.67% of the Total Share Capital in the Target Company on 31.07.2006.

vii. As on date, the Manager to the Offer – M/s. Aryaman Financial Services Ltd. does not hold any shares in the Target Company.

viii. At present, there is no competitive bid.

2. Information about the Acquirers

- The Acquirers 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 Regulation made under the SEBI Act.
- There has been no agreement between the Acquirers as regards the Open Offer.
- The Acquirers Mr. Rajesh G. Mehta and Mrs. Bhavna R. Mehta are related to the extent that they are husband and wife.

Name, Address, Net worth, Business and Experience of Acquirers

A. Mr. Rajesh G. Mehta

Mr. Rajesh G. Mehta, aged about 45 years resides at C-901, Panchsheel Heights, Mahavir Nagar, Kandivali (West), Mumbai – 400 067.

The net worth of Mr. Rajesh G. Mehta as on September 30, 2006 is Rs. 9.43 Lacs as certified vide certificate dated October 5, 2006 by M/s. Arvind Darji Associates, Chartered Accountants (Membership No. 41748), having their office at 402 – A, Chandan Chambers, 4th Floor, 138, Modi Street, Mumbai– 400 001. Telephone No.: 66331574 / 663541574.

Mr. Rajesh Mehta, commerce graduate from Mumbai University and associated in the business of Iron & Steel as a Broking and Commission Agent deals in products such as MS plates,HR plates, CR sheets & coils and also in Boiler plates, MS structures, Squares and Round Bars etc. for the past 20 years.

B. Mrs. Bhavna R. Mehta

Mrs. Bhavna R. Mehta, aged about 43 years resides at C-901, Panchsheel Heights, Mahavir Nagar, Kandivali (West), Mumbai – 400 067

The net worth of Mrs. Bhavna R. Mehta as on September 30, 2006 is Rs. 63.14 Lacs as certified vide certificate dated October 5, 2006 by M/s. Arvind Darji Associates, Chartered Accountants (Membership No. 41748) having their office at 402 – A, Chandan Chambers, 4th Floor, 138, Modi Street, Mumbai – 400 001. Telephone No.: 66331574 / 663541574.

She is currently carrying her family business of chemist shop and having a sound knowledge of accounting and management information system (MIS).

3. Information of the Target Company

Scana Color (India) Limited (SCIL) is a Public Limited Company incorporated on 13th August 1977 under the name of Laxmankumar Birla Trading Private Limited (No.19837 of 1977-78) from the Registrar of Companies, Maharashtra. The name of the Company was subsequently converted to Laxmankumar Birla Trading Limited (No. 19837/TA) on 16th October 1986 and its name changed to Scana Color (India) Limited (No. 19837/TA) on 16th October 1986 and a fresh Certificate of Incorporation was obtained from the Registrar of Companies, Maharashtra. The Registered Office of the Company situated at 125, T.V. Industrial Estate, Opp. Hind Cycles, Pandurang Budhakar Marg, Worli, Mumbai – 400 025

i. The Company was incorporated with the main objects of carrying on business

a) in buying, selling, importing, exporting and /or as broker or as commission agent or as indentors in fibre, yarn and textiles either manmade or natural and of cotton, jute, hemp, silk, wool, viscose, polyester, acrylic or any other fibrous material.

b) on merchantile and / or trading business in chemicals of all types including Sulphuric acid, Caustic soda, Nitrates and such other chemicals, inter radiator of all types maceuticals, food products, textile, auxillaries and such other articles of every description and kind.

c) on merchantile and / or trading business in finished, semi finished products and raw materials connected with consumer and industrial uses. Now the main business of the Company is scanning, processing, designing, digital printing and offset printing.

ii. Authorised Share Capital of the Company is Rs. 3.25 crores divided into 32,50,000 equity shares of Rs.10/- each. As on date, the issued and subscribed capital of the Company is Rs. 3.00 crores divided into 30,00,000 equity shares of Rs. 10/- each. There are no partly paid up shares in the Company.

