LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of **Sunshield Chemicals Limited**. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager/ Registrar to the Offer. In case you have sold your equity shares in Sunshield Chemicals Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

Mr. Amit Champaklal Choksey

Address: NKM International House, Babubhai Chenai Marg, Mumbai- 400 020
(Tel: +91 -22-2283 8293/94/95, Fax No.+91 - 22-2283 8291)

Aeonian Investments Company Limited

Registered Office & Corporate Office: NKM International House, Babubhai Chenai Marg, Mumbai- 400 020
(Tel: +91 -22-2283 8293/94/95, Fax No.+91 - 22-2283 8291)

AND

Abhiraj Trading and Investments Private Limited

Registered Office & Corporate Office: NKM International House, Babubhai Chenai Marg, Mumbai- 400 020
(Tel: +91 -22-2283 8293/94/95, Fax No.+91 - 22-2283 8291)

who are acting in concert with each other for the purpose of this open offer (hereinafter collectively referred to as the "Acquirers" and individually referred to as the "Acquirer")

MAKE A CASH OFFER AT Rs.10 (RUPEES TEN ONLY) PER FULLY PAID-UP EQUITY SHARE

pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers Regulations), 1997 and subsequent amendments thereto (the "SEBI Takeover Code")

TO ACQUIRE 7,35,306 FULLY PAID-UP EQUITY SHARES

representing 20 % of present issued and voting equity share capital

of

Sunshield Chemicals Limited

Registered Office: Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai 400 028
(Tel: +91-22-2430 1454 / 1057 / 8261 Fax: +91-22-2430 7094)

Please Note :

1) This Offer is being made pursuant to Regulations 10 &12 of the SEBI Takeover Code.
2) The Offer is subject to the approval(s) of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for acquiring the shares tendered from non-resident persons under the Offer. Please refer to Section 8 of this Letter of Offer for details.
3) If the aggregate of the valid response exceeds 7,35,306 equity shares, then Acquirer - Abhiraj Trading and Investments Private Limited shall accept the shares equal to the Offer size i.e. 7,35,306 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.
4) If there is any upward revision in the Offer Price by the Acquirers till the last date of revision i.e. Thursday, March 31, 2005, or withdrawal of the Offer in terms of the SEBI Takeover Code, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated January 31, 2005 had appeared. Such revised offer price would be payable for all the equity shares of Sunshield Chemicals Limited, tendered anytime during the Offer and accepted under the Offer.
5) The procedure for acceptance is set out in Section 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
6) The Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on SEBI's website http://www.sebi.gov.in.
7) **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the designated collection centres before the close of business hours on Wednesday, April 6, 2005.**
8) **If there is a competitive bid:·**
   - **The public offers under all the subsisting bids shall close on the same date.·**
   - **As the offer price cannot be revised during the period after Thursday, March 31, 2005, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Ambit **Ambit Corporate Finance Private Limited** 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Contact person : Mr. Kashyap Choksi Tel: +91-22-3982 1819 Fax: +91-22-3982 3020 Email: sclopenoffer@ambitpte.com	TATA **Tata Share Registry Limited** Army & Navy Building, 148, Mahatma Gandhi Road, Mumbai – 400 001 Contact person: Ms. Madhuri Narang / Ms. Chithra Subramanian Tel: +91-22-5656 8484 Fax: +91-22-5656 8494 Email: csg-unit@tatashare.com

OFFER OPENS ON: WEDNESDAY, MARCH 23, 2005	OFFER CLOSES ON: MONDAY, APRIL 11, 2005

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER:

Activity	Date	Day
Date of Public Announcement	January 31, 2005	Monday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be posted)	February 25, 2005	Friday
Last date for a competitive bid	February 21, 2005	Monday
Last date for completion of dispatch of the Letter of Offer to the shareholders of Sunshield Chemicals Ltd	March 15, 2005	Tuesday
Date of opening of the Offer	March 23, 2005	Wednesday
Last date for revising the Offer Price / number of shares	March 31, 2005	Thursday
Last date for withdrawal by shareholders who have accepted the Offer	April 6, 2005	Wednesday
Date of Closing of the Offer	April 11, 2005	Monday
Last date for communicating rejection/acceptance and payment of consideration for applications accepted and for dispatch of share certificate(s) for the rejected shares / credit of unaccepted demat shares	April 26, 2005	Tuesday

RISK FACTORS

i. Acceptance of the equity shares of Sunshield Chemicals Limited tendered in the Offer is subject to receipt of the statutory approvals, as mentioned in Section 8 of this Letter of Offer. In the event, any of the required statutory approvals is refused, the Offer would stand withdrawn in terms of the SEBI Takeover Code. For further details, see Section 8 of this Letter of Offer.

ii. 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 on the Offer, or (c) SEBI instructing the Acquirers 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 public shareholders of Sunshield Chemicals Limited whose equity shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI Takeover Code, SEBI may, if satisfied that the non receipt of approvals was not due to any wilful default or negligence on part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. April 6, 2005 shareholders who have lodged their acceptances 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.

iii. The Acquirers are making this Offer at Rs.10 per share pursuant to Regulations 10 and 12 of the SEBI Takeover Code, which have been triggered upon the agreement to acquire, subject to what is stated in paragraph 3.1.7 hereinafter appearing, 18,41,950 equity shares in Sunshield Chemicals Limited. Further, 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 Acquirers make no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether to participate or not to participate in the Offer.

iv. The Acquirers have not acquired control of Sunshield Chemicals Limited and make no assurance with respect to the financial performance of Sunshield Chemicals Limited. The Acquirers make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in Sunshield Chemicals Limited.

v. Some of the companies presently promoted / controlled by the Acquirers are loss making / application is made for striking off their name under Section 560 of the Companies Act, 1956. For details about these companies you are requested to refer to paragraph 4.1.4 of this Letter of Offer.

The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business or operations of Sunshield Chemicals Limited or any 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 Sunshield Chemicals Limited are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

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1 DEFINITIONS

Acquirers	Collectively refers to Mr. Amit Champaklal Choksey, Aeonian Investments Company Limited and Abhiraj Trading and Investments Private Limited who are acting in concert with each other for the purpose of this open offer. The Acquirers are individually referred to as the "Acquirer"
AICL	Aeonian Investments Company Limited
Ambit	Ambit Corporate Finance Pvt. Ltd.
ATIPL	Abhiraj Trading and Investments Private Limited
BSE	The Stock Exchange, Mumbai
CDSL	Central Depository Services (India) Limited
DP	Depository Participant
Eligible Person(s) for the Offer	All owners (registered or unregistered) of equity shares of Sunshield Chemicals Limited (other than the Acquirers, the First Sellers and the Second Sellers) anytime before the closure of the Offer
FEMA	Foreign Exchange Management Act, 1999
First Sellers	Collectively refers to Vinaykumar Patwardhan, Ashok M. Patwardhan, M.D.Kale-HUF and Madhav D. Kale
FIPB	Foreign Investment Promotion Board of India
Letter of Offer / LOO / LOF	this Letter of Offer
Manager/ Manager to the Offer	Ambit Corporate Finance Pvt. Ltd.
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	Overseas Corporate Bodies
Offer	Open offer for acquisition of 7,35,306 fully paid-up equity shares of face value of Rs.10/- each, representing 20 % of the voting share capital of Sunshield Chemicals Limited at a price of Rs.10 per fully paid-up equity share
Offer Price	Rs.10 (Rupees Ten only) per fully paid-up equity share of Rs.10
Promoters / Promoter Group	Collectively refers to Vinaykumar Patwardhan, Ashok M. Patwardhan, Neokel Investments Pvt. Ltd., Kelkar Chemicals Pvt. Ltd., Satish M. Kelkar, Radhika Bawa, Mrinalini V. Kelkar and Shobha Kelkar holding 20,02,490 shares constituting 54.47% of the issued and voting capital of Sunshield Chemicals Limited
Public Announcement/ PA	Announcement of the Offer made by the Acquirers on January 31, 2005
RBI	Reserve Bank of India
Registrar/ Registrar to Offer	Tata Share Registry Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Second Sellers	Neokel Investments Pvt. Ltd. and Kelkar Chemicals Pvt. Ltd.
Share(s)	Fully paid-up equity shares of the face value of Rs.10/- each of Sunshield Chemicals Limited
SAA	The Share Acquisition Agreement dated January 25, 2005 entered into between the Acquirers and the First Sellers & the Second Sellers
SCL / the Target Company	Sunshield Chemicals Limited
Specified Date	Friday, February 25, 2005

2 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 SUNSHIELD CHEMICALS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS 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 ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, AMBIT CORPORATE FINANCE PVT LTD, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 14, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 The Acquirers are making an offer to the equity shareholders of Sunshield Chemicals Limited to acquire up to 7,35,306 fully paid-up Shares of Rs.10 each, representing 20% of the issued and voting equity capital of SCL at a price of Rs.10 (Rupees Ten only) per Share, payable in cash and subject to the terms and conditions mentioned hereinafter. ATIPL would be acquiring all the shares accepted under this Offer.

3.1.2 Other than Mr Amit Choksey, AICL and ATIPL who are acting in concert with each other for the purpose of the Offer no other person is acting in concert with the Acquirers for the Offer. Due to the operation of Regulation 2(1)(e)(2) of the SEBI Takeover Code, there could be persons who could be deemed to be acting in concert with the Acquirers. However, they are not acting in concert with the Acquirers for the purposes of the Offer.

3.1.3 This Offer and the acquisition in terms of the SAA, after the completion of the Offer would result in a change in control of SCL. This Offer is being made in compliance with Regulation 10 and Regulation 12 of the SEBI Takeover Code.

3.1.4 On January 25, 2005, the Acquirers have entered into a Share Acquisition Agreement with some of the existing shareholders of SCL, of whom some are part of the present promoter group of the Target Company to acquire from them, subject to what is stated in paragraph 3.1.7 hereinafter appearing, 18,41,950 equity shares (50.10% of the present issued and voting equity share capital of the Target Company) at the price of Rs.10 per equity share, payable in cash, and acquire control over SCL.

The proposed acquisition of shares is as follows:

Sr. No.	Name of the shareholder	No. of shares held as on the date of the SAA	Shares agreed to be sold under the SAA	Shares agreed to be acquired under the SAA by Mr. Amit Choksey	Shares agreed to be acquired under the SAA by AICL	Shares agreed to be acquired under the SAA by ATIPL	Total shares agreed to be acquired
1	Vinaykumar Patwardhan	9,00,220	9,00,220	2,40,000	6,60,220	-	9,00,220
2	Ashok M. Patwardhan	79,500	79,500	-	59,780	19,720	79,500
3	M.D.Kale-HUF*	12,190	12,190	-	-	12,190	12,190
4	Madhav D. Kale*	7,100	7,100	-	-	7,100	7,100
	Sub-Total (A)	**9,99,010**	**9,99,010**	**2,40,000**	**7,20,000**	**39,010**	**9,99,010**
5	Neokel Investments Pvt. Ltd.	4,46,800	4,21,470	-	-	4,21,470	4,21,470
6	Kelkar Chemicals Pvt. Ltd.	4,79,300	4,21,470	-	-	4,21,470	4,21,470
7	Satish M. Kelkar^	94,570	-	-	-	-	-
8	Radhika Bawa^	1,500	-	-	-	-	-
9	Mrinalini V. Kelkar^	500	-	-	-	-	-
10	Shobha Kelkar^	100	-	-	-	-	-
	Sub-Total (B)	**10,22,770**	**8,42,940**	**-**	**-**	**8,42,940**	**8,42,940**
	Total (A) + (B)	**20,21,780 (54.99% of the voting equity share capital)**	**18,41,950 (50.10% of the voting equity share capital)**	**2,40,000 (6.53% of the voting equity share capital)**	**7,20,000 (19.58% of the voting equity share capital)**	**8,81,950 (23.99% of the voting equity share capital)**	**18,41,950 (50.10% of the voting equity share capital)**

Persons / entities listed at Sr. no. 1-4 are referred to as “First Sellers”, Persons / entities listed at Sr. no. 5-6 are referred to as “Second Sellers”.

*Based on the filings made by SCL with the stock exchanges, information provided in the SAA, persons / entities listed at Sr. no. 3-4 are not part of the promoter group of SCL.

^Satish M. Kelkar, Radhika Bawa, Mrinalini V. Kelkar and Shobha Kelkar, together holding 96,670 shares (representing 2.63% of the present issued and voting equity share capital and voting rights) are other members of the present promoter group of SCL. These persons are not sellers under the SAA. Satish M. Kelkar and his family control the companies forming Second Sellers.

As per the SAA, the Acquirers have an option to acquire a lesser number of shares from the Second Sellers, but lesser only to the extent of shares offered in the Offer. This option is to be exercised by the Acquirers within 3 working days of certification by the Merchant Banker that all the formalities under the SEBI Takeover Code for the Offer have been duly completed.

The contact details of the First Sellers and the Second Sellers are as follows:

Sr. No.	Name of the shareholder	Contact details@ (Address, Tel, Fax)
1	Vinaykumar Patwardhan	460, Long Hill Drive, Short Hills, N.J. 07078, USA Tel No.: 001-973-258-9833 Fax No.: 001-913-258-9829
2	Ashok M. Patwardhan	6 Vittalprasad, 19/19 Erandwana, Near CDSS, Pune – 411 004 Tel No.: 9520-7147721
3	M.D.Kale-HUF	I-135, Lokmanya Co-op. Hsg. Socy., 1 Kataria Marg, Mahim, Mumbai – 400 016 Tel No.: 24305920
4	Madhav D. Kale	I-135, Lokmanya Co-op. Hsg. Socy., 1 Kataria Marg, Mahim, Mumbai – 400 016 Tel No.: 24305920
5	Neokel Investments Pvt. Ltd.	26 White Lilly Society, B.S.Babrekar Marg, Dadar, Mumbai – 400 028 Tel No.: 2430 1454 Fax No.: 2430 7094
6	Kelkar Chemicals Pvt. Ltd.	Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai 400 028 Tel No.: 2430 1454 Fax No.: 2430 7094

@ as made available by SCL

3.1.5 The sale and purchase of shares and the payment of purchase price shall take place upon fulfillment of conditions mentioned in the SAA, including completion of this Offer, as per provisions of the SEBI Takeover Code.

