

**LETTER OF OFFER**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This document (Letter of Offer or "LoF") is sent to you as shareholder(s) of Sealord Containers Limited ("SCL" or the "Target Company"). If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in SCL, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement and Form of Withdrawal and Transfer Deed to the Purchaser of the Equity Shares or member of the stock exchange through whom the sale was effected.

**CASH OFFER**

By

The Acquirer:

**Aegis Logistics Limited**

**Registered Office:**

502, Skylon, G.I.D.C, Char Rasta, Vapi-396195, Gujarat, India

Tel.: +91-0260-2431490

**Corporate Office**

403, Peninsula Chambers, Peninsula Corporate Park,

G.K Marg, Lower Parel (West) ,Mumbai- 400 013 , India

Tel: +91-022-6666 3666 ; Fax: +91-022-6666 3777

for

**the acquisition of up to 2,50,000 fully paid-up equity shares representing 20% of the paid-up equity share capital of**

**Sealord Containers Limited**

**Regd. Office:** Adani House Near.Mithakhali Six Roads ,Navrangpura, Ahmedabad, India.

Tel: +91-079-26565555; Fax: +91-079-26565500

At

**Rs10 /-per fully paid up Equity Share payable in cash**

Attention:

(1) This Offer is being made pursuant to the Regulations 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997 ("SEBI (SAST) Regulations, 1997") and subsequent amendments thereof. (2) The Offer is not subject to a minimum level of acceptance by the shareholders of SCL. (3) The Offer is subject to the statutory and regulatory approvals and clearances required to acquire Shares tendered pursuant to the Offer. As on date, there are no other statutory approvals required. (4) If there is any further upward revision of the Offer Price by the Acquirer till the last date for revision viz. May 17, 2006 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the Public Announcement and Corrigendum Announcement had appeared. Such revised Offer Price would be payable for all the Shares tendered anytime during the Offer and accepted under the Offer. (6) Shareholders of SCL, who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement/ Corrigendum Announcement / Letter of Offer, can withdraw the same up to three working days prior to the closure of the Offer i.e. May 23, 2006 (7) **If there is a competitive bid: (i) the public offers under all the subsisting bids shall close on the same date; (ii) as the Offer Price cannot be revised during seven working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders of SCL to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.** (8) **No competitive bid has been announced as on the date of this Letter of Offer.** (9) A copy of the Public Announcement, Corrigendum Announcement and Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) is also available on SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in))

**MANAGER TO THE OFFER**



**Anand Rathi Securities Pvt. Ltd.**

54- 55, Mittal Court, "B" Wing, Nariman Point,  
Mumbai- 400 021 India

Phone No.: 022 22871388 Fax No.: 022 22835131

Contact Person: Ms. Akshata Tambe

E-mail: [akshatatambe@rathi.com](mailto:akshatatambe@rathi.com)

**REGISTRAR TO THE OFFER**



**Sharepro Services (India) Pvt. Ltd.**

Satam Estate, 3rd Floor, Above Bank of Baroda,  
Cardinal Gracious Road, Chakala, Andheri (E),  
Mumbai 400099 India

Phone No: 022 28215168, Fax No.: 022 28327834

Contact Person. Mr. Ashok Gupta

E-mail: [sharepro@vsnl.com](mailto:sharepro@vsnl.com)

## Letter of Offer

### Schedule of the Major Activities of the Offer

| Activity                                                                                                                                                                                     | Date (Day)               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1 Date of publication of Public Announcement                                                                                                                                                 | March 06, 2006 ( Monday) |
| 2 Specified date (for the purpose of determining the names of shareholders of SCL to whom the Letter of Offer would be sent)                                                                 | March 07, 2006 (Tuesday) |
| 3 Last date for announcement of a competitive bid                                                                                                                                            | March 27, 2006 (Monday)  |
| 4 Date of publication of the Corrigendum Announcement                                                                                                                                        | May 04, 2006 (Thursday)  |
| 5 Date by which Letter of Offer will be posted to shareholders of SCL                                                                                                                        | May 05, 2006 (Friday)    |
| 6 Date of Opening of the Offer                                                                                                                                                               | May 10, 2006 (Wednesday) |
| 7 Last date for revising the Offer Price / number of Shares                                                                                                                                  | May 17, 2006 (Wednesday) |
| 8 Last date for withdrawing acceptance from the Offer                                                                                                                                        | May 23, 2006 (Tuesday)   |
| 9 Date of Closure of the Offer                                                                                                                                                               | May 29, 2006 (Monday)    |
| 10 Date by which the acceptance/ rejections would be intimated and the corresponding payment for acquired Shares and/ or the Share Certificates for the rejected Shares would be dispatched. | June 12, 2006 (Monday)   |

### RISK FACTORS

#### Risks related to the proposed Offer

1. The Offer involves an offer to acquire 20% of fully paid-up equity share capital of SCL from the Eligible Persons for the Offer. Pursuant to the SPA entered on March 02, 2006 between the Acquirer and the Sellers, the Acquirer will acquire on a definitive basis 6,87,500 fully paid up equity shares of Rs 10/- each at a price of Rs 10/- per share payable in cash representing 55% of the Equity Share Capital of the Target Company and based on the response received in the Open Offer, Acquirer shall acquire such further number of shares so that the total shares purchased by the Acquirer, including the shares acquired in the Open offer, represents 75% of the Equity Share capital of the Company which will maintain the public shareholding required by the listing agreement for the purpose of listing on continuous basis. In the case of over subscription in the Offer, as per the Regulations, acceptance would be determined on proportionate basis and hence there is no certainty that all the Shares tendered by the shareholders in the Offer will be accepted.
2. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to a stay of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of SCL whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirer may be delayed. In case of the delay, due to non-receipt of the statutory approvals, as per Regulation 22(12) of the Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to the wilful default or negligence or failure to diligently pursue on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders of SCL, as may be specified by the SEBI. Further, shareholders of SCL should note that after the last date of withdrawal i.e. May 23, 2006, the shareholders of SCL who have lodged the Shares would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
3. The Shares tendered in the Offer will be held in trust by the Registrar to the Offer, till the completion of the Offer formalities. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders of SCL on whether to participate or not to participate in the Offer.
4. The transaction is subject to any future uncertainties which are beyond the control of the Acquirer.

#### Risks involved in associating with the Acquirer

5. The Acquirer make no assurance with respect to the financial performance of the Target Company. The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for further risk with respect to their participation in the Offer.

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## DEFINITIONS

|                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Acquirer/ALL                               | Aegis Logistics Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Act                                        | The Companies Act, 1956                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| AAPL                                       | Adani Agro Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| APPL                                       | Adani Properties Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| ASE                                        | Ahmedabad Stock Exchange Ltd.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| BSE                                        | Bombay Stock Exchange Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Business Hours                             | Monday to Friday – 10.00 a.m. to 4.00 p.m.; Saturday – 10.00 a.m. to 1.00 p.m. (Closed on Sundays and public holidays)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Corrigendum Announcement                   | Corrigendum to the Public Announcement published on May 04, 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| DSE                                        | Delhi Stock Exchange Association Ltd                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Eligible Persons for the Offer             | Registered shareholders of SCL appearing in the Register of Members as on the Specified Date and unregistered shareholders who own the equity shares of SCL, anytime before the closure of the Offer, except the Acquirer and Promoter Group of SCL.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| Form of Acceptance                         | Form of Acceptance-cum-Acknowledgement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| Letter of Offer                            | This Letter of Offer dated May 03, 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| Manager / Manager to the Offer             | Anand Rathi Securities Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| NSE                                        | National Stock Exchange of India Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| Offer                                      | Offer for acquisition of up to 2,50,000 fully paid-up equity shares of face value of Rs10/- each of SCL representing 20% of the equity share capital at a price of Rs10/- per fully paid up Equity Share, payable in cash                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Offer Price                                | Rs10/- per fully paid up Equity Share                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| Promoters of SCL                           | AAPL and APPL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Public Announcement/PA                     | Announcement of the Offer made by the Acquirer on March 06, 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Share Purchase Agreement/SPA               | The Agreement, dated March 02, 2006, signed by the Acquirer, and the Promoters of SCL to acquire on a definitive basis 687,500 fully paid up equity shares ("Shares") of Rs 10/- each at a price of Rs 10/- per fully paid up equity share payable in cash representing 55% of the Equity Share Capital of the Target Company and based on the response received in the Open Offer, Acquirer shall acquire such further number of Shares so that the total Shares purchased by the Acquirer, including the Shares acquired in the Open offer, represents 75% of the Equity Share capital of the Target Company which will maintain the public shareholding as required by the listing agreement for the purpose of listing on continuous basis. |
| Registrar to the Offer/ Sharepro           | Sharepro Services (India) Private Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Regulations/ SEBI (SAST) Regulations, 1997 | The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto up to the date of Public Announcement                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| SEBI                                       | The Securities and Exchange Board of India                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Share(s) / Equity Share(s)                 | Fully paid-up equity share(s) of face value of Rs10 each of SCL to be acquired pursuant to the Offer not exceeding 2,50,000 Equity Shares                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| Specified Date                             | March 07, 2006                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| SCL/ Target Company                        | Sealord Containers Limited                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| SEA                                        | The Stock Exchange - Ahmedabad                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

**1. DISCLAIMER CLAUSE**

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SEALORD CONTAINERS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER OR OF THE TARGET COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ANAND RATHI SECURITIES PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 04, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

**2. DETAILS OF THE OFFER**

**2.1. Background of the Offer**

2.1.1. The Offer is made by the Acquirer pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997 with the objective of substantial acquisition of Shares and voting rights of the Target Company accompanied with change in control of the Target Company and the same shall no longer remain voluntary in nature. The Offer is intended to give the Acquirer control over the Target Company.

2.1.2. The Acquirer is making an Open Offer to acquire up to 2,50,000 fully paid-up equity shares of the face value of Rs10 each, representing 20% of the paid-up equity share capital of SCL at a price of Rs 10/- per fully paid up Share. The Offer is being made to all the eligible shareholders of the Target Company other than, the Acquirer and the parties to the SPA.

2.1.3. Adani Properties Private Limited ("APPL") and Adani Agro Private Limited ("AAPL"), (hereinafter referred to as "Seller(s)"), the promoters of the Target Company hold in aggregate 75% of the equity share capital of the Target Company. The Acquirer had entered into a Share Purchase Agreement ("SPA") on March 02, 2006 with APPL and AAPL, to acquire on a definitive basis 687,500 fully paid up equity shares ("Shares") of Rs 10/- each at a price of Rs 10/- per fully paid up equity share payable in cash representing 55% of the Equity Share Capital of the Target Company and based on the response received in the Open Offer, Acquirer shall acquire such further number of Shares so that the total Shares purchased by the Acquirer, including the Shares acquired in the Open offer, represents 75% of the Equity Share capital of the Target Company which will maintain the public shareholding as required by the listing agreement for the purpose of listing on continuous basis.

The parties further agree that in case of non compliance of any provisions of the Takeover Code, this Agreement shall not be acted upon either by the Sellers or the Acquirer.

2.1.4. The Acquirer has also entered into the following agreements:

- a) The Acquirer had entered into a Preference Share Purchase Agreement on March 02, 2006 with Gujarat Adani Port Limited ("GAPL") to acquire on a definitive basis all of the 1,200,000 fully paid up 6% Cumulative Redeemable Preference Shares of Rs. 100/- each

constituting 100% of the paid up preference share capital at a price of Rs. 100/-each, payable in cash.