iii. The Company's shares are listed on Bombay Stock Exchange Limited, Mumbai, Ahmedabad Stock Exchange and Hyderabad Stock Exchange. As regards the status of compliance with the listing requirement, the company has complied with all the compliances as per the listing agreement. No punitive action has been taken at any time by any of the stock exchange.

iv. **The total income / loss** of the Company as on 31.03.2006 was **Rs. (9.56)** lacs with a **net profit/ (loss) after tax** of **Rs. (8.48) lacs**. **The Net worth** of the Company was **Rs.293.81 Lacs.** The **Book value per share** as on 31.03.2006 was **Rs. 9.79** the **Earning Per Share** was **Nil** and **Return on Net worth** was also **Nil.**

4. Compliances of Chapter II of the SEBI (SAST) Regulations by Target Company

The Company has duly complied with all the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997. The promoters and the major shareholders also duly complied with the said Regulations on time for the various periods. No delay has been made in compliance.

5. Reason for the Acquisition and Offer and Future Plans about Target Company

i. The offer to the Shareholders of SCIL being made pursuant to Regulation 10 & 12 and other applicable provisions of Chapter III and in compliance with the SEBI (SAST) Regulations for the purpose of:

(a) substantial acquisition of voting rights

(b) management control of the Target Company.

ii. The objects of acquisition of SCIL can be summarized as under:

The Acquirers have acquired the 4,40,000 shares representing 14.67% in voting capital through off market trading at the rate of Rs. 2 per share on 31.07.2006 in the Target Company. After the acquisition of the shares through Open Offer the Acquirers will get the majority of the control in the Target Company.

The Acquirers do not have any intention to dispose of or otherwise encumber any assets of the Target Company in the next two years from the date of closure of the offer, except in the ordinary course of business with the prior approval of the shareholders.

iii. Further the Acquirers' intend to change the main object of the company to enable the Company to carry on the activities of manufacturing, Trading, Importing, commission Agency in Iron and Steel Products.

iv. The Acquirers shall not sell or dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders and furnish an undertaking to this effect.

6. Statutory Approvals and Conditions of the Offer

i. To the knowledge of the Acquirers no statutory approvals are required to acquire the shares that may be tendered pursuant to the Offer. If any other statutory approvals become applicable at a later date, the Offer would be subject to such statutory approvals. In case the statutory approvals are not obtained, the Acquirers will not proceed with the Offer.

ii. In case of delay in receipt of any statutory approval, if any, SEBI has the power to grant ii extension of time to Acquirers for payment of consideration to the shareholders subject to Acquirers agreeing to pay interest as directed by SEBI under Regulation 22(12). If the delay occurs due to the willful default of the Acquirers in obtaining the requisite approvals, Regulation 22(13) will become applicable.

iii. No approval from any bank or financial institution is required for the purpose of this Offer, to the best of the knowledge of the Acquirers.

7. Option In Terms Of Regulation 21(3)

Assuming full acceptance of the Offer, the post offer voting capital with the public in the Target Company would not be less than 25% of the voting capital of the Company and hence the terms of Regulation 21(3) is not applicable.

8. Financial Arrangements

i. The Acquirers have adequate resources to meet the financial requirements of the Offer in terms of Regulation 16(xiv). The sources of funds shall be through internal resources of the Acquirer. No borrowing from Bank/ Financial Institution is being made for the purpose. All the funds will be domestic and no foreign funds will be utilized.

ii. The maximum purchase consideration payable by the Acquirer in the case of full acceptance of the offer is Rs. 27 Lacs (Rupees Twenty Seven Lacs Only). The Acquirers have given a bank guarantee in favour of Merchant Banker from The Jammu and Kashmir Bank Limited, Branch: Mohammad Ali Road, 55, Noor Mahal CHS, Mumbai – 400 003 of Rs. 7.00 Lacs (Rupees Seven Lacs only) towards escrow amount i.e. more than 25% of the total consideration payable as per Regulations 28(2)(a) and 28(4)(b) of SEBI (SAST) Regulations 1997.