3.1.6 The summary of major terms of the SAA, in addition to the option clause mentioned above, is as follows. Kindly note that this is not an exact reproduction of the SAA clauses.

- The Acquirers shall pay a sum of Rs.5 Lacs to the First Sellers and Rs.1 Lac to the Second Sellers on the execution of this Agreement as earnest money or deposit
- The balance consideration would be paid by the Acquirers on completion of the sale and against delivery of the shares as agreed to be acquired under this SAA. The sell and transfer of shares by the First Sellers and Second Sellers would be on a "spot delivery" basis
- The sale of shares under the SAA shall be completed simultaneously, on or before the expiry of 3 (three) working days of certification by the Merchant Banker that all the formalities under the SEBI Takeover Code for the Offer have been duly completed
- The Acquirers shall comply with all obligations of an acquirer under the SEBI Takeover Code and in case of non-compliance with the provisions of the SEBI Takeover Code, this SAA shall not be acted upon by the parties.
- Mr. Vinaykumar Patwardhan, Mr. Madhav D. Kale and Mr. Ashok Patwardhan would resign as chairman and directors respectively from the board of the SCL on or before the expiry of 3 (three) working days of certification by the Merchant Banker that all the formalities under the SEBI Takeover Code for the Offer have been duly completed
- The Second Sellers will ensure that Mr. Amit Choksey of the Acquirers together with five other persons nominated by the Acquirers shall be appointed as directors on the board of the SCL
- Mr. Satish Kelkar, one of the existing promoters of SCL who also controls the Second Sellers, shall continue to be Managing Director of SCL
- The nominee of the Acquirers shall be Chairman of the board having a casting vote
- The Acquirers shall be entitled to appoint new auditors for SCL
- The Board of Directors of the SCL shall, with the assistance of the Managing Director and Chairman, be responsible for the restructuring of the present financial arrangements and borrowings of SCL and for arranging all future financial requirements of SCL and shall ensure that while restructuring the present financial arrangements and borrowings and arranging for future financial requirements, neither Mr. Amit Choksey nor Mr. Satish Kelkar shall be required to provide personal guarantees of any kind to the present or future lenders and all existing personal guarantees of Mr. Satish Kelkar and Mr. Vinaykumar Patwardhan as specified in SAA, shall be duly cancelled within a reasonable period of approximately 180 days from the date of certification by the Merchant Banker that all the formalities under the SEBI Takeover Code for the Offer have been duly completed.
- Mr. Satish Kelkar would not commence or carry on any business or act as consultant or advisor to any entity or person carrying on any business which is in direct competition with the business of SCL at any time after the completion of the sale as provided in Clause 5 of the SAA upto the expiry of a period of five years from the date of his ceasing to be a director in the Company
- The Acquirers shall acquire only such number of shares under the SAA so as to maintain the minimum specified public shareholding in the Target Company as specified in the Listing Agreement with the stock exchange for the purpose of listing on continuous basis.

3.1.7 Presently, the Acquirers do not hold any shares in SCL. As stated above, it is agreed in the SAA, that the Acquirers will have an option to reduce the acquisition from the Second Sellers to the extent of such number of shares as are offered under the Offer. The holding of the Acquirers in SCL, post the Offer and the acquisition under the SAA would depend on the response to the Offer and also on the extent to which the abovementioned option is exercised by the Acquirers. Assuming, full subscription to the Offer and the Acquirers choosing not to exercise their option to acquire lesser number of shares from the Second Sellers, the total holding of Acquirers would be 25,77,256 Shares representing 70.10% of the present issued and voting equity share capital of SCL. On the other hand if the Offer receives nil response, the Acquirers will not exercise the aforesaid option to reduce the acquisition from the Second Sellers and will acquire all the shares agreed to be sold by the Second Sellers under the SAA, as a result of which, the holding of the Acquirers post the Offer and acquisition would be 18,41,950 Shares representing 50.10% of the present issued and voting equity share capital of SCL.

3.1.8 The Acquirers did not hold any Shares in SCL as of the date of the PA. The Manager to the Offer also did not hold any Shares in SCL as on the date of the PA.

3.1.9 Neither the Acquirers nor their directors nor the Target Company nor the First Sellers nor the Second Sellers have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

3.1.10 The applicable provisions of Chapter II of the SEBI Takeover Code have been complied by the Acquirers.

3.1.11 The Acquirers reserves the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956.

3.2 Details of the Offer

3.2.1 The Public Announcement dated January 31, 2005 was made in the following newspapers, in accordance with Regulation 15 of the SEBI Takeover Code:

Publication	Language	Editions
Business Standard	English	All editions
Pratahkal	Hindi	All editions
Tarun Bharat	Marathi	Mumbai

(The Public Announcement would be available at the SEBI website: www.sebi.gov.in)

3.2.2 The Offer is for acquisition of upto 7,35,306 Shares (representing 20 % of present issued and voting equity share capital of SCL) from the shareholders of SCL (other than the First Sellers and the Second Sellers). If the number of Shares offered by the shareholders are more than the Offer size of 7,35,306 Shares, then the acquisition from each shareholder will be as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The minimum marketable lot for the purposes of acceptance, for both physical and demat shares would be one Share. The Acquirers have not acquired any Shares since the date of the Public Announcement upto the date of this Letter of Offer.

3.2.3 The Offer is not subject to any minimum level of acceptance and ATIPL will acquire all the fully paid-up equity shares of SCL that are validly tendered in terms of this Offer, up to a maximum of 7,35,306 equity shares at the Offer Price of Rs.10 per fully paid equity share.

3.3 Object of the Offer and Acquirers' Future Plans for SCL

3.3.1 The Offer is being made in compliance with Regulation 10 and Regulation 12 of the SEBI Takeover Code, for the purposes of substantial acquisition of equity shares and voting rights accompanied with change in control and management of the Target Company thereby enabling the Acquirers to exercise control over SCL, inter-alia, through the right to appoint directors or through control over management or policy decisions, by virtue of their shareholding. The Acquirers reserves the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. It is intended that Mr Satish Kelkar will continue to be the Managing Director of the Target Company. As per the SAA, on or before the expiry of 3 (three) working days of the certificate issued by the Manager to the Open Offer certifying that all the formalities under the SEBI Takeover Code for the Offer have been duly completed, Mr. Vinaykumar Patwardhan, Mr. Madhav D. Kale and Mr. Ashok Patwardhan shall resign as chairman and directors respectively from the board of the SCL. Mr. Amit C. Choksey together with five other persons nominated by the Acquirers shall be appointed as directors on the board of SCL. The Acquirers may also consider changing the name of the Target Company at a later date. The Board of Directors of the SCL shall, with the assistance of the Managing Director and Chairman, be responsible for the restructuring of the present financial arrangements and borrowings of SCL and for arranging all future financial requirements of SCL.

3.3.2 The Acquirers do not have any plans to dispose off or otherwise encumber any assets of SCL in the next 2 (two) years, except in the ordinary course of business of SCL and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or otherwise of SCL, which will be done subject to receipt of statutory approvals where necessary.

3.3.3 Other than in the ordinary course of business or except with the prior approval of SCLs shareholders, the Acquirers undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of SCL.

3.3.4 Subject to the decision of the board of directors and the shareholders of SCL and if requested by SCL, the Acquirers will consider infusing funds in SCL by way of subscribing to preference share capital during the Offer period and / or thereafter. This subscription to preference share capital would be in terms of applicable laws and subject to applicable approvals.

3.3.5 The Acquirers and Target Company are not in the same line of business. The Acquirers may, if advised, in the ordinary course of business of the Target Company and / or to the extent required for the purposes of any arrangement / reconstruction, restructuring, merger / demerger, and/or for the purpose of streamlining of various operations, assets, liabilities, businesses or otherwise of SCL, dispose off or otherwise encumber any assets of the Target Company and / or carry out merger / demerger or any arrangement / reconstruction with any group company of the Acquirers or any other entity. Such decisions will be governed by the provisions of the relevant laws and other applicable regulations or any other applicable laws or legislation at the relevant time. The Acquirers 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, from time to time.

4 BACKGROUND OF THE ACQUIRERS

4.1 Details of the Acquirers

4.1.1 Details of Mr. Amit Champaklal Choksey

4.1.1.1 Amit Champaklal Choksey is an industrialist aged fifty years. He is a Commerce Graduate and has more than 27 years of business experience in chemical industry managing units manufacturing chemicals. He also has experience in managing investment companies. His office address is NKM International House, Babubhai Chenai Marg, Mumbai-400 020, Tel. No. 022-22838293/94/95, Fax No.022-22838291. His residential address is Geetanjali, N. Gamadia Road, Mumbai- 400 026.

4.1.1.2 He is the Managing Director of Mazda Colours Ltd. - manufacturer and exporter of Phthalocyanine Pigments. He is on the Board of following companies:

Sr. No.	Name of the company
1	Mazda Colours Ltd. (Managing Director)
2	Aeonian Investments Company Ltd.*
3	Apcotex Lattices Ltd.*
4	Cons Holdings Limited
5	Sammelan Investments and Trading Limited
6	Dhumravarna Trading and Investments Pvt. Ltd.
7	Aquamarine Investments and Trading Company Pvt. Limited
8	Bhuvantray Investments and Trading Co. Pvt. Limited
9	Gauriputra Investments and Trading Co. Pvt. Limited
10	Joshimath Trading and Investments Pvt. Ltd.
11	Laxmanjhula Trading and Investments Pvt. Ltd.
12	Abhiraj Trading and Investments Pvt. Ltd.
13	Amisha Credit and Capital Pvt. Ltd.
14	Mustang Investments Pvt. Ltd.
15	Choksey Chemicals Pvt. Ltd.

* listed companies

Other than Mazda Colours Ltd. where he is the Managing Director, he does not have full time directorship of any other company.

4.1.1.3 His net worth as on September 30, 2004 as certified by M/s Shah & Associates, Chartered Accountants (Membership No. 8152, Address: Maker Bhavan no.2, 18, New Marine Lines, Mumbai – 400 020), is Rs.600.80 Lacs.

4.1.1.4 AICL and ATIPL are controlled by Mr. Amit Champaklal Choksey alongwith his family and persons acting in concert with him. There is no formal agreement between the Acquirers with regard to the Offer other than the agreement regarding the number of Shares each Acquirer will acquire as disclosed at paragraph 3.1.4.

4.1.1.5 Brief details about companies presently promoted / controlled by Mr.Amit Choksey: Please refer paragraph 4.1.4

4.1.2 Aeonian Investments Company Limited ("AICL")

4.1.2.1 AICL is a listed public company limited by shares. The registered and corporate office is situated at NKM International House, Babubhai Chenai Marg, Mumbai- 400 020, Tel. No.: 022-2283 8293/94/95, Fax: 022-2283 8291.

4.1.2.2 AICL was incorporated on July 25, 1981. It is an investment company listed on The Stock Exchange, Mumbai. The main activities of AICL are trading and investment in shares and securities. The quoted price for one equity share of Rs.10 each of AICL as on January 25, 2005 was Rs.1,623.40 on BSE.

4.1.2.3 AICL is controlled by Mr. Amit Champaklal Choksey alongwith his family and persons acting in concert with him. They are Mrs. Priti A. Choksey, Abhiraj Trading & Inv. Pvt. Ltd., Amit C. Choksey-HUF, Namrata A. Choksey, Ankita A. Choksey, Ashvinaben C. Choksey, Dhumravarna Trading & Investments Pvt. Ltd. and Belt Trading & Investments Pvt. Ltd.

4.1.2.4 The issued and paid up equity share capital of AICL consists of 2,40,000 equity shares of Rupees 10 each. The share holding pattern as on January 28, 2005 is as follows:

Sl. No	Shareholder's Category	No. of shares held	Percentage of shares held
1.	Promoters (including persons acting in concert)	2,12,040	88.36
2.	FII / Mutual-Funds/ FIs/ Banks	-	-
3.	Public	27,960	11.64
	Total Paid Up Capital	2,40,000	100.00

4.1.2.5 The board of directors of AICL, as on the date of the Public Announcement, was as follows:

Name	Original Appointment Date	Qualification	Experience	Residential Address
Mr. Amit Champaklal Choksey	June 17, 1992	B.Com	Mr.Choksey is an industrialist with more than 27 years of business experience	Geetanjali, N.Gamadia Road, Mumbai: 400 026
Mr.Bhanushankar R. Trivedi	October 14, 1988	Under Graduate	Mr. Trivedi is a Business Executive and has worked as Export Manager in Asian Paint (India) Ltd.	227/228 Ram Jarukha, S.V.Road, Andheri(W), Mumbai: 400 058
Mr. Arun C. Dalal	April 23, 1984	S.S.C.	Mr. Dalal is in the business of carriage of goods (Transport)	5, Roop Deep Apts, 2nd Floor, Race Course Circle, Baroda: 390025
Mrs. Priti A. Choksey	November 24, 1997	Under Graduate	Mrs. Choksey is a Business Woman with around five years of experience	Geetanjali, N.Gamadia Road, Mumbai: 400 026
Mr. Dhiren P.Mehta	April 30, 2001	B.Com., F.C.A., A.C.S., M.F.M.	Mr. Mehta is having more then 30 years of experience in management of an organisation	804, Vastu Shilp, R.J.Road, Pump House, Andheri(E), Mumbai: 400 093

4.1.2.6 None of the above directors are on the Board of Directors of the Target Company.

4.1.2.7 None of the Directors of AICL have acquired any Shares of SCL during the preceding 12 months.

4.1.2.8 Key financials of AICL on a standalone basis are as follows. The results as on September 30, 2004 have been certified by the statutory auditors of AICL.