- b) The Acquirer has entered into a Loan Agreement with SCL on March 02, 2006, for lending Rs. 518.58 lacs for a tenure of three years from the date of this Agreement at an interest rate of 200 basis points above the prime lending rate of State Bank of India payable at quarterly rests in arrears, with a moratorium of twelve months for payment of interest. The loan is secured against hypothecation of movable assets of SCL in favour of the Acquirer subject to charges to be created in the favour of term lending institutions/ banks. The said loan shall be advanced by the Acquirer to SCL and is to be solely utilised for repaying its existing unsecured loans and creditors.
- c) The Acquirer has also entered into another Loan Agreement with SCL on March 02, 2006, for lending Rs. 500 lacs for a tenure of three years from the date of disbursement at an interest rate of 200 basis points above the prime lending rate of State Bank of India payable at quarterly rests in arrears, with moratorium of twelve months for payment of interest. The said loan shall be advanced by the Acquirer to SCL and is to be utilised for the purpose of undertaking its project activities.

2.1.5. The Sellers are the present promoters of SCL.

2.1.6. The Boards of Directors of the Acquirer in the meeting held on March 02, 2006 have unanimously approved the SPA, Preference Share Purchase Agreement and the Loan Agreements.

2.1.7. Neither the Acquirer nor its directors, have been prohibited by SEBI from dealing in securities in terms of directions issued u/s 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

2.1.8. As per the information provided by the Target Company, SCL has not been prohibited by SEBI from dealing in securities in terms of directions issued u/s 11B of the SEBI Act or under any of the regulations made under the SEBI Act.

2.1.9. The Acquirer reserves the right to seek reconstitution of the Board of Directors of the Target Company in accordance with the provisions contained in the SEBI (SAST) Regulations, 1997 and the Companies Act, 1956.

## **2.2. Details of the proposed Offer**

2.2.1. The Public Announcement and the Corrigendum Announcement was published in all the editions of the following newspapers in accordance with Regulation 15 of the Regulations:

| <b>Newspapers</b>  | <b>Language</b> | <b>Editions</b>            |
|--------------------|-----------------|----------------------------|
| Free Press Journal | English         | Mumbai and Indore          |
| Pratahkal          | Hindi           | Mumbai, Jaipur and Udaipur |
| Prabhat            | Gujarati        | Ahmedabad                  |

The Public Announcement published on March 06, 2006 and the Corrigendum Announcement is also available on the SEBI website, [www.sebi.gov.in](http://www.sebi.gov.in).

2.2.2. Pursuant to and subject to the terms and conditions of this Letter of Offer, the Acquirer is hereby making an Offer to the Eligible Persons for the Offer to acquire from them up to 2,50,000 Shares (representing 20% of the paid-up equity share capital of SCL) at a price of Rs10 (Rupees Ten Only) per Share, payable in cash. Any upward revision in the Offer with respect to the Offer Price will be announced in the above-mentioned newspapers and the revised Offer Price would be payable by the Acquirer for all the Shares tendered anytime during the Offer.

2.2.3. The Shares will be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

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- 2.2.4. As on December 31, 2005, there are no partly paid-up equity shares in the Target Company.
- 2.2.5. The Offer is not conditional on any minimum level of acceptance i.e. the Acquirer will acquire all the Shares that are tendered in terms of the Offer up to 2,50,000 Shares, subject to the conditions specified in the Public Announcement read together with the Corrigendum Announcement, Letter of Offer and Form of Acceptance-cum-Acknowledgement.
- 2.2.6. The Acquirer does not hold nor have acquired any Shares since the date of the Public Announcement and up to the date of this Letter of Offer.
- 2.2.7. Pursuant to this Offer only, ALL shall acquire shares of SCL.
- 2.2.8. If pursuant to the Offer, members of SCL fall below seven, which is the minimum number of members required for a public company, the Acquirer would comply with Sec. 49(3) of the Companies Act, 1956.

### **2.3. Object of the Offer**

- 2.3.1. The Offer is being made in compliance with among others, Regulations 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, 1997 for the purposes of substantial acquisition of up to 2,50,000 Shares of the Target Company as disclosed earlier, accompanied with change in control and management of the Target Company thereby enabling the Acquirer to exercise control over SCL inter-alia through the right to appoint directors or through control over management of policy decisions by virtue of their shareholding. The Acquirer reserve the right to seek reconstitution of the Board of Directors of the Target Company in accordance with the provisions contained in the SEBI (SAST) Regulations, 1997 and the Companies Act, 1956. The Acquirer may also consider changing the name of the Target Company at a later date.
- 2.3.2. The Acquirer and SCL are broadly in the same line of business i.e. bulk liquid chemical storage business. The Acquirer would pursue to execute the plan of the Target Company to execute a bulk liquid chemical project with significant capacity which is akin or germane to the business of the Acquirer. Such decisions will be governed by the provisions of the applicable laws and other applicable regulations. The Acquirer will evaluate and consider such proposals and may, if appropriate support the same. It will be the responsibility of the Board of Directors of the Target Company to make appropriate decisions in these matters in accordance with the business requirements and in line with opportunities or changes in the economic scenario. Pursuant to the Open Offer the Acquirer would have control over the Target Company.

## **3. BACKGROUND OF THE ACQUIRER**

### **ALL**

- 3.1. ALL was incorporated in 1956 under the name Atul Drug House Private Limited ("ADHPL") . Its name was changed from ADHPL to Atul Chemical Industries Limited ("ACIL") in the year 1976 and to Aegis Chemicals Industries Limited ("ACL") in the year 1978. The Acquirer was renamed as Aegis Logistics Ltd. in the year 2000. The Registered Office of ALL is located at 502, Skylon, G.I.D.C., Char Rasta, Vapi – 396195, Gujarat. Telephone number of the registered office being 91- 0260- 2431490. The Corporate Office of ALL is located at 403, Peninsula Chambers, Peninsula Corporate Park, Morarji Mill Compound, G.K. Marg, Lower Parel (West), Mumbai – 400 013. The telephone number of the corporate office is 91-22-66663666. ALL had started operations as a specialty chemicals manufacturer in 1967 with a Formaldehyde plant in Vapi, Gujarat. In the year 2000 ALL transformed from a specialty chemical manufacturing company into one of India's leading Specialized Third Party Logistics Provider to Oil, Gas, Chemical companies. In addition, it also started directly importing Propane and LPG and has become a leading player in the private sector. Its Business Operations are thus divided into two major Divisions viz. (i) Logistics Division and (ii) Gas Division.

The Acquirer's facilities are located at Plot No 72, Mahul Village, Trombay, Mumbai –400074.

ALL is promoted and controlled by Mr. K. M Chandaria and family who are residing abroad. The Acquirer does not belong to any group. There is no company promoted by ALL.

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- 3.2. As ALL does not hold any shares in the Target Company, provisions of Chapter II of the Regulations, are not applicable
- 3.3. The shares of ALL are listed on BSE, NSE, DSE . The shares of ALL were voluntarily delisted by the Acquirer from ASE w.e.f. March 08, 2006. Total equity shares issued are 16,340,584 of Rs. 10/- each. The market price of the Share was Rs.276.45 on BSE and Rs.276.20 on NSE as on the date of this Letter of Offer.
- 3.4. As on the date of PA, the Board of Directors of ALL are as follows:

| NAME OF DIRECTORS/AGE                          | QUALIFICATION/EXPERIENCE                                                                                                                                                                                                                                                                         | ADDRESS                                              | DATE OF APPOINTMENT |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------|---------------------|
| Mr.K.M. Chandaria, 76 years<br>Chairman        | Mr. K.M Chandaria is a Commerce Graduate . He has rich Industrial Experience of over 40 years                                                                                                                                                                                                    | 41, Gloucester Square,<br>London W2, 2 TD, U.K.      | 11/04/1960          |
| Mr. R .K. Chandaria, 46 years<br>Vice Chairman | Mr. Raj Chandaria holds a BSc (Eco) from London School of Economics and MBA from Boston University. He has 23 years experience in International business arena in Countries like US, Canada and the Caribbean                                                                                    | 29, Tudor Gate,<br>Toronto, M2L 1 N3,<br>Canada      | 25/08/1999          |
| Mr. A.M. Chandaria, 71 years                   | Mr. A.M Chandaria is BSc (Eco) graduate from London School of economics and MBA Harvard Business School, USA. He has extensive experience in various Management positions for over four decades in Tanzania, Kenya, U.K, Thailand, India                                                         | 2, Sussex Square,<br>London W2, 2SJ, U.K.            | 01/09/1982          |
| Mr. R.P.Chandaria, 83 years                    | Mr R.P Chandaria, started his Career in India by setting up family industries, sea and Land Transportation business. He has varied and wide experience in doing Business in African Countries, Europe, South east Asia & America. Apart from his business activities he is also a Philanthropist | 23, Randor Place,<br>London W2, 2TG, U.K.            | 07/11/1979          |
| Mr.A.K. Chandaria, 38 years                    | Mr. Anish Chandaria is a Commerce graduate from Cambridge university and a MBA from Wharton University; USA .He has been actively associated with the operations of the Company and have rich experience in the Oil and Gas industry and in Financial Management.                                | 28, Elnathan Mews,<br>London W9, 2JE, U.K.           | 31/01/2003          |
| Mr.S.S.Kumar, 73 years                         | Mr. Kumar, LL.M, FCS, AMBIM, FCIS, is a Supreme Court practicing Advocate specializing in Corporate Laws. He serves as Chief Editor of Corporate journals. He also advises large number of corporates                                                                                            | F-9, South Extension,<br>Part-I,<br>New Delhi-110049 | 18/02/1987          |

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| NAME OF DIRECTORS/AGE                         | QUALIFICATION/EXPERIENCE                                                                                                                                                                                                                                                                                                                                                                                                                                                    | ADDRESS                                                                                                              | DATE OF APPOINTMENT |
|-----------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|---------------------|
| Mr.S.K.Hazra, 58 years<br>(Managing Director) | Mr S.K Hazra is B.Tech (Hons.) from IIT and PGDBM He posses a professional experience of over 30 years in Oil, Gas and Petrochemical Industries in respect of Design, Project Execution,Construction, Commissioning and Operation of Plants. He has worked in various other reputed Corporates and carries an experience of heading Profit Centre / Organization for over 12 years.<br>He is actively associated with other professional bodies in various other capacities | 145, Sunflower,<br>G.D.Somani Marg,<br>Colaba,<br>Mumbai-400005.                                                     | 25/08/1999          |
| Mr.V.B.Gangar, 66 years                       | Mr. V.B Gangar, Inter Arts, is having over four decades of experience in steel business. He has a vast knowledge of business & industry                                                                                                                                                                                                                                                                                                                                     | Industrial Steel Agency,<br>296, Nagdevi Street,<br>Mumbai-400003.                                                   | 25/08/1999          |
| Mr.D.J.Khimasia, 64<br>years                  | Mr . Khimasia is a Commerce and Law Graduate. He has several years of experience in the field of Bulk Drugs, Plastics and Textiles                                                                                                                                                                                                                                                                                                                                          | Plot No.283A, 5 <sup>th</sup><br>Road,<br>Near Diamond Garden,<br>Chembur,<br>Mumbai-400071.                         | 25/08/1999          |
| Mr.R.J.Karavadia, 58<br>years                 | Mr. R.J Karavadia is a B. Com & ICWAI. He has several years of experience in the field of Production, Personnel, Finance , Marketing , Purchase etc                                                                                                                                                                                                                                                                                                                         | 502, Sea Spray,<br>Janki Kutir, Behind<br>Prithvi Theatre, Juhu<br>Tara Road,<br>Vile Parle (West),<br>Mumbai 400049 | 25/08/1999          |
| Mr.K.S.Nagpal, 36 Years                       | Mr. Nagpal is a Commerce Graduate from Mumbai University. He has experience of over 10 years in the business of Chemicals, Bulk drugs, Solvents & different types of Oil                                                                                                                                                                                                                                                                                                    | E-4, Venus Apartment<br>Worli Seaface,<br>Mumbai-400018.                                                             | 31/01/2003          |

