

45 DAYS REPORT IN RESPECT OF OPEN OFFER MADE BY MR RITESH SANGHI AND MR SANJAY SANGHI FOR ACQUIRING SHARES OF STARCHIK SPECIALTIES LIMITED

(Offer formalities completed (Yes/No))

(To be submitted in duplicate within 45 days from the closure of the open offer)

1	Name of the Target Company	Starchik Specialties Limited	
2	Name of Acquirer(s) :	Mr Ritesh Sanghi and Mr Sanjay Sanghi	
3	Name of Manager to the offer :	CIL Securities Limited	
4	Name of the Registrar to the offer, if any	CIL Securities Limited	
5	Offer Details		
5.1	Activity schedule	Proposed	Actual
5.1.1	Date of the public announcement	7 th July 2006	7 th July 2006
5.1.2	Date by which Letter of offer (LOO) are to be dispatched in terms of Regulations	19 th August 2006	19 th August 2006
5.1.3	Date of opening of the offer	24 th August 2006	24 th August 2006
5.1.4	Date of closure of the offer	12 th September 2006	12 th September 2006
5.1.5	Last date of completion of the despatch of consideration to respondents	27 th September 2006	25 th September 2006
	*- In case of delay beyond the proposed dates, give reasons for the same	No Delay	No Delay
5.2	Offer price details	Proposed	Actual
5.2.1	Offer price for fully paid shares	Rs 1.25/-	Rs 1.25/-
5.2.2	Offer price for partly paid shares	N.A	N.A
5.2.3	Offer size (no of shares x price per share)	Rs.13,48,050	Rs. 83,125
5.2.4	Mode of payment of consideration: Cash/ Securities	Cash	
6	Details of basis of acceptance		
6.1	No of shares proposed to be acquired in the open offer. In case of any revisions indicate the same	10,78,440	
6.2	No of applications received	104	
6.3	No of applications accepted	104	
6.4	No of applications rejected(in case of rejection mention the reasons thereof)	NIL	
6.5	No of Fully paid shares received	66,500	
6.6	No of Fully paid shares accepted	66,500	
6.7	No of Fully paid shares rejected (in case of rejection mention the reasons thereof)	NIL	
6.8	No of Partly paid shares received	N.A	
6.9	No of Partly paid shares accepted	N.A	
6.10	No of Partly paid shares rejected (in case of rejection mention the reasons thereof)	N.A	
7	Details of payment of consideration/ special account		
7.1	Confirm whether consideration has been paid to all the shareholders whose shares have been accepted. If no, give reasons	Yes	

7.2	Name of the bank where the special account has been opened for the purpose of payment of consideration and a certificate from it that the entire amount of consideration has been deposited therein as on ...	HDFC Bank Limited, Lakdi ka pul Branch Rs. 1,00,000/- (amount being more than the total consideration) has been deposited on 19-09-2006 (Bank certificate in this regard has been enclosed)			
8	Escrow account details :				
8.1	In case, escrow account consists of cash deposit, indicate when, how and for what purpose the amount deposited in escrow account was released (Refer Regulation 28(12))	Rs. 1,00,000/- from the amount lying in the escrow account has been transferred to the special account opened for the purpose of payments to be made to the shareholders whose shares have been accepted under the offer. The Balance amount will be Transferred to the Acquirers			
8.2	In case, escrow account consists of Bank guarantee(BG) / deposit of securities, whether BG / securities have been returned to acquirer(s) ▪ If yes, when and why. ▪ If no, why	Not Applicable			
9	Post offer details (Actual Versus proposed)	Proposed		Actuals	
		No	%	No	%
9.1	Share holding of acquirer (No & %) before MOU/P.A.	NIL	NIL	NIL	NIL
9.2	Shares acquired by way of MOU or market purchases (No & %)	25,01,860	46.40	25,01,860	46.40
9.3	Shares acquired in the open offer (No & %)	10,78,440	20.00	66,500	1.23
9.4	Size of the open offer (No of shares multiplied by offer price per share)	Rs.13,48,050		Rs. 83,125	

9.5	Shares acquired after P.A but before 7 working days prior to closure date, if any. (No & %)	NA		<u>NO</u> <u>NIL</u>	<u>%</u> <u>NIL</u>
9.6	Post offer share holding of acquirer (No & %) (9.1+9.2+9.3+9.4+9.5)	<u>No</u> 35,80,300	<u>%</u> 66.40	<u>No</u> 25,68,360	<u>%</u> 47.63
9.7	Pre & Post offer share holding of Public (No & %)	Pre offer	Post offer	Pre offer	Post offer
		28,53,600 (52.92%)	17,75,160 (32.92%)	28,53,600 (52.92%)	27,87,100 (51.69%)
10.	Give details regarding acquisition mentioned at 9.5 above, if any:				
	i) Name of the entity who acquired the shares	Not Applicable			
	ii) Whether disclosure about the entity stated at (i) was given in the letter of offer as either Acquirer or Persons acting in concert with Acquirer. (Yes/No)	Not Applicable			
	iii) No of shares acquired per person mentioned at (i)	Not Applicable			
	iv) Purchase price per share	Not Applicable			
	v) Mode of acquisition	Not Applicable			
	vi) Date of acquisition	Not Applicable			
	vii) Date of disclosure to the SEs u/r 22(17)	Not Applicable			

11.1	Indicate whether the public share holding has fallen to 10% or less, (Yes/ NO).	NO					
11.2	If yes, indicate the steps taken in accordance with the disclosures given in the offer document.	Not Applicable					
12	Indicate Market price (opening and closing prices) of shares of target company, if traded on the following dates (indicate name of Stock Exchange(s) also)						
	Reference date	The Bombay Stock Exchange Limited and The Hyderabad Stock Exchange Limited			The Madras Stock Exchange Limited and The Delhi Stock Exchange Limited		
		Opening	Closing	Avg	Opening	Closing	Avg
		Price	Price	Price	Price	Price	Price
	AS on PA	N.A	N.A	N.A	N.A	N.A	N.A
	Offer opening date	N.A	N.A	N.A	N.A	N.A	N.A
	Offer closing date	N.A	N.A	N.A	N.A	N.A	N.A
	Average price during the offer period **	N.A	N.A	N.A	N.A	N.A	N.A
	Note : No Trading has taken place on any of the Stock Exchanges where the Shares of the Company are listed on the above specified dates. ** The average market price of the weekly high and low of the closing prices of the shares during the period from the date of PA till closure of the offer						
13	Any other relevant information			NIL			

For CIL SECURITIES LIMITED

Sd/-
 (B.M. MAHESHWARI)
 President
 Signed by the Manager to the offer
 Date : 05/10/2006
 Place : Hyderabad