(Rs. in Lacs)

	For the six months period ended on September 30, 2004 Certified	For the year ended on		
		March 31, 2004 Audited	March 31, 2003 Audited	March 31, 2002 Audited
Profit & Loss Statement				
Income from operation	507.15	134.82	94.12	351.00
Profit on Sale of Investments	409.87	746.43	93.74	-
Other Income	69.65	1.20	-	-
Total Income	**986.67**	**882.45**	**187.86**	**351.00**
Total Expenditure	527.25	111.75	23.72	109.25
Profit before Depreciation, Interest and Tax	**459.42**	**770.70**	**164.14**	**241.75**
Depreciation	20.11	20.15	6.18	5.85
Interest	-	-	-	-
Profit before Tax	**439.31**	**750.55**	**157.96**	**235.90**
Provision for Tax	30.00	78.62	12.00	16.00
Profit After Tax (PAT)	**409.31**	**671.93**	**145.96**	**219.90**

(Rs. in Lacs)

	As at			
Balance Sheet Statement	**September 30, 2004**	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Sources of Funds				
Paid up Share Capital	24.00	24.00	24.00	24.00
Reserves and Surplus (excluding revaluation reserves)	4,805.72	4,396.41	3,964.48	3,859.57
Networth	4,829.72	4,420.41	3,988.48	3,883.57
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Total	**4,829.72**	**4,420.41**	**3,988.48**	**3,883.57**
Uses of Funds				
Net Fixed Assets	634.06	651.85	57.66	23.34
Investments	3,347.58	3,391.40	3,631.27	3,319.29
Net Current Assets	842.90	371.98	299.55	540.94
Total miscellaneous expenditure not written off	-	-	-	-
Deferred Tax	5.18	5.18	-	-
Total	**4,829.72**	**4,420.41**	**3,988.48**	**3,883.57**

	As on			
Other Financila Data	**September 30, 2004**	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Dividend (%)	-	800.00%	150.00%	100.00%
Earning per share (EPS)	170.55	280.00	61.00	92.00
Return on Networth	8.47%	15.20%	3.66%	5.66
Book value per share	2,012.38	1,841.84	1,661.87	1,618.15

(EPS & Return on Networth not annualised in respect of 6 months results.)

Note:

(1) EPS = Profit After Tax / No. of shares outstanding

(2) Return on Net Worth = Profit after Tax / Net Worth at year-end

(3) Book Value per share = Net Worth / No. of shares outstanding

(Source: Annual Report & Company Data)

AICL has a subsidiary namely Sammelan Investments and Trading Ltd. Brief financials are give below in paragraph 4.1.4 at point b.

4.1.2.9 The summarised significant accounting policies of AICL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

1. The accounts are prepared in accordance with the accounting principles generally accepted in India and are in line with the relevant laws as well as the guidelines prescribed by the Department of Company Affairs, Ministry of Law, Justice and Company Affairs, Reserve Bank of India and the Institute of Chartered Accountants of India.
2. Income and Expenses are accounted on accrual basis, except those associated with significant uncertainties.
3. Fixed Assets are capitalised at cost inclusive of expenses. Depreciation on fixed assets are provided on written down value method in terms of Section 205(2) (a) of the Companies Act, 1956 at the rates prescribed in Schedule XIV of the said Act.
4. Investments are valued at cost of acquisition which includes brokerages, fees and related expenses. Provision for diminution in the value of investments is made as per the revised directives of the Reserve Bank of India of prudential norms issued on 12th May, 1998.
5. Taxes on Income -Taxes include both current and deferred taxes. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that

there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

4.1.2.10 **Comparison of results:**

Results for financial year 2004 compared to financial year 2003:

Total income for the year ending on March 31, 2004 increased by approximately 370% as compared to the previous year ending on March 31, 2003. This is primarily due to increase in profit from sale of investments by approximately 696% for the year ending on March 31, 2004 as compared to the previous year ending on March 31, 2003. Total Expenditure for the same period also increased by approximately 371%. This was because for the year ending March 31, 2004, investment management fees increased from Rs.14.75 Lacs to Rs.40.89 Lacs and donation from nil to Rs.55 Lacs. Consequently, the profit after tax for the same period showed an increase of approximately 360%. The relevant extract of the Management Discussion and Analysis as disclosed in the Annual Report for the period 2003-2004 is as follows:

"*Your Company being an Investment Company, is an investor in the Capital Market and in Mutual Funds holding some investments in quoted and unquoted equity shares. The industry structure relevant to the Company operations has mainly to do with the Capital Market and to a lesser extent Mutual Fund Industry. The Company handles its investments in capital market through several reputed portfolio managers.*

Your Company capitalized the advantages prevailing in the economy and the equity markets, by booking profits at regular intervals, mostly through the expertise of professional portfolio managers. You Company earned a gross income to the tune of Rs. 882.45 Lakhs during the year under review as compared to Rs. 187.45 Lakhs in the previous year, a rise of Your company also changed asset allocation and diverted a part of its considerable investment in debt funds to the Real Estate market."

Results for financial year 2003 compared to financial year 2002:

Total income for the year ending on March 31, 2003 decreased by approximately 46% as compared to the previous year ending on March 31, 2002. This is primarily due to decrease in dividend income by approximately 79% and also due to decrease in interest income by approximately 54% for the year ending on March 31, 2003 as compared to the previous year ending on March 31, 2002. Total Expenditure for the same period also decreased by approximately 78%. This was mainly because of loss on sale of shares in the year ending March 31, 2002. Consequently, the profit after tax for the same period showed a decrease of approximately 34%. The relevant extract of the Management Discussion and Analysis as disclosed in the Annual Report for the period 2002-2003 is as follows:

"*In the year under review, several developments of unfortunate nature, unfortunate from economic and political perspective took place. These were communal violence in Gujarat, border tensions, Corporate wrongdoings in US, relatively poor monsoon in the country, US-Iraq war etc. Capital Market was both erratic and weak. Mutual Fund Industry's performance was relatively poor due to weak capital market and falling interest rates."*

4.1.2.11 According to the financial statements for the year ended March 31, 2004, AICL does not have any contingent liability.

4.1.2.12 There are no mergers / demergers / spin offs involving AICL during last 3 years except that Sammelan Investments and Trading Ltd., a subsidiary of AICL had divested their complete holdings in Easy Investments Company Limited, an erstwhile subsidiary of Sammelan Investments and Trading Ltd., in the year ended March 31, 2002.

4.1.2.13 Corporate Governance compliance: M/s H R Shah & Associates, auditors of AICL have vide their letter dated April 23, 2004 issued a certificate of compliance with the Corporate Governance requirements under clause 49 of the Listing Agreement. The certificate inter-alia states as follows: "*In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above Listing Agreement.*"

4.1.2.14 SEBI has issued communication to AICL regarding non-compliance with Regulation 6(2) and 6(4) for 1997 and Regulation 8(3) for the years 1998, 2000, 2001 and 2002. The SEBI letter provides that a consent order could be passed by SEBI under section 15T (2) of the SEBI Act, provided AICL is willing to pay an amount of Rs.1,50,000 as penalty for the aforesaid violations. AICL has filed a reply with SEBI submitting inter-alia that the penalty is disproportionate and has requested SEBI to waive the same. BSE has sought comments from AICL regarding non-maintenance of non-promoter holding as was at the time of initial listing. AICL has responded to BSE giving details about the acquisition of shares by the promoters after 1991 and has stated that the promoters are taking necessary steps to reduce their shareholdings at a price not less than one arrived at on the basis of book value of shares (marked to market value of its investments) to bring down their holdings. As on January 28, 2005, promoters including persons acting in concert with them hold 88.36% of the share capital of AICL. There has been no change in the holding of promoters including persons acting in concert with them (88.36%) since the above reply to BSE dated November 11, 2004. SEBI may take appropriate action with regard to the reply of AICL in response to the consent order.

4.1.2.15 There are no litigations initiated by or against AICL except the following:

AICL has given premises at Worli on Leave and License Basis. The Licensee has defaulted in payment of rent. AICL has filed a suit in the Court of Small Causes at Mumbai against the Licensee, interalia, to recover the arrears of rent.

The Court has passed an interim order, ordering the Licensee to deposit the outstanding. As against this, AICL has received Rs.16.51 Lacs, pending the disposal of the matter. In view of the order of the Court, the debt is shown as recoverable. The Licensee has preferred an appeal in the High Court.

4.1.2.16 The name and contact details of the Compliance Officer of AICL is Mr. B.R.Trivedi, NKM International House, Babubhai Chenai Marg, Mumbai- 400 020.

4.1.2.17 Brief details about companies presently promoted / controlled by AICL: Please refer paragraph 4.1.4

4.1.3 Abhiraj Trading and Investments Private Limited ("ATIPL")

4.1.3.0 ATIPL is a closely held private company limited by shares. The registered and corporate office is situated at NKM International House, Babubhai Chenai Marg, Mumbai- 400 020, Tel. No.: 022-2283 8293/94/95, Fax: 022-2283 8291. ATIPL was incorporated on February 22, 1979. The main activities of ATIPL are trading and investment in shares and securities.

4.1.3.1 ATIPL is controlled by Mr. Amit Champaklal Choksey alongwith his family comprising of Amit C. Choksey-HUF, Namrata A. Choksey, Ankita A. Choksey, Mrs. Priti A. Choksey.

4.1.3.2 The issued and paid up equity share capital of ATIPL consists of 1,00,000 equity shares of Rupees 10 each. The paid-up share capital is held by Mr. Amit Champaklal Choksey (23.08%), Amit C. Choksey-HUF (0.80%), Namrata A. Choksey (10.60%), Ankita A. Choksey (27.08%) and Mrs. Priti A. Choksey (38.44%).

4.1.3.3 The board of directors of ATIPL, as on the date of the Public Announcement, was as follows:

Name	Original Appointment Date	Qualification	Experience	Residential Address
Mr. Amit Champaklal Choksey	July 27, 1987	B.Com	Mr.Choksey is an industrialist with more than 27 years of business experience.	Geetanjali, N.Gamadia Road, Mumbai: 400 026
Mr. Girish Champaklal Choksey	February 22, 1979	Under Graduate	Mr.Choksey is an industrialist with more than 42 years of business experience.	Geetanjali, N.Gamadia Road, Mumbai: 400 026
Mrs. Priti A. Choksey	November 24, 1997	Under Graduate	Mrs. Choksey is a Business Woman with around five years of experience.	Geetanjali, N.Gamadia Road, Mumbai: 400 026

4.1.3.4 None of the above directors are on the Board of Directors of the Target Company.

4.1.3.5 None of the Directors of ATIPL have acquired any Shares of SCL during the preceding 12 months.

4.1.3.6 The shares of ATIPL are not listed on any stock exchanges.

4.1.3.7 There are no mergers / demergers / spin offs involving ATIPL during last 3 years.

4.1.3.8 Key financials of ATIPL are as follows. The results as on September 30, 2004 have been certified by the statutory auditors of ATIPL.

(Rs. in Lacs)

Profit & Loss Statement	For the six months Period ended on September 30, 2004, Certified	For the year ended on		
		March 31, 2004 Audited	March 31, 2003 Audited	March 31, 2002 Audited
Income from operation	80.08	71.21	27.37	73.40
Other Income	––	0.16	0.37	0.74
Total Income	**80.08**	**71.37**	**27.74**	**74.14**
Total Expenditure	39.41	19.27	1.07	3.37
Profit before Depreciation, Interest and Tax	**40.67**	**52.10**	**26.67**	**70.77**
Depreciation	––	––	––	––
Interest	––	––	––	––
Profit before Tax	**40.67**	**52.10**	**26.67**	**70.77**
Provision for Tax	1.00	2.50	6.50	5.25
Profit After Tax (PAT)	**39.67**	**49.60**	**20.17**	**65.52**

(Rs. in Lacs)

Balance Sheet Statement	As at September 30, 2004 Certified	March 31, 2004 Audited	March 31, 2003 Audited	March 31, 2002 Audited
Sources of Funds				
Paid up Share Capital	10.00	10.00	10.00	10.00
Reserves and Surplus (excluding revaluation reserves)	723.22	683.55	654.29	644.83
Networth	733.22	693.55	664.29	654.83
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Deferred Tax	-	-	-	-
Total	**733.22**	**693.55**	**664.29**	**654.83**
Uses of Funds				
Net Fixed Assets	-	-	-	-
Investments	587.71	580.39	641.67	538.87
Net Current Assets	145.51	113.17	22.62	115.96
Total miscellaneous expenditure not written off	-	-	-	-
Total	**733.22**	**693.56**	**664.29**	**654.83**

Other Financial Data	As on September 30, 2004,	March 31, 2004	March 31, 2003	March 31, 2002
Dividend (%)	-	200.00%	100.00%	300.00%
Earning per share (EPS)	39.67	49.60	20.17	65.52
Return on Networth	5.41%	7.15%	3.04%	10.01%
Book value per share	733.22	693.55	664.29	654.83

(EPS & Return on Networth not annualised in respect of 6 months results.)

Note:

(1) EPS = Profit After Tax / No. of shares outstanding

(2) Return on Net Worth = Profit after Tax / Net Worth at year-end

(3) Book Value per share = Net Worth / No. of shares outstanding

(Source: Annual Report & Company Data)

ATIPL does not have any subsidiary.