None of these directors are on the board of SCL

3.5. ALL has complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997.

| Sl. No. | Regulation/ Sub-Regulation | Due Date for Compliance as mentioned in the regulation | Actual date of compliance | Delay, if any (in no. of days) Col.4-Col.3 | Remarks            |
|---------|----------------------------|--------------------------------------------------------|---------------------------|--------------------------------------------|--------------------|
| 1       | 6(1)                       | 20.04.1997                                             | N.A                       |                                            |                    |
| 2       | 6(3)                       | 20.04.1997                                             | 28.04.1997                | 8 days                                     | Transitional Phase |
| 3       | 8(1)                       | 21.04.1998                                             | N.A                       | -                                          |                    |
| 4       | 8(2)                       | 21.04.1998                                             | 15.04.1998                | -                                          |                    |
| 5       | 8(1)                       | 21.04.1999                                             | N.A                       | -                                          |                    |
| 6       | 8(2)                       | 21.04.1999                                             | 18.04.1999                | -                                          |                    |
| 7       | 8(1)                       | 21.04.2000                                             | N.A                       | -                                          |                    |
| 8       | 8(2)                       | 21.04.2000                                             | 18.04.2000                | -                                          |                    |
| 9       | 8(1)                       | 21.04.2001                                             | N.A                       | -                                          |                    |
| 10      | 8(2)                       | 21.04.2001                                             | 19.04.2001                | -                                          |                    |
| 11      | 8(1)                       | 21.04.2002                                             | N.A                       | -                                          |                    |
| 12      | 8(2)                       | 21.04.2002                                             | 20.04.2002                | -                                          |                    |
| 13      | 8(1)                       | 21.04.2003                                             | N.A                       | -                                          |                    |
| 14      | 8(2)                       | 21.04.2003                                             | 16.04.2003                | -                                          |                    |
| 15      | 8(1)                       | 21.04.2004                                             | N.A                       | -                                          |                    |
| 16      | 8(2)                       | 21.04.2004                                             | 20.04.2004                | -                                          |                    |
| 17      | 8(1)                       | 21.04.2005                                             | N.A                       | -                                          |                    |
| 18      | 8(2)                       | 21.04.2005                                             | 19.04.2005                | -                                          |                    |
| 19      | 7(1) & (2)                 | -                                                      | N.A                       | -                                          |                    |
| 20      | 7(1A) & (2)                | -                                                      | N.A                       | -                                          |                    |

3.6. The financial information of ALL, is given below, in compliance with the provisions of Clause 4.1.12 of the standard letter of offer format as prescribed by SEBI:

Rs. Lacs

| Profit and Loss Statement                         | FY03         | FY04         | FY05          | 9months ended December 31, 2005 |
|---------------------------------------------------|--------------|--------------|---------------|---------------------------------|
| <b>Income from operations</b>                     | <b>6,919</b> | <b>8,080</b> | <b>12,054</b> | <b>12,070</b>                   |
| <b>Other income</b>                               | <b>157</b>   | <b>344</b>   | <b>134</b>    | <b>305</b>                      |
| Variation in Stock                                | (14)         | (75)         | -             | -                               |
| <b>Total Income</b>                               | <b>7,062</b> | <b>8,349</b> | <b>12,187</b> | <b>12,375</b>                   |
| Total Expenditure                                 | 5,724        | 6,460        | 9,055         | 9,159                           |
| Profit before Depreciation, Interest and Taxes    | 1,338        | 1,889        | 3,132         | 3,216                           |
| Depreciation                                      | 269          | 314          | 467           | 278                             |
| Interest                                          | 444          | 450          | 816           | 198                             |
| <b>Profit Before Tax and Extra Ordinary Items</b> | <b>626</b>   | <b>1,125</b> | <b>1,849</b>  | <b>2,740</b>                    |
| Extra ordinary item Inc/(Exp)                     | -            | 0            | 157           | 196                             |
| <b>Profit Before Tax</b>                          | <b>626</b>   | <b>1,125</b> | <b>2,006</b>  | <b>2,936</b>                    |
| Provision for Tax                                 | (75)         | 270          | 698           | 545                             |
| <b>Profit After Tax</b>                           | <b>701</b>   | <b>855</b>   | <b>1,308</b>  | <b>2,391</b>                    |

## Letter of Offer

| Balance Sheet Statement                               | FY03          | FY04         | FY05          | 9months ended December 31, 2005 |
|-------------------------------------------------------|---------------|--------------|---------------|---------------------------------|
| <b>Sources of Funds</b>                               |               |              |               |                                 |
| Paid-up Equity Share Capital                          | 1,622         | 1,622        | 1,629         | 1,631                           |
| Reserves and surplus (excluding revaluation reserves) | 3,965         | 4,672        | 5,776         | ^8,175                          |
| <b>Net worth</b>                                      | <b>5,586</b>  | <b>6,294</b> | <b>7,405</b>  | <b>9,806</b>                    |
| Revaluation Reserve                                   | 735           | -            | -             | -                               |
| Secured Loans                                         | 2,450         | 1,792        | 2,217         | 1,708                           |
| Unsecured Loans                                       | 969           | 785          | 847           | 752                             |
| Other Liabilities                                     | -             | -            | -             | -                               |
| Deferred Tax Liability                                | 486           | 561          | 690           | 716                             |
| <b>Total</b>                                          | <b>10,226</b> | <b>9,432</b> | <b>11,159</b> | <b>12,982</b>                   |
|                                                       |               |              |               |                                 |
| <b>Uses of Funds</b>                                  |               |              |               |                                 |
| Net fixed Assets                                      | 6,202         | 5,289        | 6,585         | 6,668                           |
| Capital work in progress                              | 19            | 297          | -             | -                               |
| Investments                                           | 634           | 634          | 1,140         | 3,381                           |
| Net Current Assets                                    | 3,307         | 3,212        | 3,434         | 2,933                           |
| Total Miscellaneous Expenditure Not Written-Off       | 64            | -            | -             | -                               |
| <b>Total</b>                                          | <b>10,226</b> | <b>9,432</b> | <b>11,159</b> | <b>12,982</b>                   |

| Other Financial Data           | FY03   | FY04   | FY05   | 9months ended December 31, 2005 |
|--------------------------------|--------|--------|--------|---------------------------------|
| Dividend (%) *                 | 5%     | 8%     | 12%    | -                               |
| Earnings per Share (Rs) **     | 4.32   | 5.23   | 8.00   | 14.63                           |
| Return on Networth (%) ***     | 12.55% | 13.59% | 17.66% | 24.38%                          |
| Book Value per Share (Rs) **** | 34.18  | 38.52  | 45.32  | 60.01                           |

Unaudited results for the nine months period ending December 31, 2005 –as per limited review by C.C.Chokshi & Co. vide report dated March 02, 2006.

^ Reserves and Surplus has increased for the nine months period ending Decemebr 31, 2005 due to receipt of Rs.8 lacs as premium on calls in arrears.

\* Calculated as Dividend per Equity share/ Face Value of the Equity Share

\*\* Calculated as Profit After Tax/ Number of outstanding Equity Shares

\*\*\* Calculated as Profit After Tax/ (Networth - Misll. Expenditure not written off)

\*\*\*\* Calculated as (Networth - Misll. Expenditure not written off) / Number of outstanding Equity Shares

### 3.7. Significant Accounting Policies for the year ended March 31, 2005

#### A.1 Basis of preparation of Financial Statements

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles in India and the provisions of the Companies Act, 1956.

**A.2. Fixed Assets**

Fixed Assets are carried at cost of acquisition or construction or book value. In the previous year, the opening balance of fixed assets included certain assets which were carried at revalued amounts.

**A.3. Investments**

Long Term Investments are shown at cost. However, when there is a decline, other than temporary, in the value of long term investment, the carrying amount is reduced to recognise the decline. Current Investments are carried at lower of cost and fair value, computed category wise.

**A.4. Inventories**

Inventories are valued at cost or Net Realisable Value (NRV) whichever is less. Cost is determined by using the FIFO formula. Cost comprises all costs of purchase, cost of conversion and cost incurred to bring inventories to present location and condition.

**A.5. Sundry Debtors and Advances**

These are stated net of bad and irrecoverable debts and advances. Debts and advances considered bad and irrecoverable by the management are written off in Profit and Loss Account.

**A.6. Operating Revenue**

Sales turnover for the year is net of trade discounts and include sales value of goods, excise duties and other recoveries, such as insurance, transport and packing charges but exclude sales tax and recovery of financial and discounting charges. Net sales is disclosed after reduction of excise duty.

Service revenue is recognized on time proportion basis and excludes service tax.

**A.7. Depreciation**

- (i) Depreciation on Fixed Assets is calculated on original cost of Fixed Assets on straight line method under Section 205(2)(b) of the Companies Act, 1956.
- (ii) In accordance with the Circular No. 14/93 dated 20<sup>th</sup> December, 1993 issued by the Department of Company Affairs, the Acquirer has provided depreciation at the revised straight line method rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on additions to fixed assets during the year has been provided on prorata basis from the date of such additions. Depreciation on assets sold, discarded or demolished has been provided on pro-rata basis.
- (iii) Lease hold Land has been amortised over the period of the lease on straight line basis.
- (iv) Depreciation also includes impairment and write down on retirement of Fixed Assets from active use.

**A.8. Retirement Benefits**

Contribution to defined schemes such as Provident Fund, Family Pension Fund, Superannuation Fund (in the case of eligible employees) and Employees' State Insurance Scheme are charged to the Profit and Loss Account as incurred. Gratuity liability for the year is funded with Life Insurance Corporation of India in respect of officers and determined actuarially as at the year end in respect of other employees.

The liability for Leave Encashment on retirement or on termination of services of employees of the company is determined by actuarial valuation and provided for as incurred in the year in which services are rendered by employees.

**A.9. Borrowing Cost**

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

## Letter of Offer

### A.10 Taxes on Income

Current tax is determined as the amount of tax payable in respect of taxable income for the year.

Deferred tax for the year is recognized, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognized and carried forward only if there is a reasonable / virtual certainty of its realization.

### A.11 Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

The contingent liabilities as on the last audited balance sheet date (March 31, 2005) for ALL are as below

(Rs lakhs)

| Details                                                                                                             | Amount |
|---------------------------------------------------------------------------------------------------------------------|--------|
| a) Claims against the Company not acknowledged as debts                                                             | 12.00  |
| b) Estimated amount of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) | 117.78 |
| c) Income Tax demands disputed under appeal.                                                                        | 238.00 |
| d) Bills of Exchange discounted but not matured- since fully realised                                               | 2.05   |

The contingent liabilities as per the unaudited results for nine months period ending December 31, 2005 are as below

(Rs lakhs)

| Details                                                          | Amount |
|------------------------------------------------------------------|--------|
| a) Claims against the Company not acknowledged as debts          | 12.00  |
| b) Income Tax demand disputed in appeal.                         | 12.00  |
| c) Bills Receivables discounted but not matured (since realized) | 8.50   |

### 3.8. Status of Corporate Governance & Pending Litigation

The Board of Directors comprises of a Non - Executive Chairman, a Non – Executive Vice Chairman, a Managing Director and 7 other Non Executive Independent Directors and one Non Executive Non- Independent Director.