Further the Acquirers have deposited Rs.30,000 (Rupees Thirty Thousand) in cash, representing more than 1% of the total consideration under Open Offer with State Bank of India, Branch: Nariman Point, Mumbai – 400 021 as required under Regulation 28(10) of SEBI (SAST) Regulations,1997 as and by way of security for fulfillment of the obligations under the Regulations by the Acquirers.

iii. The Manager to the Offer has been duly authorized by the Acquirers to realize the value of escrow consisting Bank Guarantee in terms of the Regulation 28 of SEBI (SAST) Regulations, 1997.

iv. The Acquirers have made arrangement towards firm financial resources to fulfill the obligations under the Open Offer. The sources of funds shall be through internal resources of the Acquirer.

v. M/s. Arvind Darji Associates, Chartered Accountants (Membership No.41748), having their office at 402–A, Chandan Chambers, 4th floor, 138 Modi Street, Mumbai - 400001, Telephone No.: 66331574 / 663541574 have confirmed vide their certificate dated October 5, 2006 that sufficient resources are available with the Acquirers to fulfill his obligations under the Offer.

vi. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the offer in accordance with the SEBI (SAST) Regulations. The Manager to the Offer confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill offer obligations.

9. Other Terms of the Offer

i. The Offer is not a conditional Offer.

ii. The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the fully paid up equity shareholders of SCIL, whose names appear on the Register of Members of SCIL at the close of the business on the **specified date i.e. 13.02.2007**

iii. Shareholders (except the Acquirers and parties to the agreement) who own the shares of the Target Company any time before the closure of the Offer are eligible to participate in the Offer. Shareholders who wish to tender their shares will be required to send the Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and Transfer Deed(s) duly signed to the Registrar to the Offer at the address given below either by hand delivery during normal business hours Monday to Friday 11.00 a.m. to 4.00 p.m. Saturday 11.00 a.m. to 1.00 p.m. (excluding Bank Holidays) or by Registered Post on or before the close of the Offer i.e 28.03.2007 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. In the case of shares held in the Demat form, specify the details, such as Depository Participants (DP) name, DP ID No, Beneficiary Account No. etc. and also relevant instruction including that the shareholders should ensure the credit their shares in favour of depository account before the closure of the Offer. The address of the Registrar to the Offer is as under:

System Support Services
209, Shivai Industrial Estate,
89, Andheri – Kurla Road, Sakinaka,
Andheri (E), Mumbai – 400 072.
Tel: 022-28500835 Fax: 022-28501438
Email: sysss72@yahoo.com
Contact Person: Mr. Mahendra Mehta / Mr. Zeob Sutarwala

iv. In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance to the Registrar to the Offer on plain paper stating the Name, Address, No. of Shares held, Distinctive Nos., Folio No., No. of shares offered, along with documents as mentioned above, so as to reach at the above addresses on or before the **closure of the Offer(28.03.2007)**

In case of non- receipt of Letter of offer, the eligible persons may obtain a copy of the same from the Registrar to the Offer by providing suitable documentary evidence to that effect. Such shareholders may also download the Form of Acceptance cum Acknowledgement from the website of SEBI i.e. www.sebi.gov.in which will be made available from the opening of the Offer.

v. All owners of fully paid up shares, registered or unregistered and who own the shares at any time prior to the closure of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares Offered, Distinctive Numbers, Folio No., together with the Original Share Certificate(s), valid transfer deed(s) and a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

vi. The Registrar to the Offer will hold in trust the shares, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company, who have accepted the offer, until the cheques/ drafts for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.

vii. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders/ unregistered owners' sole risk to the sole/ first shareholder.