4.1.3.9 The summarised significant accounting policies of ATIPL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

(i) The books of accounts are maintained on Accrual basis.

(ii) Investments are valued at cost.

(iii) Stock-in-trade is valued at cost or market value, whichever is less.

(iv) Taxes on Income - Current tax is determined as the amount of tax payable in respect of taxable income for the period. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax assets, 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.

4.1.3.10 Comparison of results:

Results for financial year 2004 compared to financial year 2003: Total income for the year ending on March 31, 2004 increased by approximately 157% as compared to the previous year ending on March 31, 2003. This is primarily due to increase in income from sale of stock, as a result of trading activity undertaken by the company, and dividend income for the year ending on March 31, 2004 as compared to the previous year ending on March 31, 2003. Total Expenditure for the same period also increased by approximately 1706%. This was because of cost of shares sold as result of trading activity undertaken by the company. Consequently, the profit after tax for the same period showed an increase of approximately 146%.

Results for financial year 2003 compared to financial year 2002: Total income for the year ending on March 31, 2003 decreased by approximately 63% as compared to the previous year ending on March 31, 2002. This is primarily due to decrease in income from operations for the year ending on March 31, 2003 as compared to the previous year ending on March 31, 2002. Total Expenditure for the same period also decreased by approximately 68%. This was because of less loss on sale of investments for the year ended March 31, 2003. Consequently, the profit after tax for the same period showed a decrease of approximately 69%.

4.1.3.11 According to the financial statements for the year ended March 31, 2004, ATIPL has claims against the Company not acknowledged as debts – tax matter in dispute Rs. 71,781.

4.1.3.12 Brief details about companies presently promoted / controlled by ATIPL: Please refer paragraph 4.1.4 .

4.1.4 Information on other companies presently promoted / controlled by the Acquirers

a) Mazda Colours Ltd.

Date of incorporation: March 25, 1972

Nature of Business: Manufacturer of Phthalocyanine Pigments

Rs. in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	169.00	169.00	169.00
Reserve and Surplus (excluding revaluation reserves)	2,137.54	1,858.87	1,679.63
	2,306.54	2,027.87	1,848.63
Less: Misc. Expenditure	-	-	-
Net Worth	2,306.54	2,027.87	1,848.63
Total Income	4,544.15	4722.81	3,874.30
Profit after Tax	303.41	251.73	216.50
Earning per share (Rs.)	17.95	14.90	12.81
Net Asset Value (Rs.)	136.48	119.99	109.39

b) Sammelan Investments and Trading Limited

Date of incorporation: June 18, 1989

Nature of Business: Investment company dealing in shares and securities

Rs. in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	5.00	5.00	2.02
Reserve and Surplus (excluding revaluation reserves)	-	-	-
	5.00	5.00	2.02
Less: Misc. Expenditure	-	0.08	0.08
Profit and Loss A/c	0.25	0.31	0.31
Net Worth	4.75	4.61	1.64
Total Income	0.23	0.08	0.05
Profit after Tax	0.05	-	(0.32)
Earning per share (Rs.)	0.10	0.00	(1.58)
Net Asset Value (Rs.)	9.50	9.24	8.10

c) Samuel Drackup and Sons (I) Pvt. Ltd.
Date of incorporation: November 27, 1954
Nature of Business: Commission Agent

Rs. in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	1.36	1.36	1.36
Reserve and Surplus (excluding revaluation reserves)	–	–	–
	1.36	1.36	1.36
Less: Misc. Expenditure	–	–	–
Profit and Loss A/c	8.03	2.24	2.01
Net Worth	(6.67)	(0.88)	(0.65)
Total Income	2.18	0.00	0.00
Profit after Tax	(5.79)	(0.23)	(0.02)
Earning per share (Rs.)	(42.54)	(1.72)	(0.16)
Net Asset Value (Rs.)	(49.05)	(6.51)	(4.78)

The company is not an industrial company and hence Sick Industrial Companies (Special Provisions) Act, 1985 does not apply to it.

d) Priyam Investment Consultants Limited
Date of incorporation: March 4, 1997
Nature of Business: Investment in shares and securities

Rs.in Lacs

Particulars	**As on/six months period ended Sept 30, 2003**	**For the year ended**	
		March 31, 2003	**March 31, 2002**
Equity Share Capital	0.22	0.22	0.22
Reserve and Surplus	(0.22)	(0.10)	(0.09)
(excluding revaluation reserves)	-	0.12	0.13
Less: Misc. Expenditure	-	0.06	0.06
Net Worth	-	0.06	0.07
Total Income	-	-	-
Profit after Tax	(0.12)	(0.01)	(0.02)
Earning per share (Rs.)	(5.45)	(0.45)	(0.91)
Net Asset Value (Rs.)	-	2.73	3.18

The company has applied for striking off its name under Section 560 of the Companies Act, 1956 and the financials are prepared up to September 30, 2003. There is no confirmation from the Registrar of Companies confirming striking off the name.

e) Nurtur Finance Ltd.
Date of incorporation: July 16, 1997
Nature of Business: Finance and Trading

Rs.in Lacs

Particulars	**As on/six months period ended September 30, 2003**	**For the year ended**	
		March 31, 2003	**March 31, 2002**
Equity Share Capital	0.15	0.15	0.15
Reserve and Surplus (excluding revaluation reserves)	(0.15)	(0.04)	(0.03)
	-	0.11	0.12
Less: Misc. Expenditure	-	0.06	0.06
Net Worth	-	0.05	0.06
Total Income	-	-	-
Profit after Tax	(0.11)	(0.01)	(0.02)
Earning per share (Rs.)	(7.55)	(0.66)	(1.27)
Net Asset Value (Rs.)	-	3.60	4.01

The company has applied for striking off its name under Section 560 of the Companies Act, 1956 and the financials are prepared up to September 30, 2003. There is no confirmation from the Registrar of Companies confirming striking off the name.

f) Shyamal Finvest Ltd.
Date of incorporation: July 12, 1996
Nature of Business: Providing Business Centre Services

Rs.in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	5.00	5.00	5.00
Reserve and Surplus	7.82	5.70	4.74
(excluding revaluation reserves)	12.82	10.70	9.74
Less: Misc. Expenditure	0.03	0.04	0.05
Net Worth	12.79	10.66	9.69
Total Income	7.37	6.30	6.26
Profit after Tax	2.07	0.95	1.08
Earning per share (Rs.)	4.14	1.90	2.16
Net Asset Value (Rs.)	25.58	21.32	19.37

g) Balasesh Leafin Ltd.
Date of incorporation: July 16, 1997
Nature of Business: Providing Business Centre Services

Rs.in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	5.00	5.00	0.002
Reserve and Surplus	14.51	10.40	11.75
(excluding revaluation reserves)	19.51	15.40	11.75
Less: Misc. Expenditure	0.02	0.02	0.03
Net Worth	19.49	15.37	11.72
Total Income	10.31	9.02	9.51
Profit after Tax	4.11	2.60	3.17
Earning per share (Rs.)	8.22	5.21	15841.5
Net Asset Value (Rs.)	38.97	30.74	58596.45

h) Mustang Investments Pvt. Ltd.
Date of incorporation: May 11, 1990
Nature of Business: Investments in shares and securities

Rs.in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	1.00	1.00	0.40
Reserve and Surplus	2.24	2.21	2.16
(excluding revaluation reserves)	3.24	3.21	2.57
Less: Misc. Expenditure	0.03	0.04	0.05
Net Worth	3.21	3.17	2.51
Total Income	0.14	0.17	1.95
Profit after Tax	0.04	0.10	0.08
Earning per share (Rs.)	0.35	0.42	1.87
Net Asset Value (Rs.)	32.14	31.67	62.54

i) Amisha Credit and Capital Pvt. Ltd.

Date of incorporation: January 24, 1991

Nature of Business: Investments in shares and securities

Rs.in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	1.00	1.00	0.40
Reserve and Surplus (excluding revaluation reserves)	2.15 3.15	2.11 3.11	2.07 2.47
Less: Misc. Expenditure	-	-	-
Net Worth	3.15	3.11	2.47
Total Income	0.12	0.15	1.94
Profit after Tax	0.03	0.04	1.88
Earning per share (Rs.)	0.31	0.37	46.70
Net Asset Value (Rs.)	31.50	31.07	61.44

i) Cons Holdings Ltd.

Date of incorporation: July 21, 1986

Nature of Business: Investments in shares and securities

Rs.in Lacs

	For the year ended		
Particulars	**March 31, 2004**	**March 31, 2003**	**March 31, 2002**
Equity Share Capital	5.00	5.00	0.50
Reserve and Surplus (excluding revaluation reserves)	3.12 8.12	2.53 7.53	2.06 2.56
Less: Misc. Expenditure	0.02	0.02	0.03
Net Worth	8.10	7.51	2.53
Total Income	3.72	3.45	3.35
Profit after Tax	0.59	0.38	0.02
Earning per share (Rs.)	11.71	7.67	3.52
Net Asset Value (Rs.)	161.92	150.04	505.92

Note:

(1) Earning per share = Profit After Tax / No. of shares outstanding

(2) Net Asset Value per share = Net Worth / No. of shares outstanding

(Source: Company Data)

4.2 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code

Please refer to paragraph 3.3 of this Letter of Offer.

4.3 Relation, if any, between the Acquirers

Mr. Amit C. Choksey, one of the Acquirers is also the director and present promoter of AICL and ATIPL – other two acquiring companies. Both the acquiring companies are group companies.

5 DISCLOSURE IN TERMS OF REGULATION 21

In terms of the definition of "Promoter" in the SEBI Takeover Code, the Acquirers and members of the existing promoter group of SCL (including the Second Sellers), to the extent they continue to be shareholders after the proposed acquisition, would jointly constitute the promoter group of SCL. The total promoter shareholding pursuant to the Offer would depend on the Offer response but would not depend on the extent of exercise of the option in respect of the Second Sellers' shares (set out in paragraph 3.1.7 above) by the Acquirers. Assuming full subscription to the Offer, the total promoter shareholding in SCL would be 27,57,086 Shares representing 74.99% the total equity capital. Assuming nil response to the Offer, the total promoter shareholding in SCL would be 20,21,780 Shares representing 54.99% of the total equity capital and hence would not result in the non-promoter shareholding being reduced to less than the limit specified in the Listing Agreement with the stock exchanges for the purpose of continuous listing. SCL's equity shares were listed in 1995 pursuant to the offer for sale for 25% of the total equity capital to public shareholders by the then existing non-promoter shareholders of the company.

6 BACKGROUND OF SUNSHIELD CHEMICALS LIMITED

NOTE: The disclosures mentioned under this section have been sourced from publicly available sources and the information made available as part of SAA

6.1 SCL is a public limited company with its registered office located at Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai 400 028, Tel: +91-22-2430 1454 / 1057 / 8261 Fax: +91-22-2430 7094. It was incorporated as Sunshield Chemicals Private Limited on November 19, 1986. The name was subsequently changed to Sunshield Chemicals Limited on May 28, 1992 vide resolution passed at the Extra Ordinary General Meeting held on April 3, 1992. The company became a public listed company in 1995 through offer for sale by the then existing non-promoter shareholders of the company.

6.2 SCL is in the field of Speciality Chemicals. It has its factory and research and development centre at Village Rasal, Pali-Khopoli Road, District –Raigad – 410 205, Maharashtra.

6.3 As on the date of the Public Announcement, the equity shares of SCL were listed on The Stock Exchange, Mumbai ("BSE"). Based on the application made for voluntary delisting, the equity shares of SCL have been delisted from The Hyderabad Stock Exchange Association Limited ("HSE") with effect from January 19, 2005, from The Delhi Stock Exchange Association Limited ("DSE") with effect from January 20, 2005 and from The Stock Exchange, Ahmedabad ("ASE") with effect from January 28, 2005.

6.4 The present issued and voting capital of the Target Company comprises of 36,76,530 fully paid up equity shares of Rs. 10 each aggregating Rs. 3,67,65,300. There are neither any partly paid-up equity shares nor any outstanding securities/preference shares, which are convertible into equity shares of SCL as on date of the Public Announcement.

6.5 The Acquirers do not hold any directorship nor have nominated anybody on the Board of Directors of the Target Company or its affiliates.