The Board of Directors of ALL has constituted the following committees:

- Audit Committee:** Comprising of 3 Non Executive Independent Directors to meet the requirements under the Listing Agreement
- Shareholders/Investors Grievance Committee:** Comprising of 3 Non-Executive Independent Directors to operate in terms of the provisions related thereto in the Listing Agreements with the stock exchanges and /or the provisions as prescribed or as may be prescribed in this regard by the Act.
- Remuneration Committee:** The remuneration of the Managing Director is approved by the Board of Directors and the shareholders of ALL in General Meeting. Hence, no separate Remuneration Committee has been constituted.
- The Company also has a Committee of Directors with authority delegated by the Board of Directors, inter alia, to approve investments of surplus treasury funds etc.

The Statutory Auditors of ALL have certified that the Company has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreement with the stock exchanges where the shares of ALL are listed. The Certificate on Corporate Governance has been published in the Annual Report of March 2005.

The following is the list of material litigation by and against ALL:

**Against ALL**

| Sr.No. | Cases                                                                                                                                                                                                                                                                                                        |
|--------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1)     | <b><u>Labour Cases:</u></b><br>Ten Cases filed in various courts by Employees of erstwhile Petrochemical and Oleochemical Divisions against termination and for reinstatement of services, reimbursement of Medical allowances, etc. The cases are pending at various stages.                                |
| 2).    | <b><u>Tax Claims:</u></b><br>Two Cases pending in CESTAT pertaining to erstwhile Petrochemical Division made by Excise and Custom Dept., – amounting to Rs.9,50,803/- for various assessment years.<br><br>Three Appeals filed by the Income Tax Department for various claims amounting to Rs.42,172,163/-. |
| 3)     | <b><u>Miscellaneous:</u></b><br>One Tenancy Eviction and Recovery (TER) Suit was filed with Small Causes Court, Mumbai on March 02,2002 against ALL.                                                                                                                                                         |

**By ALL**

| Sr.No. | Cases                                                                                                                                                                                                                         |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | <b><u>Miscellaneous:</u></b><br>Five cases filed for recovering of sales proceeds and under Section 138 of Negotiable Instruments Act at various Courts amounting to Rs.37,50,974/-. The cases are pending at various stages. |
| 2.     | <b><u>Tax:</u></b><br>Eight appeals filed by ALL in respect to Income-Tax which are pending at various stages amounting to Rs.207,962,522/-.                                                                                  |

3.9. Ms. Jignasha Shah, Company Secretary of ALL is the Compliance Officer. The correspondence address is as below:

Ms. Jignasha. Shah  
Company Secretary  
Aegis Logistics Ltd.  
403, Penninsula Chambers,  
Penninsula Corporate Park  
G.K Marg, Lower Parel (West)  
Mumbai- 400 013, India  
Tel: +91-022-66663666 ; Fax: +91-022-66663777

3.10. There were no mergers, demergers and / or spin-offs involving ALL during the last three years.

3.11. The shareholding pattern of ALL as on March 03, 2006 is as follows

| CATEGORY                                                                                                                           | NO OF SHARES HELD | PERCENTAGE OF SHAREHOLDING |
|------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------|
| <b>A. PROMOTERS HOLDING</b>                                                                                                        |                   |                            |
| 1. Promoters                                                                                                                       |                   |                            |
| - Indian Promoters                                                                                                                 | 3123125           | 19.11                      |
| - Foreign Promoters                                                                                                                | 7318760           | 44.79                      |
| 2. Persons Acting in concert                                                                                                       | 0                 | 0.0                        |
| <b>SUB-TOTAL</b>                                                                                                                   | <b>10441885</b>   | <b>63.90</b>               |
| <b>B. NON PROMOTERS HOLDING</b>                                                                                                    |                   |                            |
| 3. Institutional Investors                                                                                                         |                   |                            |
| a. Mutual Funds and UTI                                                                                                            | 0                 | 0.0                        |
| b. Banks, Financial Institutions, Insurance Companies<br>( Central/State Government Institutions/<br>Non Government Institutions ) | 761               | 0.0                        |
| c. FIIs                                                                                                                            | 77500             | 0.47                       |
| <b>SUB- TOTAL</b>                                                                                                                  | <b>78261</b>      | <b>0.48</b>                |
| <b>C. OTHERS</b>                                                                                                                   |                   |                            |
| a. Private Corporate Bodies                                                                                                        | 779985            | 4.77                       |
| b. Indian Public                                                                                                                   | 4942591           | 30.25                      |
| c. NRIs/OCBs                                                                                                                       | 97862             | 0.60                       |
| d. Any Other. (In Transit)                                                                                                         | 0                 | 0.00                       |
| <b>SUB -TOTAL</b>                                                                                                                  | <b>5820438</b>    | <b>35.62</b>               |
| <b>GRAND TOTAL</b>                                                                                                                 | <b>16340584</b>   | <b>100</b>                 |

### 3.12. Disclosure in terms of Regulation 16(ix)

Pursuant to the Share Purchase Agreement as envisaged between the Acquirer and the Promoter Group of SCL, the Acquirer would have control over the Target Company. The Acquirer does not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except to the extent that may be required (i) in the ordinary course of business of the Target Company and/or (ii) for the purposes of restructuring, rationalising and/or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of SCL, except with the prior approval of shareholders of SCL. Notwithstanding the above, it will be the responsibility of the Board of Directors of SCL to make appropriate decisions in these matters, in accordance with the requirements of the business of SCL and in line with opportunities or changes in the economic scenario from time to time. Such approvals and decisions will be governed by the provisions of the relevant regulations or any other applicable laws at the relevant time.

### 3.13. Future plans/strategies of the Acquirer with regard to the Target Company

The Offer is being made in compliance with among others, Regulations 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, 1997 for the purposes of substantial acquisition of up to 2,50,000 Shares of the Target Company as disclosed earlier, accompanied with change in control and management of the Target Company thereby enabling the Acquirer to exercise control over SCL inter-alia through the right to appoint directors or through control over management of policy decisions by virtue of their shareholding. The Acquirer reserves the right to seek reconstitution of the Board of Directors of the Target Company in accordance with the provisions contained in the SEBI (SAST) Regulations, 1997 and the Companies Act, 1956. The Acquirer may also consider changing the name of the Target Company at a later date.

The Acquirer would pursue to execute the plan of the Target Company to execute a bulk liquid chemical project with significant capacity which is akin or germane to the business of the Acquirer. Such decisions will be governed by the provisions of the applicable laws and other applicable regulations. The Acquirer intends to review from time to time SCL's business plan and financial position. Based on such evaluation and review, as well as general economic and industry conditions existing at the time, the Acquirer may consider from time to time, various alternative courses of action. Such actions may include the acquisition of additional equity shares through open market purchases, privately negotiated transactions, tender offers, exchange offers or in any other manner; alternatively, such actions may involve the sale of all or a portion of the Shares in the open market, in privately negotiated transactions, or otherwise, subject to the provisions of the applicable law at the relevant time.

All owners of Shares, registered or unregistered, except the Acquirer and the Promoters of SCL, are eligible to participate in the Offer anytime before closure of the Offer.

**4. DISCLOSURE IN TERMS OF REGULATION 21 (3) OF THE SEBI (SAST) REGULATIONS, 1997:**

Pursuant to this Offer (assuming full acceptance) and acquisition under the SPA, the public shareholding in SCL will not be reduced below the limit specified in the Listing Agreement with the ASE for the purpose of listing on continuous basis.

**5. BACKGROUND OF TARGET COMPANY**

**SCL**

- 5.1. SCL was incorporated as a company limited by shares under the provisions of the Companies Act 1956 on May 19, 1979. SCL's registered office is located at Adani House, Nr. Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, India. Mr Pahlaj Bajaj initially promoted SCL. SCL was taken over by Adani Group through purchase of Shares from Mr. Pahlaj Bajaj and others on October 17, 1995. SCL was a sick company and was referred to the Board for Industrial and Financial Reconstruction (BIFR) for rehabilitation during the takeover by the Adani Group. Adani Group purchased the shareholding and discharged the liabilities of the lenders under the BIFR arrangement.

SCL, under the erstwhile promoters Mr. Pahlaj Bajaj, had come out with Initial Public Offering in February 1983 and was listed on the Bombay Stock Exchange Limited ("BSE") and Ahmedabad Stock Exchange Ltd. previously known as The Stock Exchange-Ahmedabad ("SEA"). Thereafter, since it turned a sick company and a BIFR case, it was suspended from both BSE and ASE in April 1993.

During the takeover by the Adani Group of SCL under a BIFR arrangement the Target Company was not listed on any of the stock exchanges.

Subsequent to the takeover, the new promoters –Adani Group, initiated the steps to get the Target Company relisted on both BSE and ASE. BSE did not permit relisting since SCL did not meet the then existing paid up capital criteria for relisting of a company. However, ASE permitted relisting of the Target Company, the listing agreement was signed on March 11, 1996 and the SCL got relisted on March 29, 1996 on the ASE. Since then SCL is listed only on the ASE.

There has been no change in the name of the Target Company since its inception.

The Target Company's business envisaged setting up a project of Chemical storages and operations thereof and the Target Company has commenced activities of the project. The Location of the facility is at Ambapada, Mahul Village (near BPCL Refinery Main Gate), Mumbai – 400 074

- 5.2. SCL did not carry out any business activities during the year ended March 31, 2005, hence no Profit and Loss Statement has been drawn
- 5.3. As per the audited figures for the year ended March 31,2005, SCL had issued, subscribed and paid-up share capital of Rs.1325 Lacs, comprising 12,50,000 fully paid-up equity shares of face

## Letter of Offer

value of Rs.10/- each and 12,00,000 fully paid-up 6% Cumulative redeemable preference shares of Rs.100/- each.

There are no partly paid-up shares in SCL. Further, there are no outstanding convertible instruments. The Shares of SCL are listed on ASE.

### 5.4. Share capital structure of the SCL

| <b>Paid up Equity Shares of SCL</b> | <b>No. of Shares/ voting rights</b> | <b>% of Shares/ voting rights</b> |
|-------------------------------------|-------------------------------------|-----------------------------------|
| Fully paid up equity shares         | 1,250,000                           | 100%                              |
| Partly paid up equity shares        | Nil                                 | Nil                               |
| Total paid up equity shares         | 1,250,000                           | 100%                              |
| Total voting rights in SCL          | 1,250,000                           | 100%                              |

Note: SCL also has 1,200,000 fully paid up 6% Cumulative Redeemable Preference Shares of Rs. 100/- each with no voting rights.