viii. Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

ix. In case the shares tendered in the Open Offer are more than the shares agreed to be acquired by the Acquirer, the Acquirer shall accept all valid applications received from the shareholders on a proportional basis, in consultation with the Merchant Banker, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non –marketable lots.

x. Acquirers are confident of completing all the formalities pertaining to the Acquisition of the said shares, within 15 days from the date of closure of this Offer including payment of consideration to the shareholders who have accepted the Offer and for the purpose open a special account as provided under Regulation 29. Provided that where the Acquirers are unable to make payment to the shareholders who have accepted the Offer before the said period of 15 days due to non-receipt of requisite statutory approvals, the Board may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the acquirer agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by the Board from time to time.

xi. In accordance with Regulation 22(5) (A) of the SEBI (SAST) Regulations, shareholders who have tendered the requisite documents in terms of Public Announcement and Letter of Offer shall have option to withdraw acceptances tendered up to 3 working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the Form of withdrawal (separately enclosed with the Letter of Offer) and the copy of the acknowledgement received from the Manager to the offer while tendering the acceptance together with the following details:

ACTIVITY	DATE	DAY
Public Announcement	23.01.2007	Tuesday
Specified Date	13.02.2007	Tuesday
Last date for a Competitive Bid	12.02.2007	Monday
Date by which Letter of Offer to be posted to the shareholders	26.02.2007	Monday
Date of Opening of the Offer	09.03.2007	Friday
Last date for revising the offer price/ Number of shares	16.03.2007	Friday
Last date for withdrawal of acceptance by the shareholders	22.03.2007	Thursday
Date of Closure of the Offer	28.03.2007	Wednesday
Date of communicating the rejection /acceptance and payment of consideration for the acquired shares.	12.04.2007	Thursday

10. General

i. 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 three working days prior to the date of the closure of the Offer i.e. 22.03.2007 by filling the withdrawal form attached with the Letter of Offer. The withdrawal form is also available on the SEBI website (www. sebi.gov.in)

ii. If there is any upward revision in the offer price before the last date of revision (16.03.2007) or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same Newspapers wherein the original Public Announcement appeared. Such revised offer price would be payable to all the shareholders who have tendered their shares any time during the offer and have been accepted under the Offer.

iii. The Acquirers, Sellers and the Target Company have not been prohibited by SEBI from dealing in securities in terms of directions issued u/s. 11B of SEBI Act.

iv. If there is competitive bid:

1. The public offers under all the subsisting bids shall close on the same date.

2. 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.

v. There is no non-compete Agreement.

vi. Pursuant to Regulation 13 of the Regulations, the Acquirers have appointed Aryaman Financial Services Limited as Manager to the Offer and System Support Services as the Registrar to the Offer.

vii. The Acquirers accept full responsibility for the information contained in this Announcement and also for the obligations of the Acquirers as laid down in the Regulations.

For further details please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement. This Public Announcement is also available on SEBI's website (www.sebi.gov.in.)

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Aryaman Financial Services Ltd. 208, Maker Chamber V, 2nd Flr., Nariman Point, Mumbai-400021. Tel: No. (022) 22845716/22826464 Fax: No. 22882590 Email:aryaman_limited@rediffmail.com Contact Person: Mr. D.S. Sharma	**System Support Services** 209, Shivai Industrial Estate, 89,Andheri – Kurla Road, Sakinaka, Andheri (East), Mumbai-400 072. Tel:022-28500835; Fax:022-28501438 Email: sysss72@yahoo.com Contact Person: Mr. Mahendra Mehta / Mr. Zeob Sutarwala

On Behalf of Acquirers:

Mr. Rajesh G. Mehta	C-901, Panchsheel Heights, Mahavir Nagar, Kandivali (West), Mumbai – 400 067
Mrs. Bhavna R. Mehta	C-901, Panchsheel Heights, Mahavir Nagar, Kandivali (West), Mumbai – 400 067

Place : Mumbai
Date : 23.01.2007