6.6 There are no subsidiaries of SCL.

6.7 SCL did not have any merger / acquisition /de-merger/spin-off in the last 3 years.

6.8 The share capital structure of SCL is as follows:

	No. of Shares	% of Voting Shares
Authorised capital	50,00,000 equity shares	-
Issued & subscribed capital	36,76,530 equity shares	100%
Paid-up Equity Shares	36,76,530 equity shares	100%
Total Voting Rights	36,76,530 equity shares	100%

6.9 Details of the changes in share capital of the Target Company since incorporation and status of compliance with applicable SEBI regulations / other statutory requirements, are as follows:

Date Allotment	**No of shares of issued**	**% of Shares Issued**	**Cumulative Paid up capital**	**Mode of Allotment**	**Identity of Allottees**	**Status of Compliance**
20.02.1987	2,000	0.05%	2,000	Cash		Done
				1,370	Ex Promoters	
				290	Others	
				340	Promoters	
25.03.1988	20,000	0.54%	22,000	Cash		Done
				13,700	Ex Promoters	
				2,480	Others	
				3,820	Promoters	
26.10.1990	17,600	0.48%	39,600	Cash		Done
				12,056	Ex Promoters	
				2,216	Others	
				3,328	Promoters	
22.04.1991	99,000	2.69%	1,38,600	Bonus		Done
				74,250	Ex Promoters	
				-	Others	
				24,750	Promoters	
21.10.1991	1,38,600	3.77%	2,77,200	Cash		Done
				1,01,376	Ex Promoters	
				4,986	Others	
				32,238	Promoters	
06.02.1992	2,77,200	7.54%	5,54,400	Cash		Done
				2,06,172	Ex Promoters	
				4,500	Others	
				66,528	Promoters	
14.12.1992	5,54,400	15.08%	11,08,800	Cash		Done
				2,57,976	Ex Promoters	
				2,12,828	Others	
				83,596	Promoters	
14.01.1993	2,93,300	7.98%	14,02,100	Cash		Done
				-	Ex Promoters	
				2,93,300	Others	
				-	Promoters	
14.10.1994	18,22,730	49.58%	32,24,830	Cash		Done
				1,11,400	Ex Promoters	
				12,02,510	Others	
				5,08,820	Promoters	
10.11.1994	4,51,700	12.29%	36,76,530	Cash		Done
				-	Ex Promoters	
				4,51,700	Others	
				-	Promoters	
	36,76,530	**100.00%**	**36,76,530**	**36,76,530**		

The details about people constituting 'Ex Promoters' of SCL are as under:

	Ex Promoter		Persons acting in concert of Ex Promoter
1	C. M. Kelkar	1	C. M. Kelkar - HUF
2	Anil C. Kelkar	1	Anil Kelkar - HUF
		2	Anjali A. Kelkar
		3	Anikel Investments Pvt. Ltd.
		4	Nikhil A. Kelkar
		5	Anuradha A. Kelkar
3	Sunil C. Kelkar	1	Sunil Kelkar - HUF
		2	Bhagyashree S. Kelkar
		3	Sunikel Investments Pvt. Ltd.
		4	Geetanjali S. Kelkar
		5	Amruta S. Kelkar
4	Atul C. Kelkar	1	Atul Kelkar - HUF
		2	Seema A. Kelkar
		3	Atkel Investments Pvt. Ltd.
		4	Urvashi A. Kelkar

The details regarding transfer of shares from Ex Promoter to Promoters are as under:

Details regarding transfer of shares from "Ex Promoters to "Promoters" as per agreement dated May 27, 1994 between Ex Promoters and S M Kelkar

	Ex Promoter		Persons Acting in Concert of Ex Promoter	No. of shares
1	C. M. Kelkar	1	C. M. Kelkar	9,756
		2	C. M. Kelkar - HUF	7,044
			A	**16,800**
2	Anil C. Kelkar	1	Anil C. Kelkar	1,12,100
		2	Anil Kelkar - HUF	28,000
		3	Anjali A. Kelkar	30,600
		4	Anikel Investments Pvt. Ltd.	18,000
		5	Nikhil A. Kelkar	14,000
		6	Anuradha A. Kelkar	14,000
			B	**2,16,700**
3	Sunil C. Kelkar	1	Sunil C. Kelkar	1,12,100
		2	Sunil Kelkar - HUF	28,000
		3	Bhagyashree S. Kelkar	30,600
		4	Sunikel Investments Pvt. Ltd.	18,000
		5	Geetanjali S. Kelkar	14,000
		6	Amruta S. Kelkar	14,000
			C	**2,16,700**
4	Atul C. Kelkar	1	Atul C. Kelkar	1,12,100
		2	Atul Kelkar - HUF	28,000
		3	Seema A. Kelkar	30,600
		4	Atkel Investments Pvt. Ltd.	18,000
		5	Urvashi A. Kelkar	28,000
			D	**2,16,700**
Total shareholding of Ex Promoters (A+B+C+D)				**6,66,900**
Less: C. M. Kelkar's shareholding (no more promoter w.e.f May 27, 1994)				-16,800
				6,50,100

These 6,50,100 shares were transferred to S. M. Kelkar and/or his nominees as per agreement dated May 27, 1994 as follows:

Neokel Investments Pvt. Ltd.	3,91,400
Satish M. Kelkar	1,74,700
	5,66,100

Further balance shares transferred to S. M. Kelkar and/or his nominees & Vinaykumar Patwardhan as per above agreement dated May 27, 1994 as follows:

Satish M. Kelkar	42,000
Aruna V. Patwardhan	42,000
	84,000
	6,50,100

Earlier promoters became Ex Promoters as per Clause 1(j) of the agreement dated May 27, 1994 between Ex Promoters and Satish M. Kelkar and/or his nominees.

6.10 As per the information provided by SCL, there has been no penal action initiated against SCL by any of the stock exchanges in respect of the compliance matters and that SCL has complied with relevant clauses of the stock exchange listing agreements from time to time. SCL has confirmed that the Shares were never suspended for trading by any of the stock exchanges. Further, SCL has confirmed that they have complied with the provisions of clause 49 of the stock exchange listing agreement in respect of corporate governance norms. SCL has confirmed that they have posted EDIFAR filings on SEBI website upto December 31, 2003. Subsequently, they adopted March 31 as the year ending and the accounts were prepared for a period of 15 months ending on March 31, 2004. Due to technical problem of non- acceptance of electronic data for a period more than 12 months on EDIFAR, the same has not been uploaded on the website. Consequently, quarterly filings under EDIFAR for June 30, 2004 and September 30, 2004 and December 31, 2004 is not accepted as the prior filing for March 31, 2004 is shown outstanding. SCL has reported the problem to SEBI through EDIFAR problem reporting and also to Corporate Relations Department of BSE.

6.11 Details about compliance and non-compliance with respect to Chapter II by SCL, Promoters, and sellers: As per the information provided by SCL, the Promoters, sellers and SCL have complied with the applicable provisions of Chapter II of SEBI Takeover Code except the following:

a) As per the information provided by SCL, there was a delay of 367 days, by SCL, in compliance with Regulation 6(2) and 6(4) of the SEBI Takeover Code. SEBI has initiated adjudication proceedings and has also sent a consent order to SCL. SCL has accepted the consent order vide their letter dated October 4, 2004 and is awaiting a reply from SEBI. The proposal of consent order need not be necessarily accepted by the Adjudicating Officer and it is the discretion of the Adjudicating Officer to accept or not to accept the proposal. Further, there was a delay of 22 days in reporting to stock exchanges for compliance with Regulation 8(3) of the SEBI Takeover Code for the year ended March 31, 1998, delay of 1 day in reporting to stock exchanges for compliance with Regulation 8(3) of the SEBI Takeover Code for the record date September 28, 1998, and a delay of 36 days in reporting to stock exchanges for compliance with Regulation 8(3) of the SEBI Takeover Code for the year ended March 31, 2001. Further there were four instances of delay in reporting under Regulation 7(3) of the SEBI Takeover Code by SCL to the stock exchanges for shares acquired by one of the Promoters. The delay in reporting was for 1 day for 4,500 shares acquired in March 2000, of 3 days for 3,500 shares acquired in September 2000, of 57 days for 600 shares acquired in November 2003 and of 2 days for 500 shares acquired in January 2004. Further, BSE has taken up with SCL the matter regarding compliance with Regulation 8(3) for the year ended March 31, 2000. SCL had despatched its filing on April 29, 2000 and the same appears to be received by BSE on May 2, 2000 i.e. 2 days after the due date of compliance. SEBI may take appropriate action in respect of the aforesaid non-compliances.

b) As per the information provided by SCL, there was a delay of 397 days, by Mr. Vinaykumar Patwardhan and Mrs. Aruna Patwardhan, person acting in concert with him, in compliance with Regulation 6(1) and 6(3) of the SEBI Takeover Code. Further, there was a delay of 11 days for compliance with Regulation 8(3) of the SEBI Takeover Code for the record date September 28, 1998. It is informed by SCL that while complying with Regulation 8(3) for the year ended March 31, 2004, SCL on its own included Mr. Ashok Patwardhan's holding of 11,000 shares as a person acting in concert with Mr. Vinaykumar Patwardhan. SCL have also stated that SCL does not have on record Mr. Vinaykumar Patwardhan's declaration under Regulation 8(2) showing Mr. Ashok Patwardhan as a person acting in concert with him or Mr. Ashok Patwardhan's declaration under Regulation 8(2). There is no intimation regarding compliance under Regulation 6(1) and 6(3) from Mr. Ashok Patwardhan. SEBI may take appropriate action in respect of the aforesaid non-compliances.

c) As per the information provided by SCL, there was a delay of 397 days, by Mr. Satish Kelkar and persons acting in concert with him, in compliance with Regulation 6(1) and 6(3) of the SEBI Takeover Code. Further, in respect of Mr Satish Kelkar and persons acting in concert there have been following delays in compliance with Regulation 7 (1), 7(1A) and 7(2) :

Due Date of Compliance as mentioned in the Regulation	Actual Date of Compliance	Delay if any (in no of days)	Remarks
16-Mar-00	17-Mar-00	1	w.r.t. 4,500 shares
1-Apr-00	3-Apr-00	2	w.r.t 3,800 shares
4-May-00	5-May-00	1	w.r.t 7,300 shares
20-Jul-00	21-Jul-00	1	w.r.t. 700 shares
2-Sep-00	4-Sep-00	2	w.r.t.3,500 shares
30-Aug-03	-	550	w.r.t. 500 shares of Ms. Radhika Bawa (a person acting in concert with Satish Kelkar)
5-Jan-04	6-Jan-04	2	w.r.t. 500 shares
22-Jan-05	24-Jan-05	2	w.r.t. sale of 22,500 shares

It is informed by SCL that Ms. Radhika Bawa (nee Radhika Kelkar & wife of Mr. Aditya Bawa) acquired 1,500 shares during the financial year ended March 31, 2004. The declaration of SCL under Regulation 8(3) on April 24, 2004 covers all the 1,500 shares held by Ms. Radhika Bawa as a person acting in concert with Satish Kelkar. However, Mr. Satish Kelkar while complying with Regulations 8(1) and 8(2) for the year ended March 31, 2004, by oversight, mentioned Mr. Aditya Bawa as a person acting in concert instead of Ms. Radhika Bawa in respect of her holding of 1,000 shares and not declared the 500 shares held by Ms. Radhika Bawa to SCL. The acquisition of 500 shares by Ms. Radhika Bawa was also not declared by Mr. Satish Kelkar under regulation 7. SEBI may take appropriate action in respect of the aforesaid non-compliances.

Persons acting in concert with Mr. Satish Kelkar include Neokel Investments Pvt. Ltd., Kelkar Chemicals Pvt. Ltd., Ms. Shobha Kelkar, Ms. Mrinalini Kelkar, Ms. Radhika Bawa (nee Radhika Kelkar).

6.12 The First Sellers, the Second Sellers and SCL have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act.

6.13 The Board of Directors of SCL as on the date of the Public Announcement was as under:

Sr. No.	Name & Residential Address	Original Date of Appointment	Designation (years)	Qualifications	Experience	Nature of Experience
1	Mr. Vinaykumar M. Patwardhan 460, Long Hill Drive, Short Hills, N.J. 07078, USA	June 17, 1994	Chairman	M.Sc (Food Tech)	22	After initial experience in Cadbury, currently broking in cashew and cashew shell liquid oil, operating from New York/Brazil
2	Mr. Satish M. Kelkar 26, White Lilly Society, D.S. Babrekar Marg, Dadar, Mumbai - 400 028.	November 19, 1986	Vice Chairman & Managing Director	B.Sc., MMS	29	Earlier 5 years in Coca Cola. Now 24 years full time in Sunshield Chemicals Ltd., a company manufacturing speciality chemicals.
3	Mr. Ashok R. Datar 7, Manjiri Makarand Sahniwas, Veer Savarkar Marg, Mahim, Mumbai - 400 016	February 27, 1992	Director	M.A.- Economics from Stanford University	32	After Post Graduation in Economics from Stanford University , held key position in companies such as Coca Cola, Reliance, Esso, etc.
4	Mr. Sandeep H. Junnarkar 1702, Wallace Apartments I, 17th Floor, Naushir Bharucha Marg, Mumbai - 400 007	February 27, 1992	Director	B.Sc.(Hon), LLB, Solicitor	22	Solicitor for more than 20 years standing and a partner in M/s Junnarkar & Associates representing well-known Indian and Multinational Global corporates.

Sr. No.	Name & Residential Address	Original Date of Appointment	Designation (years)	Qualifications	Experience	Nature of Experience
5	Mr. Madhav D. Kalel-135, Lokmanya Co-op. Hsg. Socy., 1 Kataria Marg, Mahim, Mumbai - 400 016.	June 17, 1994	Director	ACA (Gold medalist), ACS	37	Chartered Accountant from Columbia University engaged with companies Forbes Forbes & Campbell Ltd.,Merigold Integrated Finance Ltd., etc.
6	Mr. Ashok M. Patwardhan 6 Vittalprasad, 19/19 Erandwana, Near CDSS, Pune-411 004	June 17, 1994	Director	B.E. (Mech.)	32	Vast experience in engineering industry and was associated with companies such Alfa Laval.