### 5.5. The following table provides capital build-up of SCL since inception:

| <b>Date of Allotment</b> | <b>No. and % of shares issued</b> | <b>Face value</b> | <b>Cumulative paid up capital</b> | <b>Mode of allotment</b>        | <b>Identity of allottees</b> | <b>Status of compliance</b> |
|--------------------------|-----------------------------------|-------------------|-----------------------------------|---------------------------------|------------------------------|-----------------------------|
| 07.05.1979               | 70 (100%)                         | 10                | 700                               | Subscribers to Memorandum       | Promoters                    | complied                    |
| 11.11.1980               | 303630 (99.98%)                   | 10                | 3037000                           | Further allotment               | Promoters                    | complied                    |
| 10.12.1980               | 180000 (37.21%)                   | 10                | 4837000                           | Further allotment               | Promoters                    | complied                    |
| 06.08.1981               | 16300 (3.26%)                     | 10                | 5000000                           | Further allotment               | Promoters                    | complied                    |
| 17.10.1981               | 110000 (18.03%)                   | 10                | 6100000                           | Further allotment               | Promoters                    | complied                    |
| 30.03.1983               | *640000 (51.20%)                  | 10                | 12500000                          | Shares allotted pursuant to IPO | Public                       | complied                    |

\*Note: Out of the above equity shares 37,850 equity shares were forfeited by the Target Company on account of non payment of call money by the shareholders of SCL and the same were reissued on 16.01.98

5.6. The Shares of the Target Company are listed on ASE. As per the information provided by the Target Company, the Target Company has complied with the provisions of the Listing Agreement. Further, no punitive action has been taken against SCL by the stock exchange where its Shares are listed. Presently the Shares of the Target Company are not suspended from trading on any stock exchange.

5.7. As per the information provided by the Target Company, there are no convertible instruments outstanding and there are no partly paid-up equity shares of SCL.

5.8. On the date of the PA the Board of Directors of SCL comprised of the following:

| Name of Director                     | Experience                                                                                                                            | Qualifications | Date of Appointment | Address                                                                               |
|--------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------|---------------------|---------------------------------------------------------------------------------------|
| Mr .Vasant .S. Adani<br>Chairman     | 20 years of experience in Real estate development & General management                                                                | B.A            | 12-02-1996          | 15, Surayaja Bungalow, Sarathi Restaurant, Vastarpur, Ahmedabad-380054                |
| Mr. Jay H. Shah<br>Managing Director | 20 years of experience of Chemicals & Petro chemical Business                                                                         | BCom LLB       | 10-01-1996          | 7/8 Blooming Heights, Auxillium Convent Road, 4 Pali Hill, Bandra West, Mumbai-400050 |
| Mr Bhavik Shah<br>Director           | 20 years of experience in the field of Finance & Banking                                                                              | M.Com          | 04-06-2001          | C-802, Chandanbala Flats, Nr Mahalaxmi Cross Road, Paldi, Ahmedabad-380007            |
| Mr. Suresh Parikh<br>Director        | 25 years of experience in the field of Finance, Accounts & Commercial aspects of setting up of units of Textiles, Plastic, resins etc | Msc (Phyiscs)  | 05-02-2003          | 1/13, Aditi Apartments,B/H Orient Club, Ellisbridge, Ahmedabad                        |
| Mr BalKrishna H Wani                 | Over 40 years in field of Legal & Corporate affairs                                                                                   | BA ,LLB        | 23-02-2006          | B-5/7, WayWards, Sitla Devi road, Mahim, Mumbai-400016                                |

Please note that all correspondence to the directors of SCL must be addressed to the registered office address of SCL, which is Adani House, Nr Mithakhali Six Roads, Navrangpura, Ahmedabad-380009, India; Tel No. +91 –079-26565555, Fax No. +91-079-26565500

There is no representative of the Acquirer on the Board of the Target Company.

5.9. There has been no merger, de-merger or spin off during the last 3 years. Since inception, the name of the Target Company has never been changed

## Letter of Offer

5.10. The financial details of SCL are as under, in compliance with the provisions of Clause 6.14 to the standard letter of offer format as prescribed by SEBI:

Rs In Lacs

| Balance Sheet Statement                               | FY03        | FY04        | FY05        | 9months ended December 31, 2005        |
|-------------------------------------------------------|-------------|-------------|-------------|----------------------------------------|
| <b>Sources of Funds</b>                               |             |             |             |                                        |
| Paid-up Share Capital                                 | 1,325       | 1,325       | 1,325       | 1,325                                  |
| Equity Share Capital                                  | 125         | 125         | 125         | 125                                    |
| Preference Share Capital                              | 1,200       | 1,200       | 1,200       | 1,200                                  |
| Reserves and surplus (excluding revaluation reserves) | (1,212)     | (1,212)     | (1,212)     | (1,212)                                |
| <b>Net worth</b>                                      | <b>113</b>  | <b>113</b>  | <b>113</b>  | <b>113</b>                             |
| Secured Loans                                         | -           | -           | -           | -                                      |
| Unsecured Loans                                       | 213         | 234         | 254         | 259                                    |
| Other Liabilities                                     | -           | -           | -           | -                                      |
| Deferred Tax Liability                                | -           | -           | -           | -                                      |
| <b>Total</b>                                          | <b>326</b>  | <b>347</b>  | <b>367</b>  | <b>372</b>                             |
| <b>Uses of Funds</b>                                  |             |             |             |                                        |
| Net fixed Assets                                      | 54          | 53          | 52          | 52                                     |
| Expenditure during construction period                | 241         | 263         | 284         | 301                                    |
| Investments                                           | 0           | 0           | 0           | 0                                      |
| Net Current Assets                                    | 14          | 14          | 14          | 2                                      |
| Total Miscellaneous Expenditure Not Written-Off       | 17          | 17          | 17          | 17                                     |
| <b>Total</b>                                          | <b>326</b>  | <b>347</b>  | <b>367</b>  | <b>372</b>                             |
| <b>Other Financial Data</b>                           | <b>FY03</b> | <b>FY04</b> | <b>FY05</b> | <b>9months ended December 31, 2005</b> |
| *Book Value per Equity Share (Rs)                     | (161)       | (172)       | (94)        | (94)                                   |

\* Book Value per Equity Share has been calculated after deducting the arrears of preference dividend of Rs.907.40 lacs, Rs. 1051.40 lacs , Rs. 70.42 and Rs.70.42 lacs for the FY 2003, 2004, 2005 and 9 months period ended December 31, 2005 respectively.

\* Calculated as (Networth- Arrears of Preference Dividend-Misll. Expenditure not written off) / Number of outstanding Equity Shares

**Note: As the Target Company was not undertaking any business activity since FY 2000-01, no profit and loss statement has been drawn since then**

**5.11. The equity shareholding in SCL before the Offer and after the Offer (assuming full acceptance of the Offer) is given in the table below:**

| Shareholders' category                                                    | Shareholding & voting rights prior to the agreement/ acquisition and offer. (A) |               | Shares /voting rights agreed to be acquired which triggered off the Regulations (B) |              | Shares/voting rights to be acquired in open offer (Assuming full acceptances) ( C ) |              | Share holding / voting rights after the acquisition and offer. (D) |               |
|---------------------------------------------------------------------------|---------------------------------------------------------------------------------|---------------|-------------------------------------------------------------------------------------|--------------|-------------------------------------------------------------------------------------|--------------|--------------------------------------------------------------------|---------------|
|                                                                           | No                                                                              | %             | No                                                                                  | %            | No                                                                                  | %            | No                                                                 | %             |
| <b>1. Promoter Group</b>                                                  |                                                                                 |               |                                                                                     |              |                                                                                     |              |                                                                    |               |
| 1. Parties to agreement, if any                                           | 9,37,500                                                                        | 75.00         | --                                                                                  | --           | --                                                                                  | --           | *                                                                  | *             |
| 2. PAC's                                                                  |                                                                                 |               | --                                                                                  | --           | --                                                                                  | --           | --                                                                 | --            |
| <b>Total</b>                                                              | <b>9,37,500</b>                                                                 | <b>75.00</b>  | <b>--</b>                                                                           | <b>--</b>    | <b>--</b>                                                                           | <b>--</b>    | <b>-</b>                                                           | <b>-</b>      |
| <b>(2) Acquirer</b>                                                       |                                                                                 |               | 6,87,500                                                                            | 55.00        | 2,50,000                                                                            | 20.00        | 9,37,500                                                           | 75.00         |
| <b>Total</b>                                                              | <b>--</b>                                                                       | <b>--</b>     | <b>6,87,500</b>                                                                     | <b>55.00</b> | <b>2,50,000</b>                                                                     | <b>20.00</b> | <b>9,37,500</b>                                                    | <b>75.00</b>  |
| <b>(3) Parties to agreement other than (1) &amp; (2)</b>                  | --                                                                              | --            | --                                                                                  | --           | --                                                                                  | --           | --                                                                 | --            |
| <b>(4) Public (other than parties to agreement, acquirers &amp; PACs)</b> |                                                                                 |               |                                                                                     |              |                                                                                     |              |                                                                    |               |
| 1. FIs/MFs/FIIs/Banks, SFIs/Private Corporate Bodies                      | 1,64,000                                                                        | 13.12         | --                                                                                  | --           | --                                                                                  | --           | } 3,12,500                                                         | 25.00         |
| 2. Public Shareholders (Others)                                           | 1,48,500                                                                        | 11.88         | --                                                                                  | --           | --                                                                                  | --           |                                                                    |               |
| <b>Total (4)</b>                                                          | <b>3,12,500</b>                                                                 | <b>25.00</b>  | <b>--</b>                                                                           | <b>--</b>    | <b>--</b>                                                                           | <b>--</b>    | <b>3,12,500</b>                                                    | <b>25.00</b>  |
| <b>GRAND TOTAL (1+2+3+4)</b>                                              | <b>12,50,000</b>                                                                | <b>100.00</b> | <b>--</b>                                                                           | <b>--</b>    | <b>--</b>                                                                           | <b>--</b>    | <b>12,50,000</b>                                                   | <b>100.00</b> |

**Note:**

Pursuant to the acquisition of Shares by the Acquirer there will be a change in the management control of the Target Company. The existing promoters will no longer be the promoters of the Target Company and their shareholding after the Offer will become part of public shareholding. Shares in the Offer will be acquired by the Acquirer from shareholders of SCL, who own the equity shares anytime before the Closure of the Offer.

\* The Acquirer had entered into a Share Purchase Agreement with the sellers to acquire on a definitive basis 687,500 fully paid up equity shares of Rs 10/- each at a price of Rs 10/- per fully paid up equity share payable in cash representing 55% of the Equity Share Capital of the Target Company and based on the response received in the Open Offer, Acquirer shall acquire such further number of Shares so that the total Shares purchased by the Acquirer, including the Shares acquired in the Open offer, represents 75% of the Equity Share capital of the Target Company which will maintain the public shareholding as required by the listing agreement for the purpose of listing on continuous basis

## Letter of Offer

- 5.12. As on the specified date, there were 1165 equity shareholders in SCL.
- 5.13. SCL, under the erstwhile promoters Mr. Pahlaj Bajaj, had come out with Initial Public Offering in February 1983 and was listed on the Bombay Stock Exchange Limited ("BSE") and Ahmedabad Stock Exchange Ltd. previously known as The Stock Exchange-Ahmedabad. Thereafter, since it turned a sick company and a BIFR case, it was suspended from both BSE and ASE in April 1993. During the takeover by the Adani Group of SCL under a BIFR arrangement the Target Company was not listed on any of the stock exchanges. Subsequent to the takeover, the new promoters – Adani Group, initiated the steps to get the Target Company relisted on both BSE and ASE. BSE did not permit relisting since SCL did not meet the then existing paid up capital criteria for relisting of a company. However, ASE permitted relisting of the Target Company, the listing agreement was signed on March 11, 1996 and the SCL got relisted on March 29, 1996 on the ASE. Since then SCL is listed only on the ASE

### 5.14. Status of Corporate Governance & Pending Litigation

As per the information provided by the Target Company, provisions of Clause 49 of the Listing Agreement with the stock exchange dealing with Corporate Governance have been complied with. Certificate of Compliance on Corporate Governance received from the Statutory Auditors had been published in the Annual Report for the year ended March 31, 2005. As Per the information provided by the Target Company there is no pending material litigation against the Target Company.