Note: *There are no directors representing the Acquirers on the board of SCL.*

6.14 The details of the changes in shareholding of the Promoter Group as and when it took place, is as follows: -

Date / Period		No of shares	Method	Total holding
	20-Feb-87	210	Initial allotment	210
1-Apr-87	31-Mar-88	2,310	Further allotment	2,520
1-Apr-88	31-Mar-89	-		2,520
1-Apr-89	31-Mar-90	-		2,520
1-Apr-90	31-Mar-91	2,016	Further allotment	4,536
1-Apr-91	31-Mar-92	96,300	Further allotment	1,00,836
1-Apr-92	31-Mar-93	42,264	Further allotment	1,43,100
1-Apr-93	31-Mar-94	-		1,43,100
1-Apr-94	31-Mar-95	16,31,120	Further allotment, Acquired/ (sold) from /to other shareholders	17,74,220
1-Apr-95	31-Mar-96	53,000	Acquired through “Offer for Sale”	18,27,220
1-Apr-96	31-Mar-97	-		18,27,220
1-Apr-97	31-Mar-98	13,600	Acquired/ (sold) from /to other shareholders	18,40,820
1-Apr-98	31-Mar-99	1,260	Acquired/ (sold) from /to other shareholders	18,42,080
1-Apr-99	31-Mar-00	87,500	Acquired/ (sold) from /to other shareholders	19,29,580
1-Apr-00	31-Mar-01	51,240	Acquired/ (sold) from /to other shareholders	19,80,820
1-Apr-01	31-Mar-02	41,570	Acquired/ (sold) from /to other shareholders	20,22,390
1-Apr-02	31-Mar-03	-		20,22,390
1-Apr-03	31-Mar-04	2,600	Acquired/ (sold) from /to other shareholders	20,24,990
1-Apr-04	31-Jan-05	(22,500)	Sold to other shareholders	20,02,490

Figures in brackets indicate disposals of shares. The above table shows the changes in the shareholding of the people constituting the present Promoters / Promoter Group. Transactions of persons / entities which were part of the Promoter Group earlier but have since completely disposed off their shareholding are not covered above. The above table does not include inter-se transfers within the Promoter Group. Further, the sale and purchase transactions shown above are the net figures of all the purchases and sales during the periods disclosed. SCL has confirmed that applicable legal provisions, in particular the provisions of the SEBI Takeover Code, as in force at the relevant times and SEBI (Prohibition of Insider Trading) Regulations, 1992 were complied with by the Promoters / persons acting in concert with them and SCL, at the time of each change in the Promoters’ shareholding, including changes in the shareholding of the persons acting in concert with them except for the delays as disclosed in paragraph 6.13 above.

6.15 SCL has complied with the applicable requirements of the listing agreement. The details of the corporate governance for SCL, as per the Annual Report for the period ended March 31, 2004,are as follows:

Composition of the Board of Directors

The board of directors of SCL consists of 6 directors comprising of 1 promoter & executive director, 1 promoter & non-executive director, 1 non-executive director and 3 non-executive and independent directors. The size and composition of the board of directors conforms to the requirements of the corporate governance norms stipulated in the listing agreements.

The Audit Committee comprises of the 3 members all being non-executive directors with the Company Secretary acting as secretary to the audit committee. The Head of Finance, the statutory auditors and the internal auditors attend the meetings as invitees to the audit committee.

The Shareholder's Compliance / Grievance Committee comprises of Mr. Ashok Datar, Non-Executive & Independent Director acting as the chairman of the committee and Mr. Madhav Kale, Mr. Ashok Patwardhan, Mr.Satish Kelkar are other members of the committee. The Company Secretary has been designated as Compliance Officer.

Compliance Certificate of the Auditors

The statutory auditors of SCL, vide their letter dated June 24, 2004 have certified that SCL has complied in all material respects with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements.

6.16 Following are the material legal cases involving SCL, to the best of the knowledge of the company:

- SCL is in receipt of 6 Show-cause Notices from various authorities including Customs, Excise, Service Tax demanding duties / taxes for non-compliance with the applicable rules, procedures, etc. The amount involved is approximately Rs. 62.22 Lacs.
- There is one appeal filed by the Excise Department against SCL where the amount involved is approximately Rs.3.51 Lacs.
- There is one appeal filed by SCL against the Customs Department where the amount involved is not known.
- Two appeals are filed by SCL at different forums for disallowances of various expenses under Income-tax Act.
- SCL has filed a writ petition in the High Court of Bombay for disallowance of 'sales tax deferral' beyond the generally notified extended date. The amount involved is approximately Rs.32.26 Lacs.
- Two cases have been filed by SCL under Section 138 of the Negotiable Instruments Act, 1881 at Additional Chief Metropolitan Magistrate's Court for matters related to cheque bouncing. The amount involved is approximately Rs.27.36 Lacs.

The amounts mentioned in the above cases do not include interest claims, if any.

6.17 Other material disclosures:

1. Tenanted premises to be converted into ownership at Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai 400028:

   SCL has agreed with a builder / developer "of the property" viz. Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai-400028, owned by "M/s. Sawantwadi Sansthan Maratha Samaj" to accept "permanent alternate accommodation" of 1775 sq.ft. of carpet area for commercial use and 225 sq.ft. of carpet area for residential use in the proposed building/s at the current location of the property in lieu of SCL's tenancy/ occupation.

2. Tenanted / Occupied premises to be converted into ownership at Charing Cross Compound, Matunga (W), Mumbai -400016.

   SCL is in the process of finalising a separate agreement with the current owner of the property meaning, Charing Cross Compound, at 164 Senapati Bapat Marg, Matunga (W), Mumbai – 400016 for accepting "permanent alternate accommodation" of about 300 sq.ft. carpet area in lieu of SCL's occupation / use of tenanted premises at no. 20 in the property for continued current user – commercial.

6.18 The shareholding and voting pattern of SCL prior to and following the proposed acquisition under the SAA and the Offer, is as under:

Shareholders' category	Shareholding & Voting rights prior to the agreement/ acquisition and Offer (as on January 31, 2005)	Shares/ Voting rights agreed to be acquired which triggered off the SEBI Takeover Code	Shares/Voting rights to be acquired in the Open Offer (Assuming full acceptances)	Shareholding/ Voting rights after the agreement/ acquisition and Offer
	(A)	(B)	(C)	(A)+(B)+(C)=(D)
1) Promoters Group				
a) Parties to the SAA	19,05,820 51.84%	(18,22,660)* (49.58%)	Nil	83,160 2.26%
b) Promoters other than (a) above	96,670 2.63%	NA	NA	96,670 2.63%
Total 1(a+b)	20,02,490 54.47%	(18,22,660)* (49.58)%	Nil	1,79,830* 4.89%
2) Acquirers				
(i) Mr. Amit Choksey	Nil	2,40,000 6.53%	Nil	2,40,000 6.53%
(ii) Aeonian Investments Company Ltd.	Nil	7,20,000 19.58%	Nil	7,20,000 19.58%
(iii) Abhiraj Trading and Investments Pvt. Ltd.	Nil	8,81,950* 23.99%	7,35,306 20.00%	16,17,256* 43.99%
Total 2	Nil	18,41,950* 50.10%	7,35,306 20.00%	25,77,256* 70.10%
3) Parties to the agreement other than 1(a) and (2)	19,290 0.52%	(19,290) (0.52%)	Nil	Nil
4) Public (other than parties to agreement and Acquirers) #				
a) Mutual Funds and UTI	2,500 0.07%			
b) Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/Non-Government Institutions)	5,36,232 14.59%			
c) FIIs	- -			
d) Private Corporate Bodies	2,69,399 7.33%			
e) Indian Public	8,30,638 22.59%			
f) NRIs/OCBs	8,101 0.22%			
g) Others (Directors and relatives)	7,880 0.21%			
Total (4) : (a)+(b)+(c) +(d)+(e)+(f)+(g)	16,54,750 45.01%	Nil	(7,35,306) (20.00%)	9,19,444 25.01%
Grand Total (1+2+3+4)	**36,76,530 100.00%**			**36,76,530 100.00%**

Note:

1) All the shares in the Offer would be acquired by ATIPL
2) Mr. Amit Choksey will acquire 2,40,000 shares from the First Sellers
3) AICL will acquire 7,20,000 from the First Sellers
4) * ATIPL will acquire 39,010 shares from the First Sellers and 8,42,940 shares from the Second Sellers. It is agreed in the SAA, that the Acquirers will have an option to reduce the acquisition from the Second Sellers to the extent of such number of shares as are offered under the Offer. The holding of the Acquirers in SCL, post the Offer and the acquisition under the SAA would depend on the response to the Offer and also on the extent to which the abovementioned option is exercised by the Acquirers. Please also refer to paragraph 3.1.7 for this option details

Total public shareholders as on January 31, 2005 are 2,054.

Mr. Satish Kelkar and persons acting in concert with him have confirmed that they will not participate in the proposed Open Offer.

6.19 Key audited financials of SCL are as follows:.

Audited Profit & Loss Statement **Rs. in Lacs**

Year / Period Ended	**December 31, 2004**	**March 31, 2004**	**December 31, 2002**	**June 30, 2001**
Months	**9**	**15**	**18**	**18**
Income from Operations	1,325.54	2,134.06	2,207.81	1,505.80
Other Income	(1.73)	16.10	19.42	55.27
Total Income	**1,323.81**	**2,150.16**	**2,227.23**	**1,561.07**
Total Expenditure	1,171.65	1,990.81	2,133.31	1,474.55
Profit Before Depreciation, Interest and Tax	**152.16**	**159.35**	**93.91**	**86.53**
Depreciation & Amortization	76.43	134.92	137.49	63.43
Interest	92.10	135.95	156.99	107.25
Profit Before Tax	**(16.37)**	**(111.52)**	**(200.56)**	**(84.16)**
Provision for Tax – Current	0.00	(0.08)	(0.02)	(0.05)
Provision for Tax – Deferred	0.00	134.46	0.00	0.00
Profit After Tax	**(16.37)**	**22.86**	**(200.58)**	**(84.21)**

Audited Balance Sheet **Rs. in Lacs**

As on	**December 31, 2004**	**March 31, 2004**	**December 31, 2002**	**June 30, 2001**
Months	**9**	**15**	**18**	**18**
Sources of funds:				
Paid-up Share Capital	367.65	367.65	367.65	367.65
Reserves and Surplus (excluding Revaluation Reserve)				
a) Capital Reserve (incld. Special Capital incentive from Development Corpn. Of Kokan ltd.)	1.50	1.50	1.50	1.50
b) Share Premium Account	199.86	199.86	199.86	199.86
c) Special Capital Incentive Grant	24.56	24.56	24.56	24.56
d) Deferred Tax Equalisation Account	0.00	0.00	0.00	0.00

As on	December 31, 2004	March 31, 2004	December 31, 2002	June 30, 2001
Months	**9**	**15**	**18**	**18**
Less:				
Total miscellaneous expenditure not w/o	(26.22)	(36.45)	(64.78)	(24.56)
Profit & Loss Account	(465.40)	(406.95)	(326.76)	(79.75)
Networth	101.96	150.18	202.03	489.26
Secured Loans	935.06	881.95	813.96	580.41
Unsecured Loans	624.40	575.46	513.32	473.80
Total	**1,661.43**	**1,607.59**	**1,529.31**	**1,543.47**
Uses of funds:				
Net fixed Assets	1,162.82	1,216.58	1,223.26	1,118.27
Investments	0.10	0.10	5.52	5.95
Deferred Tax Asset	134.46	134.46	300.53	419.25
Net Current Assets	364.06	256.45		
Total	**1,661.43**	**1,607.59**	**1,529.31**	**1,543.47**

Other Financial Data	December 31, 2004	March 31, 2004	December 31, 2002	June 30, 2001
Months	**9**	**15**	**18**	**18**
Dividend (%)	–	–	–	–
Earning per share	(0.45)	0.62	(5.46)	(2.29)
Return on networth	Negative	15.22%	Negative	Negative
Book value per share	2.77	4.08	5.50	13.31

Note:

(1) Earning per share = Profit After Tax / No. of shares outstanding

(2) Return on NetWorth = Profit after Tax / Net Worth at year-end

(3) Book value per share = NetWorth / No. of shares outstanding

(Source: Annual Report, SAA & Company Data)

6.20 SCL has the following contingent liabilities: Rs. in Lacs

Contingent Liabilities	December 31, 2004	March 31, 2004	December 31, 2002	June 30, 2001
Months	**9**	**15**	**18**	**18**
Estimated amount of contracts remained to be executed on capital accounts	Nil	Nil	2.20	22.36
Contingent liability				
1) For counter-guarantees issued for bank Guarantees and letters of Credit issued	139.51	105.03	47.55	58.06
2) Income tax demands for which no provision has been made in accounts and for which SCL has preferred an appeal		Nil	8.45	8.46
3) Sales tax demands for which no provision has been made in accounts and for which SCL has preferred an appeal		Nil	79.94	79.94
4) Bills discounted	90.89	35.46	Nil	44.62
5) Show cause cum demand notices, issued by various Authorities of Central Excise Dept. & for which SCL has preferred an appeal	65.26	55.48	55.48	149.03
6) Interest rate benefits given by the banks while restructuring , if and when claim as recompensation	39.82	24.63	Nil	Nil

Source: Annual Report, SAA & Company data

6.21 Comparison of Results

Period of 15 months ended March 31, 2004 compared to period of 18 months ended December 31, 2002:

Since the periods under comparison are different, comparison of results is not meaningful. However, based on the numbers reported, SCL recorded a de-growth of approximately 3% in income from operations, growth of approximately 69% in Profit before interest, tax and depreciation and growth of approximately 111% in profit after tax. However, shareholders are advised to read the notes to accounts and the below-the-line adjustments carried out as reported in the respective Annual reports.

Period of 18 months ended December 31, 2002 compared to period of 12 months ended June 30, 2001:

During the period/year, SCL recorded a growth of approximately 46% in income from operations, growth of approximately 8% in Profit before interest, tax and depreciation, loss after tax increased by approximately 138%. shareholders are advised to read the notes to accounts and the below-the-line adjustments carried out as reported in the respective Annual reports.

6.22 The compliance officer of SCL is Rajeev Gupte. His contact details are as follows: Janki Niwas, N.C. Kelkar Road, Dadar, Mumbai 400 028, Telephone - +91-22-2430 1454 / 1057 / 8261 Fax: +91-22-2430 7094.

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of SCL are listed on the stock exchanges of BSE. As mentioned at paragraph 6.3, the shares of SCL are delisted from the Hyderabad, Delhi and Ahmedabad Stock Exchanges with effect from January 19, 2005, January 20, 2005 and January 28, 2005 respectively, based on the voluntary delisting application made by SCL.

7.1.2 The annualised trading turnover during the preceding six months ended December 31, 2004 in the stock exchange on which the shares of SCL are currently listed is detailed below:

Name of Stock Exchange	Total number of Shares traded during the preceding six calendar months ended December 31, 2004	Total number of listed shares	Annualised trading turnover (in terms of % of total listed shares)
BSE	43,229	3,676,530	2.35%

(Source: BSE website)

7.1.3 Based on the data available, the Target Company's equity shares are infrequently traded on BSE as per explanation to Regulation 20 (5) of the SEBI Takeover Code (Source: www.bseindia.com). The Offer Price is justified in terms of Regulations 22(5) of the SEBI Takeover Code as follows:

Negotiated Price under the SAA	Rs 10 per equity share of SCL
Price paid by the Acquirers for any acquisitions, including by way of allotment in a public or a rights or preferential issue during the 26 weeks period prior to the date of PA	Not applicable

Other parameters of Target Company:

Period Ended	**31-Dec-2004 (9 month period)**	**31-Mar-2004 (15 months period)**	**31-Dec-2002 (18 months period)**
Profit / (Loss) from Operations (Rs. in Lacs)	(16.37)	(111.52)	(200.56)
Profit After Tax ^ (Rs. in Lacs)	(16.37)	22.86	(200.58)
Earnings per equity share (EPS) (Rs)	(0.45)	0.62	(5.46)
Book Value per equity share * (Rs)	2.77	4.08	7.84
Return on Networth* (RONW)	Negative	15.22%	Negative

EPS & Return on Networth not annualised in respect of 9 months results

^ In the audited accounts for the 15 months period ended March 31, 2004 there is profit after tax, inspite of loss from operations due to addition of provision for taxation - deferred – current period of Rs 48.38 Lacs and an amount of Rs 86.08 Lacs which was further added as "Amount transferred from Deferred Tax Equalisation Account".

* Networth used for calculation of book value per share and RONW includes Share Premium Account, Capital Reserve (including Special Capital Incentive Grant) and Deferred Tax Equalisation Account

Note:

1 The above figures are as disclosed in the Annual Report of the Target Company and the audited accounts forming part of SAA

2 As per the Annual Report of the Target Company for the 15-months period ended March 31, 2004, the adjustments as shown above refer to note no.15 of Schedule 23. The same is reproduced below.

"*15. a) In compliance with Accounting Standard 22 on "Accounting for taxes on Income" issued by the Institute of Chartered Accountants of India, the Company has during the current year followed Deferred Taxation in respect of taxes on income. As a consequence, the Company created deferred tax asset of Rs. 48,37,681/- in respect of temporary difference mainly due to brought forward business losses/unabsorbed depreciation existing as on 31.3.2004 by crediting it to P&L Appropriation account. The Break up of the same is as follows:*

Timing differences on account of :		*(Rs.) Asset*	*(Rs.) Liability*
1.	*Unabsorbed depreciation and Business Loss*	*125,115,025*	
2.	*Difference in Book & I. T Block of Assets*		*86,421,180*
3.	*Deferred Revenue Expenses as per books*		*1,219,809*
		125,115,025	*87,640,989*
4.	***Net Difference***	***37,474,036***	
5.	***Net Deferred Tax Asset***	***13,445,683***	
	a) Related to Prior Years	*8,608,002*	
	b) Related to current Year	*4,837,681*	

15. b) Transfer from "Deferred Tax Equalization Account" and its appropriation in Profit & Loss Account:

In the preceding accounting period, the Board of Directors had transferred a sum of Rs. 86,08,002/- to Deferred Tax Equalisation Fund from Profit and Loss Appropriation Account. This was equal to amount credited on account of Provision for Deferred Taxation. This meant the Deferred Tax Asset (DTA) created as per the requirements of "Accounting Standard 22(AS 22) gets nullified by creation of a matching Deferred Tax Equalization Fund / Account. In order to reflect the correct value of the DTA the Board has discontinued the practice of transferring the equal amount to Deferred Tax Equalization fund / Account. Therefore the said sum has been credited back to the profit & loss appropriation account. To the extent there has been change in accounting policy and consequently Dr. balance of profit & loss appropriation account is lower to the extent though it has no impact on profit before taxation."

7.1.4 No additional payments are being made by Acquirers as non-compete fees.

7.1.5 In the opinion of the Manager to the Offer and the Acquirers, the Offer Price is justified.

7.1.6 If the Acquirers acquire Shares after the date of the Public Announcement up to seven 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.

7.2 Financial Arrangements

7.2.1 The total fund requirements for the acquisition of 7,35,306 equity shares held by public shareholders in SCL at Rs.10 per equity share is Rs.73,53,060 (Rupees Seventy Three Lacs Fifty Three Thousand Sixty only). This would be funded by the Acquirers through their internal resources / borrowings/ sale of investments. Ravi A. Shah & Associates, Chartered Accountants (Membership no.116667, Address: 10, Shriniket, 23, Bajaj Road, Vile Parle (West), Mumbai-400056, Telephone no: +91-22-2671 4563), have vide letter dated January 25, 2005 confirmed that the Acquirers have individually, adequate liquid financial resources (assets that can be easily realised) to fulfil all their respective financial obligations arising out of the abovementioned acquisition and public offer. The Acquirers therefore have adequate financial resources to meet the obligations under Regulation 29 of SEBI Takeover Code for the Offer. Based on this, the Manager to the Offer is satisfied that the Acquirers, are able to implement the Offer in accordance with the SEBI Takeover Code.

7.2.2 In accordance with Regulation 28 of the SEBI Takeover Code, the Acquirers have made a cash deposit of Rs.20 Lacs in a bank account with HDFC Bank Limited (the "Escrow Account"), Maneckji Wadia Building, Nanik Motwani Marg, Opposite Mumbai University, Fort, Mumbai – 400 001, India. The amount placed in Escrow Account is more than 25% of the total Offer consideration at Offer Price, assuming full acceptance, in terms of Regulation 28(2) of the SEBI Takeover Code.

7.2.3 The Manager to the Offer has been authorised by the Acquirers to realise the value of the Escrow Account in terms of the SEBI Takeover Code.

8 TERMS AND CONDITIONS OF OFFER

8.1.1 The Offer is subject to the following regulatory approvals:

- Receipt of approval from RBI under the Foreign Exchange Management Act, 1999 ("FEMA") for the acquisition of equity shares by the Acquirers from non-resident persons under the Offer.

8.1.2 The Offer will also be subject to such other statutory approvals as may become applicable subsequently.

8.1.3 Besides the above approvals no other statutory approvals are required to acquire the equity shares tendered pursuant to this Offer. In the event that any of the statutory approvals that are required are refused in terms of Regulation 27 of the SEBI Takeover Code, the Acquirers will not proceed with the Offer.

8.1.4 In case of delay in receipt of any statutory approval(s), SEBI has a power to grant an extension of time to the Acquirers for payment of consideration to the tendering shareholders, subject to the Acquirers agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI Takeover Code. Further, if the delay occurs on account of wilful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI Takeover Code will also become applicable.

8.1.5 The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closure of the Offer. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12), SEBI may, if satisfied that the non receipt of approvals was not due to any wilful default or negligence on part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by SEBI.

8.1.6 Other terms

8.1.6.1 The Offer is being made to the public shareholders of SCL and the Letter of Offer, together with the Form of Acceptance-cum-Acknowledgement (the "Form of Acceptance–cum-Acknowledgement"), will be mailed to the public shareholders of SCL (excluding the Acquirers, the First Sellers and the Second Sellers), whose names appear on the Register of Members of SCL, and to the beneficial owners of the shares of SCL, whose names appear as beneficiaries on the records of the respective depositories, at the close of business on Friday, February 25, 2005 ("Specified Date").

8.1.6.2 All owners of shares, registered or unregistered (except the Acquirers, the First Sellers and the Second Sellers), are eligible to participate in the Offer, at any time before the closure of the Offer, as per the procedure set out in Section 9 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

8.1.6.3 Accidental omission to dispatch this Letter of Offer or the non-receipt or delayed receipt of this Letter of Offer will not invalidate the Offer in any way.

8.1.6.4 There are no Shares of SCL that are locked-in as per SEBI guidelines.

8.1.6.5 Any Shares of SCL that are the subject matter of litigation or are held in abeyance due to the restriction from Court/ Forum/ ITO attachment etc., wherein the shareholder(s) may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case directions/orders of the Court/Forum/ITO etc permitting transfer of these Shares are not received together with the equity shares tendered under the Offer.

8.1.6.6 The acceptance of the Offer made by the Acquirers is entirely at the discretion of the shareholders of the Target Company. The Acquirers will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.1.6.7 Incomplete applications, including non-submissions of necessary enclosures, if any, are liable to be rejected.

8.1.6.8 Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.1.6.9 The instructions and provisions contained in the Form of Acceptance-cum-Acknowledgement and Form of Withdrawal constitute an integral part of the terms of this Offer.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders of SCL who wish to avail of the Offer are free to offer their shareholding in whole or in part and they should forward the under mentioned documents by hand delivery at the Collection Centers mentioned below on or before the close of business hours on April 11, 2005 between 10.00 AM to 3.30 PM (Monday to Friday) except on Saturday /Sundays and public holidays. Shareholders are advised to ensure that the Form of Acceptance-cum-Acknowledgement and other documents are complete in all respect; otherwise the same are liable to be rejected.

	Address	Mode of Delivery	Contact Person	Tel. No. Fax No	E-mail ID
1	**Tata Share Registry Limited** Army & Navy Building, 148, Mahatma Gandhi Road, Mumbai – 400 001	Hand delivery / Registered Post	Ms. Madhuri Narang / Ms Chithra Subramanian	Tel. No. 022-56568484 Fax No. 022-56568494	csg-unit@tatashare.com
2	**Tata Share Registry Limited** 503, Barton Centre (5th Floor) 84, Mahatma Gandhi Road, Bangalore – 560 001	Hand delivery	Mr. T.U. Krishna	Tel. No. 080 – 25320321 Fax No. 080 – 25580019	tsrlbang@tatashare.com
3	**Tata Share Registry Limited** Bungalow No.1,"E" Road, Northern Town, Bistupur, Jamshedpur – 831 001	Hand delivery	Mr. V. Rajgopal	Tel. No. 0657-2426616 Fax No. 0657-2426937	tsrljsr@tatashare.com
4	**Tata Share Registry Limited** Tata Centre, 1st Floor, 43, Chowringhee Road Kolkata – 700 071	Hand delivery	Mr.Rijit Mukherjee	Tel. No. 033-22883087 Fax No. 033-22883062	tsrlcal@tatashare.com
5	**Tata Share Registry Limited** 2/42, Sant Vihar,Ansari Road, Daryaganj, New Delhi – 110 002	Hand delivery	Mr. Pradeep Sharma	Tel. No. 011-23271805 Fax No. 011-23271802	tsrldel@tatashare.com
6	**Shah Consultancy Services** 3, Sumatinath Complex, Pritamnagar, 2nd Dhal Ellisbridge, Ashram Road, Ahmedabad- 380006	Hand delivery	Mr. Suresh Shah	Tel. No. 079-26575094 Fax No. 079-26576038	shahconsultancy@hotmail.com

Timing: Monday to Friday 10.00 AM to 3.30 PM

The equity shareholders who cannot hand deliver their documents should send the same by registered post, at their own risk, to the Registrar to the Offer at their office at Tata Share Registry Limited, Army & Navy Building, 148, M G Road, Fort, Mumbai – 400 001 to reach before 3.30 PM on April 11, 2005.

9.2 Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

9.2.1 For equity shares held in physical form:

Registered Shareholders should enclose:

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

  Non receipt of the aforesaid documents, but receipt of the original share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

Unregistered owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.

- Original share certificate(s).
- Original broker contract note.
- Valid share transfer deed(s) as received from market. The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

All other requirements for valid transfer will be precondition for acceptance.

9.2.2 For Equity shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of business hours on April 11, 2005.

  In case of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted.

  The Registrar has opened a special depository account with details as follows:

DP Name	Stock Holding Corporation of India Limited
DP ID	IN301330
Client ID	19094339
Account name	TSRL Escrow Account – SCL Open Offer
Depository	National Securities Depository Limited

  For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement. **In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account, before the closure of the Offer, i.e. no later than close of business hours on April 11, 2005. Beneficial owners having their beneficiary accounts with CDSL have to use inter-depository delivery instruction slip for the purposes of crediting their shares in favour of the special depository account with NSDL. The credit for the delivered shares should be received in the special depository account on or before close of the Offer, i.e. April 11, 2005 failing which the Form of Acceptance-cum-Acknowledgement will be rejected.**

9.3 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected.

9.4 The share certificate(s), share transfer form, Form of Acceptance-cum-Acknowledgement and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned above. They should not be sent to the Manager to the Offer or the Acquirers or the Target Company. The above-mentioned documents can be sent to the collection centres (as mentioned in clause 9.1 above) by hand delivery on all days except Saturdays, Sundays and public holidays.

9.5 The minimum marketable lot for the purposes of acceptance, for both physical and demat shares, would be one Share.

9.6 In case of non-receipt of the Letter of Offer / Form of Acceptance-cum-Acknowledgement / Form of Withdrawal, the eligible shareholders may obtain a copy of the same from any of the collection centres mentioned above on providing suitable documentary evidence of acquisition of shares of SCL. The Letter of Offer and Form of Acceptance-cum-Acknowledgment will be available on SEBI's website: www.sebi.gov.in, from the Offer Opening Date. The eligible shareholders, desirous of participating in the Offer, can download these documents from the SEBI's website and apply on the same. Alternately, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, folio number, distinctive numbers of the shares held, number of shares offered, along with documents as mentioned above including original share certificate(s), duly signed & witnessed transfer deed(s), so as to reach the Registrar to the Offer on or before the close of the Offer. Unregistered owners should not sign the transfer deed and the transfer deed should be valid. In case of beneficial owners, they may send their application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer. The application should be signed by all the shareholders as per the registration details available with SCL and should be sent to the Registrar to the Offer in an envelope clearly marked "Sunshield Chemicals Limited - Open Offer".