- 5.15. Mr. Jay H. Shah, Managing Director, SCL, is the compliance officer. The correspondence address is as below:

Mr. Jay H. Shah  
Adani House,  
Nr Mithakhali Six Roads,  
Navrangpura, Ahmedabad-380009, India;  
Tel No. +91 -079-26565555, Fax No. +91-079-26565500

## 6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 6.1. Justification of Offer Price

- 6.1.1. The Equity Shares of SCL are listed on ASE. The Public Announcement by the Acquirer, pursuant to Regulation 10 and 12 and other applicable provisions of Chapter III of, and in compliance with, the Regulations was made on March 06, 2006. Based on the information available from ASE's official quotations, the Shares of SCL are infrequently traded on ASE within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997. From the period April 01, 2004 to February 14, 2006 there has been no trading of Shares of SCL on ASE.
- 6.1.2. As the Shares of the Target Company are infrequently traded, the offer price is determined as per Regulation 20(5) of SEBI (SAST) Regulations, 1997 as under:

|                                                                                                                                                                |                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|
| The negotiated price under the agreement                                                                                                                       | Rs 10/-                          |
| Highest price paid by the Acquirer for any acquisition including through a public or rights issue during the 26 weeks prior to the date of public announcement | Not Applicable                   |
| <b>Other Parameters:</b>                                                                                                                                       | <b>Year ended March 31, 2005</b> |
| <b>Return on Net Worth</b>                                                                                                                                     | N.A                              |
| <b>Book Value per share</b>                                                                                                                                    | (94)                             |
| <b>Earning per share (Rs.)</b>                                                                                                                                 | N.A                              |
| <b>PE ratio</b>                                                                                                                                                | N.A                              |
| <b>Industry PE ratio*</b>                                                                                                                                      | 13.4                             |
| * Source: Capital Market Feb 27-Mar12, 2006<br>Industry: Miscellaneous                                                                                         |                                  |

Note: a) As the Target Company was not undertaking any business activity since FY 2000-01, no profit and loss statement has been drawn since then.

\*\*b) Book Value per share for the nine month period ended December 31, 2005 is Rs. (94)

\*\*Book Value per Equity Share has been calculated after deducting the arrears of preference

dividend of Rs.70.42 lacs for the year ending March 31, 2005 and the 9 month period ended December 31, 2005

In the opinion of the Manager to the Offer and the Acquirer, the Offer Price of Rs. 10/- per Share is justified as per Regulation 20(5) of the Regulations.

- 6.1.3. If the Acquirer acquires Shares after the date of Public Announcement up to 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

- 6.1.4. There is no non-compete agreement entered into by the parties to the offer.

## **6.2. Financial Arrangement for the Offer**

- 6.2.1. The total fund requirement for implementation of the Offer at Rs. 10/- per Share is Rs.25,00,000 (Rupees Twenty Five lacs only) assuming that full acceptance for the Offer is received

- 6.2.2. The Acquirer has made firm financial arrangements to implement the Offer and meet their obligations in full under the Offer. The Offer obligation shall be met by the Acquirer from its own funds and internal accruals.

M/s. C.C.Chokshi & Co. Chartered Accountants 12, Dr Annie Besant Road, opp. Shiv Sagar Estate, Worli, Mumbai - 400 018 Tel: +91-022-66679000 ; Fax: +91 -022-66679025 acting through its partner Mr. R. Salivati ( Membership No. 34004 ) have confirmed vide their letter dated March 03, 2006 that the Acquirer has made firm arrangements to meet the financial obligation under this Offer

- 6.2.3. The Manager to the Offer confirms that it is satisfied about the ability of the Acquirer to implement the Offer in accordance with the Regulations as firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

- 6.2.4. In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirer has made a cash deposit of Rs.25,00,000 (Rupees Twenty Five lacs only) with Bank Of Baroda, Corporate Financial Services Branch, Fort, 4<sup>th</sup> Floor, 10/12, Mumbai Samachar Marg, Mumbai – 400023 ("Escrow Account"). The amount placed in the Escrow Account is 100% of the total Offer consideration assuming full acceptance. In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirer has created a lien in favour of Anand Rathi Securities Private Limited against a fixed deposit amounting to Rs.25,00,000 from the Escrow Account

## **7. TERMS AND CONDITIONS OF THE OFFER**

- 7.1. The Offer to the shareholders of SCL to acquire up to 250,000 fully paid-up equity shares representing 20% of the paid-up equity share capital of SCL at Rs.10/- per Share is being made pursuant to Regulation 10 and 12 read with other applicable provisions of Chapter III of, and in compliance with, the Regulations.

- 7.2. SCL will furnish the register of Members as on the Specified Date. The Letter of Offer together with the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal will be mailed to the shareholders of SCL whose names appear on the Register of Members of SCL, at the close of the Business Hours on March 07, 2006 (the Specified Date), except to the Acquirer and the Promoter Group in SCL. Accidental omission to dispatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

- 7.3. Equity shares of SCL that are subject matter of litigation or are held in abeyance due to pending court cases, wherein the shareholder(s) of SCL may be precluded from transferring the shares during pendency of the said litigation are liable to be rejected in case directions / orders releasing 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.

- 7.4. The Shares of SCL will be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

- 7.5. The Offer is not conditional on any minimum level of acceptance i.e. the Acquirer will acquire all the Shares that are tendered in terms of the Offer up to 2,50,000 Shares, subject to the conditions

## Letter of Offer

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specified in the Public Announcement published on March 06, 2006, Corrigendum Announcement and this Letter of Offer (in paragraphs 7.1 to 7.4) and Form of Acceptance-cum-Acknowledgement.

- 7.6. If there is any further upward revision of the Offer price by the Acquirer till the last date for revision viz. May 17, 2006 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the Public Announcement and Corrigendum Announcement had appeared. Such revised Offer Price would be payable for all the shares tendered anytime during the Offer and accepted under the Offer.
- 7.7. Shareholders of SCL who wish to tender their Shares should submit documents in accordance with the procedure specified in Section 8 of this Letter of Offer and the Form of Acceptance-cum-Acknowledgement.
- 7.8. Shareholders of SCL who hold shares in physical form and 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 - Sharepro Services (India) Pvt Ltd., either by hand delivery to the collection centers during business hours (Mondays to Fridays between 10.00 a.m. and 4.00 p.m., Saturdays between 10.00 a.m. and 1.00 p.m.) or by registered post at any of its collection centres whose addresses are given below in 8.9 of this Letter of Offer, so that the same are received on or before the close of the Offer i.e. May 29, 2006 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement.

### 7.9. Locked-in Shares

There are no locked-in shares. However, no discrimination would be made with regard to locked-in shares.

### 7.10. Eligibility for Accepting the Offer

The present Offer is being made to all the shareholders of SCL, except the Acquirer whose names appear as on the Specified Date (i.e. March 07, 2006) and also to those persons, except the Acquirer and the Promoters of SCL, who own the shares at any time prior to the closure of the Offer but are not registered shareholders of SCL.

### 7.11. Marketable Lot

The marketable lot for the shares of SCL is fifty Shares as the Shares of SCL can be traded on the secondary market only in physical form.

### 7.12. Statutory Approvals and Conditions of the Offer

The Offer is subject to statutory and regulatory approvals and clearances required to acquire Shares tendered pursuant to the Offer. To the best of the knowledge of the Acquirer, as on the date of the Public Announcement, there are no statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such statutory approvals. The Acquirer will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused in terms of Regulation 27 of the Regulations.

In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of SCL, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will also become applicable.

## 8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

- 8.1. Shareholders of SCL who wish to avail of this Offer should forward the under mentioned documents by hand delivery or registered post to the Registrar to the Offer, Sharepro Services (India) Pvt Ltd, either by hand delivery during business hours (Mondays to Fridays between 10.00 a.m. and 4.00 p.m.; Saturdays between 10.00 a.m. and 1.00 p.m.) or by registered post so that the same are received on or before the closure of the Offer, i.e. by May 29, 2006. **Shareholders of SCL are advised to ensure that the Form of Acceptance-cum-Acknowledgement and other documents are complete in all respects otherwise the same is liable to be rejected. Physical shares tendered under the Offer and subsequently withdrawn by the shareholders of SCL will be returned to the shareholders of SCL by registered post.**

**8.2. Registered shareholders of SCL, should enclose:**

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders of SCL whose names appear on the share certificates
- Original share certificate(s)
- Valid share transfer deed(s) duly signed as transferors by all registered shareholders of SCL (in case of joint holdings) in the same order and as per specimen signatures registered with SCL and duly witnessed at the appropriate place(s)

**8.3. Unregistered shareholders of SCL should enclose:**

- Form of Acceptance-cum-Acknowledgement or an application on plain paper, duly completed and signed in accordance with the instructions contained therein
- Original share certificate(s)
- Copy of the original contract note issued by the broker through whom the shares were Purchased
- Proof of lodgement of shares for transfer and acknowledgement thereof by SCL or its registrar and share transfer agent (if the share certificates have already been lodged for transfer)
- Valid share transfer deed(s) duly signed by a registered holder and an additional valid transfer deed duly signed by the unregistered shareholder as the transferor

No indemnity is required from the unregistered owners.

**8.4. Owners of shares who have tendered their shares for transfer should enclose:**

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein
- Copy of the letter sent to SCL for transfer of shares
- Valid share transfer deed(s) including valid transfer deed duly signed by the unregistered shareholder as the transferor and witnessed.

8.5 Valid share transfer deed/ form(s) duly signed as transferors by all registered shareholders of SCL (in case of joint holdings) in the same order and as per specimen signatures registered with SCL and duly witnessed at the appropriate place.

**8.6. The share certificate(s), share transfer deed(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirer or the Target Company.**

8.7. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer on a plain paper stating acceptance of the Offer with name, address, number of shares held, distinctive numbers, folio numbers, number of shares offered, along with documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e. May 29, 2006.

Alternatively, the Letter of Offer and Form of Acceptance-cum-Acknowledgement will be available on SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in), from the date of opening of the Offer. The eligible persons can download the Form of Acceptance-cum-Acknowledgement from the SEBI's website and apply in the same.

**8.8. As per the provisions of Section 196D(2) of the Income Tax Act, 1961 ("the Income Tax Act), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor ("FII") as defined in section 115AD of the Income Tax Act. However, while tendering their shares under the Offer, NRIs, OCBs and other non-resident shareholders of SCL will be required to submit a No Objection Certificate (NOC) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income Tax Act indicating the amount of tax to be deducted by the**

## Letter of Offer

Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders of SCL on the entire consideration amount payable to such shareholders of SCL. While tendering equity shares under the Offer, non-resident Indians (NRIs), Overseas Corporate Bodies (OCBs) and other non-resident shareholders will be required to submit RBI's approval (specific or general) that they would have obtained for acquiring the equity shares of the Target Company, failing which the Acquirer reserves the right to reject the equity shares.