9.7 Non-Resident shareholders should also enclose a copy of permission received from RBI, if any (specific or general) that they would have obtained for acquiring equity shares held by them in SCL. Non Resident Indians, Overseas Corporate Bodies (OCBs) and Foreign shareholders are required to furnish Bankers Certificate certifying inward remittance of funds for acquisition of shares of SCL. The tenders from non-resident shareholders, where the aforesaid permission is not submitted are liable to be rejected.

9.8 Foreign Institutional Investors are requested to enclose the SEBI Registration letter and RBI general permission letter. Non-Resident shareholders should also enclose a copy of 'no-objection' certificate / tax clearance certificate from the income tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration. In case the aforesaid 'no-objection' certificate is not submitted, the Acquirers shall arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable. The Acquirers also reserves the right to reject such tenders from non-resident shareholders, where the aforesaid 'no-objection' certificate is not submitted.

9.9 In case of delay in receipt of statutory approvals beyond April 26, 2005, SEBI has the power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 22(12) of the Regulations.

9.10 In terms of Regulation 22 (5A) of the SEBI Takeover Code, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centres mentioned above as per the mode of delivery indicated therein on or before Wednesday, April 6, 2005.

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with SCL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings, so as to reach the Registrar to the Offer at any of the collection centres, mentioned under PROCEDURE FOR ACCEPTANCE AND SETTELEMENT, on or before April 6, 2005. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.

b) The withdrawal option can be exercised by submitting the Form of Withdrawal attached to this LOO, duly completed together with Acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

c) 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:

   i. In case of physical shares: Name, address, distinctive numbers, folio number and number of shares tendered / withdrawn.

   ii. In case of dematerialised shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in "off market" mode or counterfoil of the delivery instruction in "off market" mode, duly acknowledged by the DP in favour of the special depository account.

d) Shareholders who have tendered Shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining equity shares (i.e shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with SCL and duly witnessed at the appropriate place.

e) The withdrawal of Shares will be available only for the share certificates/ Shares that have been received by the Registrar to the Offer/ special depository account.

f) The intimation of returned Shares to the shareholders will be at the address as per the records of SCL or the Depositories as the case may be.

g) The Form of Withdrawal should be sent only to the Registrar to the Offer, at the collection centres mentioned above.

h) 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 SCL.

i) Partial withdrawal of tendered Shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance-cum-Acknowledgement will stand revised to that effect.

j) Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.11 Payment of consideration will be made by crossed account payee cheque/demand draft / pay order and sent by Registered Post, to those shareholders/unregistered owners and at their risk, whose shares/ share certificates and other documents are found in order and accepted by the Acquirers in part or in full. In case of joint holders cheques/ demand drafts will be drawn in the name of the first holder/ unregistered owner. **It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment, so that the same can be incorporated in the cheque/demand draft/pay order.**

9.12 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement. It will be the responsibility of the equity shareholders to ensure that the unaccepted equity shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the offer formalities are completed.

9.13 The Registrars to the Offer will hold in trust the shares/share certificates, shares lying in credit of the special depository account, Form of Acceptance-cum-Acknowledgement, and the transfer form(s), if any, on behalf of the shareholders of SCL who have accepted the Offer, till the cheques/ drafts for the consideration and/or the unaccepted shares/ share certificates are dispatched or credited back to the beneficial owners' DP accounts.

9.14 In case any person has lodged shares of SCL for transfer and such transfer has not yet been effected, the concerned person may apply as per instruction contained in paragraph 9.6 above together with the acknowledgement of the lodgement of shares for transfer. Such persons should also instruct SCL and its registrar & transfer agents to send the transferred share certificate(s) directly to the collection centre located at Mumbai. The applicant should ensure that the certificate(s) reach the designated collection centre on or before the Offer closing date.

9.15 In case any person has tendered his physical shares in SCL for dematerialisation and such dematerialisation has not yet been effected the concerned shareholder may apply in the Offer as per the instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholder's DP. Such shareholders should ensure the credit of the shares to the special depository account on or before the Offer closing date. A copy of delivery instructions acknowledged by the DP in favour of the special depository account should be forwarded to the collection centre where the Form of Acceptance-cum-Acknowledgement and other documents were tendered, before the close of the Offer.

9.16 If the number of equity shares offered by the shareholders are more than the Offer size of 7,35,306 equity shares (representing 20% of the total issued and paid-up voting equity share capital of SCL), then the acquisition from each shareholder will be , in consultation with the Manager to the Offer, as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The equity shares of SCL are compulsorily traded in dematerialised form and the minimum marketable lot for the purposes of acceptance, for both physical and demat will be one equity share.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of SCL at the office of the Manager to the Offer, 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, from 10.30 AM to 1.00 PM on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer closes:

1. SAA dated January 25, 2005 between the Acquirers and the First Sellers & Second Sellers;
2. Certificate(s) of Incorporation and the Memorandum and Articles of Association of the AICL and ATIPL;
3. Certificate of Incorporation and the Memorandum and Articles of Association of the Target Company;
4. Copy of published Public Announcement dated January 31, 2005;
5. The annual reports of the Acquirers – AICL and ATIPL for the financial years ended March 31, 2004, 2003 and 2002 and the certified results for 6 months period ended September 30, 2004;
6. The annual reports of the Target Company for the financial period ended March 31, 2004, December 31, 2002 and June 30, 2001 and the audited financials for 9 months period ended December 31, 2004;

7. Copy of the certificate dated January 24, 2005 issued by M/s Shah & Associates, Chartered Accountants (Membership No. 8152, Address: Maker Bhavan no.2, 18, New Marine Lines, Mumbai – 400 020) certifying the net worth of Mr. Amit Champaklal Choksey as on September 30, 2004;
8. Copy of the letter dated January 25, 2005 from Ravi A. Shah & Associates, Chartered Accountants (Membership no.116667, Address: 10, Shriniket, 23, Bajaj Road, Vile Parle (West), Mumbai-400056, Telephone no: +91 22 2671 4563), confirming the availability of funds with the Acquirers;
9. Copy of the agreement between the escrow bankers, the Acquirers and the Manager to the Offer, authorising the Manager to the Offer to realise the value of the cash deposit, in terms of the SEBI Takeover Code;
10. Copy of letter dated February 10, 2005 issued by HDFC Bank Limited confirming the deposit of Rs.20 Lacs in the Escrow Account and the lien marked in favour of the Manager to the Offer - Ambit Corporate Finance Pte. Ltd.;
11. SEBI observation letter no.CFD/DCR/UJ/35468/2005 dated March 7, 2005;
12. A copy of the agreement entered into by the Registrar to the Offer with depository participant for opening a special depository account for the purposes of the Offer.

11 DECLARATION BY THE ACQUIRERS

The Acquirers accepts responsibility for the information contained in this Letter of Offer and for their obligations under the SEBI Takeover Code and subsequent amendments made thereof. The Acquirers are severally and jointly responsible for fulfilment of their obligations in terms of the SEBI Takeover Code.

For and on behalf of Mr. Amit Champaklal Choksey, Aeonian Investments Company Limited and Abhiraj Trading and Investments Private Limited

Sd/-

Name: Mr. Amit Champaklal Choksey

Authorised Person

Place: Mumbai

Date: March 11, 2005

Encl:

1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal
3. Transfer deed for shareholders holding Shares in physical form

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Withdrawal with enclosures to Tata Share Registry Limited at any of the collection centres as mentioned in the Letter of Offer)

OPEN OFFER TO THE SHAREHOLDERS OF SUNSHIELD CHEMICALS LIMITED		
OPENS ON	:	Wednesday, March 23, 2005
LAST DATE OF WITHDRAWAL	:	Wednesday, April 6, 2005
CLOSES ON	:	Monday, April 11, 2005

THIS FORM SHOULD BE USED BY SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROVIDED IN THE LETTER OF OFFER

To,
Abhiraj Trading and Investments Private Ltd.
C/o Tata Share Registry Ltd.,
Army and Navy Building, 148, Mahatma Gandhi Road, Mumbai - 400 001.

Dear Sir/Madam,

Sub: Open Offer to acquire up to 7,35,306 equity shares of Rs. 10 each, representing 20% of the present issued and voting equity share capital of Sunshield Chemicals Limited ("SCL" / "Target Company") by Mr. Amit Champaklal Choksey, Aeonian Investments Company Ltd. ("AICL") and Abhiraj Trading and Investments Pvt. Ltd. ("ATIPL") [collectively "Acquirers" and individually "Acquirer"] at a price of Rs. 10/- (Rupees Ten only) per fully paid up equity share ("Offer Price") payable in cash - Withdrawal of shares of tendered in the Offer.

I/We refer to the Letter of Offer dated March 11, 2005 for acquiring the equity shares held by me/us in **Sunshield Chemicals Limited.**

I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

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

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

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

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

I/We also note and understand that the Acquirers shall return original share certificate(s), share transfer deed(s) and equity shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of tendered original share certificate(s), which I/we wish to withdraw are detailed below:

Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
	Tendered	From	To	
	Withdrawn			
			Total	

(In case of insufficient space, please use an additional sheet and authenticate the same)

I/We hold the following Shares in dematerialised form, have tendered the Shares in the Offer and had done an off-market transaction for crediting the Shares to the special depository account with Stock Holding Corporation of India Ltd., opened with NSDL styled "TSRL ESCROW ACCOUNT - SCL OPEN OFFER" as per the following particulars:

DP Name: Stock Holding Corporation of India Ltd.	DP ID : IN301330	Client ID: 19094339

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.
The particulars of the account from which my/our Shares have been tendered are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares

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

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the company seal should be affixed and necessary Board resolution should be attached

Place: Date:

WESTERN PRESS Pvt. Ltd.
MUMBAI 400 013. 2493 9382

---Tear along this line---

Acknowledgement Slip : Sunshield Chemicals Limited – Open Offer (to be filled in by the shareholder)
(subject to verification)

Sr. No.

Received from Mr./Ms./M/s.________________

Physical Shares: Folio No. ________ / Demat Shares: Client ID________ ; DP ID ________;

Form of Acceptance along with:

☐ Physical Shares: No. of Shares tendered- ________ ; No. of Shares withdrawn________

☐ Demat Shares: Copy of delivery instruction for Shares tendered________

(Tick whichever is applicable) Signature of Official ________ Date of Receipt ________

Stamp of Collection Center

INSTRUCTIONS

1. **Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. Wednesday, April 6, 2005.**
2. Shareholders should enclose the following:-

   I. For equity shares held in demat form:-

   Beneficial owners should enclose

   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   II. For equity shares held in physical form:-

   Registered shareholders should enclose:

   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - In case of partial withdrawal, valid share transfer form(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **Sunshield Chemicals Limited** and duly witnessed at the appropriate place.

   III. Unregistered owners should enclose:

   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
3. The withdrawal of equity shares will be available only for the equity shares certificates/the equity shares that have been received by the Registrar to the Offer/ special depository escrow account.
4. The intimation of returned equity shares to the shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of equity 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.
7. Shareholders holding equity shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at any of the Collection Centers of **Tata Share Registry Limited** as stated in the Letter of Offer.
9. Applicants who cannot hand deliver their documents at the Collection Centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at **Tata Share Registry Limited,** Army and Navy Building, 148, Mahatma Gandhi Road, Mumbai - 400 001 so as to reach the Registrars to the Offer on or before the last date of withdrawal i.e. Wednesday, April 6, 2005.
10. Collection Centres of Tata Share Registry Limited are as follows: **(a) Mumbai : Tata Share Registry Limited** Army & Navy Building, 148, Mahatma Gandhi Road, Mumbai – 400 001 Tel. No.022- 56568484 Fax No.022- 56568494; **(b) Bangalore : Tata Share Registry Limited,** 503, Barton Centre (5th Floor) 84, Mahatma Gandhi Road, Bangalore – 560 001 Tel. No. 080 – 25320321 Fax No. 080 – 25580019; **(c) Jameshedpur : Tata Share Registry Limited** Bungalow No.1, "E" Road, Northern Town, Bistupur, Jamshedpur – 831 001, Tel. No.0657-2426616 Fax No. 0657-2426937; **(d) Kolkata : Tata Share Registry Limited** Tata Centre, 1st Floor, 43, Chowringhee Road, Kolkata – 700 071, Tel. No. 033-22883087 Fax No. 033-22883062; **(e) New Delhi : Tata Share Registry Limited** 2/42, Sant Vihar, Ansari Road, Daryaganj, New Delhi – 110 002 Tel. No. 011-23271805 Fax No. 011-23271802; **(f) Ahmedabad : Shah Consultancy Services** 3, Sumatinath Complex, Pritamnagar, 2nd Dhal Ellisbridge, Ashram Road, Ahmedabad- 380006. Tel. No. 079-26575094 Fax No. 079-26576038

All queries in this regard to be addressed to the Registrar to the Offer at the following address quoting your Reference Folio No./DPID/Client ID:

TATA

Tata Share Registry Limited
(Unit: Sunshield Chemicals Limited)
Army and Navy Building, 148, Mahatma Gandhi Road, Mumbai - 400 001
Tel: 022-5656 8484 Fax: 022-5656 8494
Email: csg-unit@tatashare.com