- a) As per section 10(36) of the Income-tax Act, 1961, any income arising from the transfer of a long-term capital asset, being an equity share for which the transactions of purchase and sale of such share are entered into on a recognised stock exchange, is exempt from tax. However, gains on transfer of shares tendered under the Offer would not be eligible for the exemption under section 10(36), as the transfer would not be effected through a recognised stock exchange. As such, gains on transfer of the shares offered pursuant to this letter of offer would be liable to tax as per the normal provisions of the Income-tax Act, 1961. This position has been intimated to the Acquirer by the tax advisers of the Acquirer. However, the Acquirer, by this letter of offer, is not providing any tax advice to the shareholders of SCL and the shareholders of SCL are requested to seek their own advice on such matters.

- 8.9. The Form of Acceptance-cum-Acknowledgement along with the share certificate(s), signed transfer deed and other documents should be submitted at any of the collection centres below in accordance with the procedure as set out in the Letter of Offer. All the centres mentioned herein below would be open on all working days as follows :

Business Hours: Mondays to Fridays 10.00 a.m. to 4.00 p.m; Saturdays 10.00 a.m. to 1.00 p.m.

The centres will be closed on Sundays and any other public holidays

| City      | Contact Person  | Address                                                                                                                                           | Tel. No.       | Fax No.         | E-mail Address              |
|-----------|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------|-----------------------------|
| Mumbai    | Mr. Ashok Gupta | Sharepro Services (India) Pvt. Ltd. Satam Estate, 3rd Floor, Above Bank of Baroda, Chakala, Andheri (E), Mumbai 400099                            | 91-22 28215168 | +91-22 28327834 | sharepro@vsnl.com           |
| Ahmedabad | Mr. Suresh Shah | Sharepro Services (India) Pvt. Ltd. C/o.Shah Consultancy Services, 3 Sumatinath Complex, Pritam Nagar Akhada Road, Ellis Bridge, Ahmedabad 380006 | 079 26576038   | 079 26576038    | Shahconsultancy@hotmail.com |

Applicants who cannot hand deliver their documents at the collection centres referred to above, may send the same by Registered Post, at the above mentioned address at their own risk and cost.

- 8.10. The payment of consideration will be made by the Acquirer in cash through crossed account payee cheque, demand draft or pay order sent by Registered Post for amounts exceeding Rs1,500 and UCP otherwise to those shareholders / unregistered owners of shares of SCL, which would be dispatched to the shareholders / unregistered owners of shares of SCL at their own risk, whose shares / share certificates and other documents are found in order and accepted by the Acquirer. In case of joint registered holders of shares of SCL, cheques / demand drafts / pay orders will be drawn in the name of the sole / first named holder / unregistered owner and will be sent to him / her. **It is desirable that shareholders of SCL provide bank details in the Form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the cheque / demand draft / pay order.**
- 8.11. In case the Shares tendered in the Offer are more than the shares to be acquired under the Offer, the acquisition of Shares from each shareholder of SCL will be in accordance with Regulation 21(6) of the Regulations, on a proportionate basis.
- 8.12. Unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by Registered Post at the shareholders' / unregistered owners' sole risk to the sole / first named shareholder / unregistered owner. Except that, in case the share certificates tendered have to be split, the Acquirer will arrange to split the share certificates and send the balance share certificates (for Shares not accepted in the Offer) by Registered Post at the shareholders' / unregistered owners' sole risk to the sole / first named shareholder / unregistered owner.
- 8.13. The Registrar to the Offer will hold in trust the Share(s) / share certificate(s), Form of Acceptance-cum-Acknowledgement and the transfer deed(s), if any, on behalf of the shareholders / unregistered owner(s) of SCL who have accepted the Offer, till the Acquirer complete the Offer obligations in terms of the Regulations latest by June 12, 2006.
- 8.14. The Acquirer shall complete all procedures relating to the Offer latest by June 12, 2006. In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of SCL, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will also become applicable.
- 8.15. In terms of Regulation 22(5A) of the Regulations, shareholders of SCL desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the closure of the Offer, i.e. by May 23, 2006. The withdrawal option can be exercised by submitting the Form of Withdrawal as per the instructions below, so as to reach the Registrar to the Offer at India; Sharepro Services (India) Pvt Ltd, Satam Estate, 3<sup>rd</sup> floor, Cardinal Gracious Road, Above Bank Of Baroda, Chakala, Andheri(East), Mumbai-99 Contact person Mr. Ashok Gupta, Tel No :+91-022-28329828 ,Fax,+91-022-28327834 either by hand delivery on all days (excluding Sundays and public holidays): Mondays to Fridays - 10.00 a.m. to 4.00 p.m.; Saturdays 10.00 a.m. to 1.00 p.m. or by Registered Post, on or before May 23, 2006. The withdrawal option can be exercised by submitting the Form of Withdrawal along with the copy of acknowledgement slip issued at the time of submission of the Form of Acceptance cum Acknowledgement.

In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

In case of physical shares: name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares;

## Letter of Offer

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### 9. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection at the office of the Manager to the Offer, Anand Rathi Securities Private Limited, 54- 55, Mittal Court, "B" Wing, Nariman Point, Mumbai- 400 021 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and holidays, until the closure of the Offer:

- a) Certificate of Incorporation, Memorandum of Association and Articles of Association of ALL.
- b) Certificate dated March 03, 2006 from M/s C.C.Chokshi & Co., Chartered Accountants, certifying that the Acquirer has adequate resources to meet the financial obligations relating to the Offer
- c) Certificate of Incorporation, Memorandum of Association and Articles of Association of SCL
- d) Audited annual reports of ALL for the financial years ended March 31, 2003, 2004 and 2005
- e) Un-audited results of ALL for the nine month period ended December 31, 2005
- f) Audited annual reports of SCL for the financial years ended March 31, 2003, 2004 and 2005
- g) Un-audited results of SCL for the nine months period ended December 31, 2005
- h) Copy of Public Announcement published on March 06, 2006
- i) Copy of Corrigendum to the Public Announcement published on May 04, 2006.
- j) Copy of the letter no. CFD/DCR/AK/TO/65852/2006 from SEBI dated April 28, 2006 in terms of proviso to Regulation 18(2) of the Regulations
- k) Letter dated March 03, 2006 from Bank of Baroda confirming the amount placed in fixed deposit receipt, towards the proposed Offer, with a lien in favour of Anand Rathi Securities Pvt. Ltd., Manager to the Offer
- l) Copy of Board Resolutions authorising the Offer
- m) Share Purchase Agreement dated March 02, 2006, between the Acquirer and the Promoters of SCL
- n) Preference Share Purchase Agreement dated March 02, 2006, between the Acquirer and GAPL
- o) Loan Agreements dated March 02, 2006, between the Acquirer and SCL

### 10. DECLARATION BY THE ACQUIRER

The Acquirer represented by its Board of Directors accept full responsibility for the information contained in this Letter of Offer and Form of Acceptance-cum-Acknowledgement and Form of Withdrawal. The Acquirer shall be jointly and severally responsible for ensuring compliance with the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. Mr. S. K. Hazra and Mr. A.K. Chandaria have been jointly and severally authorised by the Board of Directors of ALL to be the authorised signatories to the Letter of Offer.

#### For and on behalf of the Acquirer

Sd/- -

Authorised Signatory

Aegis Logistics Limited

Place: Mumbai

Date : May 03, 2006

Attached:

1. Annexure I
2. Form of Acceptance-cum-Acknowledgement
3. Form of Withdrawal
4. Share Transfer Deed

**Annexure I**

The following is the status of compliance with Chapter II of the Regulations by the Target Company with regard to itself, promoters and major shareholders of SCL within the time specified in the Regulations and delay if any with regard to the same.

**A. By the Promoters/ Sellers/ Major Shareholders**

| Sl. No. | Regulation/ Sub-Regulation | Due Date for Compliance as mentioned in the regulation | Actual date of compliance | Delay, if any (in no. of days) Col.4-Col.3 | Remarks |
|---------|----------------------------|--------------------------------------------------------|---------------------------|--------------------------------------------|---------|
| 1       | 2                          | 3                                                      | 4                         | 5                                          | 6       |
| 1       | 6(1)                       | 20.04.1997                                             | 14.04.1997                | None                                       | None    |
| 2       | 6(3)                       | 20.04.1997                                             | 14.04.1997                | None                                       | None    |
| 3       | 8(1)                       | 21.04.1998                                             | 08.04.1998                | None                                       | None    |
| 4       | 8(2)                       | 21.04.1998                                             | 08.04.1998                | None                                       | None    |
| 5       | 8(1)                       | 21.04.1999                                             | 08.04.1999                | None                                       | None    |
| 6       | 8(2)                       | 21.04.1999                                             | 08.04.1999                | None                                       | None    |
| 7       | 8(1)                       | 21.04.2000                                             | 07.04.2000                | None                                       | None    |
| 8       | 8(2)                       | 21.04.2000                                             | 07.04.2000                | None                                       | None    |
| 9       | 8(1)                       | 21.04.2001                                             | 09.04.2001                | None                                       | None    |
| 10      | 8(2)                       | 21.04.2001                                             | 08.04.2001                | None                                       | None    |
| 11      | 8(1)                       | 21.04.2002                                             | 08.04.2002                | None                                       | None    |
| 12      | 8(2)                       | 21.04.2002                                             | 08.04.2002                | None                                       | None    |
| 13      | 8(1)                       | 21.04.2003                                             | 10.04.2003                | None                                       | None    |
| 14      | 8(2)                       | 21.04.2003                                             | 10.04.2003                | None                                       | None    |
| 15      | 8(1)                       | 21.04.2004                                             | 15.04.2004                | None                                       | None    |
| 16      | 8(2)                       | 21.04.2004                                             | 15.04.2004                | None                                       | None    |
| 17      | 8(1)                       | 21.04.2005                                             | 16.04.2005                | None                                       | None    |
| 18      | 8(2)                       | 21.04.2005                                             | 16.04.2005                | None                                       | None    |
| 19      | 9(1) & (2)                 | N.A                                                    | N.A                       | N.A                                        | N.A     |
| 20      | 7(1A) & (2)                | N.A                                                    | N.A                       | N.A                                        | N.A     |

**B. By the Target Company**

| Sr. No. | Regulation/ Sub-Regulation | Due date of compliance as mentioned in the Regulation | Actual Date of Compliance | Delay, if any (in no. of days) (Col.4 -Col.3) | Remarks |
|---------|----------------------------|-------------------------------------------------------|---------------------------|-----------------------------------------------|---------|
| 1       | 2                          | 3                                                     | 4                         | 5                                             | 6       |
| 1       | 6(2)                       | 20.05.1997                                            | 14.05.1997                | None                                          | None    |
| 2       | 6(4)                       | 20.05.1997                                            | 14.05.1997                | None                                          | None    |
| 3       | 8(3)                       | 30.04.1998                                            | 27.04.1998                | None                                          | None    |
| 4       | 8(3)                       | 30.04.1999                                            | 20.04.1999                | None                                          | None    |
| 5       | 8(3)                       | 30.04.2000                                            | 20.04.2000                | None                                          | None    |
| 6       | 8(3)                       | 30.04.2001                                            | 26.04.2001                | None                                          | None    |
| 7       | 8(3)                       | 30.04.2002                                            | 24.04.2002                | None                                          | None    |
| 8       | 8(3)                       | 30.04.2003                                            | 16.04.2003                | None                                          | None    |
| 9       | 8(3)                       | 30.04.2004                                            | 27.04.2004                | None                                          | None    |
| 10      | 8(3)                       | 30.04.2005                                            | 29.04.2005                | None                                          | None    |
| 11      | 7(3)                       | N.A                                                   | N.A                       | N.A                                           | N.A     |

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## **FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT**

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

**(Please send this form with enclosures to the Registrar to the Offer at their address mentioned below. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)**

**From,**

|                         |   |              |
|-------------------------|---|--------------|
| Offer Opens on          | : | May 10, 2006 |
| Offer Closes on         | : | May 29, 2006 |
| Last date of Withdrawal | : | May 23, 2006 |

**Tel. No.:**

**Fax No.:**

**E-mail:**

**To,**

**Sharepro Services (India) Pvt Ltd**

Satam Estate, 3rd Floor,  
Above Bank of Baroda, Chakala,  
Andheri (E), Mumbai 400099

Dear Sir/Madam,

**Sub : Open offer for purchase of 2,50,000 equity shares of Rs. 10/- each Sealord Containers Limited ("SCL") representing 20% of its fully paid up equity share capital, at a price of Rs.10/- per fully paid-up equity share, payable in cash, by Aegis Logistics Limited ("ALL").**

I/We refer to the Letter of Offer dated May 03, 2006 for acquiring the equity shares held by me/us in SCL

I/We, the undersigned, have read the letter of offer and understood its contents including the terms and conditions as mentioned therein.

### **SHARES HELD IN PHYSICAL FORM**

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

| Sr. No.                              | Ledger Folio No. | Certificate No. | Distinctive Nos. |    | No. of shares |
|--------------------------------------|------------------|-----------------|------------------|----|---------------|
|                                      |                  |                 | From             | To |               |
|                                      |                  |                 |                  |    |               |
|                                      |                  |                 |                  |    |               |
| <b>Total number of equity shares</b> |                  |                 |                  |    |               |

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

Enclosures (Please tick as appropriate)

- ☐ Power of Attorney
- ☐ Death Certificate/Succession Certificate
- ☐ Corporate authorization in case of Companies along with the board resolution and specimen signatures of authorised signatories
- ☐ No Objection Certificate/Tax Clearance Certificate signatures under Income-tax Act, 1961, for Non-resident shareholders as applicable.
- ☐ RBI permission obtained by Non-resident Shareholder
- ☐ Others (please specify): \_\_\_\_\_

I/We confirm that the Equity Shares of SCL, which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that I/We shall have the option to withdraw the acceptance tendered by me/us upto three working days prior to the date of closure of the offer.

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

----- **TEAR HERE** -----

**Acknowledgement slip**

**SR No.** \_\_\_\_\_

**Sealord Cash Offer**

Received from Mr./Ms. \_\_\_\_\_ Address \_\_\_\_\_

Physical shares: Folio No \_\_\_\_\_

Form of Acceptance along with :

Physical Shares: No. of shares \_\_\_\_\_ Number of certificates Enclosed \_\_\_\_\_

Signature of Official \_\_\_\_\_ Date of Receipt \_\_\_\_\_

Stamp of  
collection  
centre

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

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the offer and in terms of the Letter of Offer and I/We further authorise the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the offer and in terms of the Letter of Offer.

I/We authorise the Acquirer or the Registrar to the Offer to send by registered post the demand draft/pay order, in settlement of the amount to the sole/first holder at the address mentioned above.

So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of bank account of the first/sole shareholder and the consideration pay order or demand draft will be drawn accordingly.

|                  |  |                                          |  |
|------------------|--|------------------------------------------|--|
| Name of the Bank |  |                                          |  |
| Branch           |  | City                                     |  |
| Account Number   |  | Savings/Current/(Others: please specify) |  |

The permanent account number (PAN/GIR number) allotted under the Income Tax Act, 1961 is as under :

|             |                             |                             |                             |
|-------------|-----------------------------|-----------------------------|-----------------------------|
|             | 1 <sup>st</sup> shareholder | 2 <sup>nd</sup> shareholder | 3 <sup>rd</sup> shareholder |
| PAN/GIR No. |                             |                             |                             |

Yours faithfully,

Signed and delivered:

|                   | Full Name(s) of the holders | Signature |
|-------------------|-----------------------------|-----------|
| First/Sole Holder |                             |           |
| Joint Holder 2    |                             |           |
| Joint Holder 3    |                             |           |

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

Place :

Date :

**INSTRUCTIONS**

1. Please read the enclosed Letter of Offer carefully before filling this Form of Acceptance.
2. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Equity Shareholders of SCL. Each equity shareholder of SCL to whom this Offer is being made is free to offer his equity shareholding in SCL in whole or in part while accepting the Offer.
3. In case of joint holdings, all the holders whose names appears on the Equity Share Certificate must sign this Form of Acceptance in the same order in which these names appears on the register of members and as per the specimen signature(s) lodged with SCL.
4. In case of physical Equity Shares, the enclosed transfer deed should be duly signed as transferors by all shareholders in the same order and as per specimen signatures lodged with SCL and should be duly witnessed at the appropriate place. The Transfer Deed should be left blank, excepting the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar Authority holding a Public Office and authorised to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or Manager of the transferors' bank. PLEASE DO NOT FILL UP ANY DETAILS ON THE TRANSFER FORM. Relevant Equity Share Certificates must be annexed.
5. In case of Bodies Corporate, proper corporate authorization should be enclosed.
6. Persons who own Equity Shares (as on the Specified Date or otherwise) but are not the registered holders of such Equity Shares and who desire to accept the Offer, will have to communicate their acceptance in writing to the Registrar to the Offer together with the Equity Share Certificate(s) and valid transfer deed(s) and other relevant documents. In case, the Equity Share Certificate(s) and transfer deed(s) are lodged with SCL for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement or receipt by SCL Limited
7. Shareholders of SCL, who wish to avail this Offer should forward the relevant documents, by registered post with acknowledgement due or by hand delivery only to the Registrar to the Offer as stated in 8.9 in the Letter of Offer, so as to reach on or before May 29, 2006.

----- **TEAR HERE** -----

Note : All future correspondence, if any, should be addressed to the Registrar to the offer, at the address mentioned below:

**Sharepro Services (India) Pvt Ltd**  
**(Unit : Sealord Cash Offer)**  
Satam Estate, 3rd Floor, Above Bank of Baroda,  
Chakala, Andheri (E), Mumbai 400099  
Contact Person: Mr. Ashok Gupta  
Tel: +91 22 28215168 Fax: +91 22 28327834  
E-mail: sharepro@vsnl.com

## FORM OF WITHDRAWAL

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

(Please send this form with enclosures to the Registrar to the Offer at their address mentioned below. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From,

|                         |   |              |
|-------------------------|---|--------------|
| Offer Opens on          | : | May 10, 2006 |
| Offer Closes on         | : | May 29, 2006 |
| Last date of Withdrawal | : | May 23, 2006 |

Tel. No.:

Fax No.:

E-mail:

To,

**Sharepro Services (India) Pvt Ltd**

Satam Estate, 3rd Floor,  
Above Bank of Baroda, Chakala,  
Andheri (E), Mumbai 400099

Dear Sir/Madam,

**Sub : Open offer for purchase of 2,50,000 equity shares of Rs. 10/- each Sealord Containers Limited ("SCL") representing 20% of its fully paid up equity share capital, at a price of Rs.10/- per fully paid-up equity share, payable in cash, by Aegis Logistics Limited ("ALL").**

I/We refer to the Letter of Offer dated May 03, 2006 for acquiring the equity shares held by me/us in SCL

I/We, the undersigned, have read the letter of offer and understood its contents including the terms and conditions as mentioned therein.

I/We have tendered the following Shares in Physical/ Dematerialized form in terms of the letter of offer.

### **SHARES IN PHYSICAL FORM**

| Sr. No.                              | Ledger Folio No. | Certificate No. | Distinctive Nos. |    | No. of shares |
|--------------------------------------|------------------|-----------------|------------------|----|---------------|
|                                      |                  |                 | From             | To |               |
|                                      |                  |                 |                  |    |               |
|                                      |                  |                 |                  |    |               |
| <b>Total number of equity shares</b> |                  |                 |                  |    |               |

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

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

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer / Manager to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer as per the mode of delivery indicated in the Letter of Offer on or before the last date of withdrawal.

I/We note that the Acquirer / Registrar to the Offer shall not be liable for any postal delay / loss in transit of the Shares due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures.

----- TEAR HERE -----

**Acknowledgement slip**

SR No. \_\_\_\_\_

**Sealord Cash Offer - Withdrawal**

Received from Mr./Ms. \_\_\_\_\_ Address \_\_\_\_\_

Physical shares: Folio No. \_\_\_\_\_

Form of Withdrawal along with:

Physical Shares: No. of shares \_\_\_\_\_

Signature of Official \_\_\_\_\_ Date of Receipt \_\_\_\_\_

Stamp of  
collection  
centre

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

Yours faithfully,

Signed and delivered

|                             | FULL NAME(S) | SIGNATURE(S) | Verified and Attested by us.<br>Please affix the Bank Seal |
|-----------------------------|--------------|--------------|------------------------------------------------------------|
| 1 <sup>st</sup> Shareholder |              |              |                                                            |
| 2 <sup>nd</sup> Shareholder |              |              |                                                            |
| 3 <sup>rd</sup> Shareholder |              |              |                                                            |

Note : In case of joint holders all must sign. In case of Body Corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place:

Date:

☐ Form of Withdrawal. Copy of Delivery Instruction to (DP)

☐ Copy of the submitted FOAA/plain paper application & acknowledgement slip Share transfer form

Stamp of collection center \_\_\_\_\_ Signature of Official \_\_\_\_\_ Date of Receipt \_\_\_\_\_

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

#### INSTRUCTIONS

- Please read the enclosed Letter of Offer carefully before filling this Form of Withdrawal.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer as per the mode of delivery indicated therein on or before the last date of withdrawal.
- The withdrawal of Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer
- In case of joint holdings, all the holders whose names appears on the Equity Share Certificate must sign this Form of Withdrawal in the same order in which these names appears on the register of members and as per the specimen signature(s) lodged with SCL.
- Shareholders should enclose the following documents:
  - Duly signed and completed form of withdrawal
  - Copy of the submitted form of Acceptance cum Acknowledgement /Plain paper application and the acknowledgement slip.
  - In case of partial withdrawal of physical shares, valid share transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per the specimen signatures registered with SCL and duly witnessed at the appropriate places for the shares, which are not withdrawn.
- In case of Bodies Corporate, proper Corporate authorization should be enclosed.
- In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to Registered shareholders.
- The intimation of returned shares to the Shareholders will be at the address as per the records of the Target Company Shareholders of SCL, who wish to withdraw their acceptance should forward the relevant documents, by registered post with acknowledgement due or by hand delivery only to the Registrar to the Offer at their Mumbai address so as to reach on or before May 23, 2006. (Refer 8.15 of the Letter of Offer)

----- TEAR HERE -----

Note : All future correspondence, if any, should be addressed to the Registrar to the offer, at the address mentioned below:

**Sharepro Services (India) Pvt Ltd**  
**(Unit : Sealord Cash Offer)**  
Satam Estate, 3rd Floor, Above Bank of Baroda,  
Chakala, Andheri (E), Mumbai 400099  
Contact Person: Mr. Ashok Gupta  
Tel: +91 22 28215168 Fax: +91 22 28327834  
E-mail: sharepro@vsnl.com