LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of **Schlafhorst Engineering (India) Limited**. If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or the Manager / Registrar to the Offer. In case you have recently sold your Equity Shares in Schlafhorst Engineering (India) 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.

INTEGRA Holding AG

Registered Office: Hammerweg 1, 8304 Wallisellen, Switzerland.
(Tel. No.: +41 (0) 43 233 30 10, Fax No. : +41 (0) 43 233 30 11)
(HEREINAFTER REFERRED TO AS 'INTEGRA' OR 'ACQUIRER')

MAKES A CASH OFFER AT Rs.9.65 (RUPEES NINE AND PAISE SIXTY FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES 10/- (TEN) EACH

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

TO ACQUIRE 3,879,040 FULLY PAID-UP EQUITY SHARES

representing 20.00% of the issued and paid-up voting equity share capital of

SCHLAFHORST ENGINEERING (INDIA) LIMITED ("SEIL" OR THE "TARGET COMPANY")

Registered Office: Chandrapura Village, Taluka: Halol - 389 350 District: Panchmahal, Gujarat.
(Tel. No. : +91-2676-221870, Fax No. : +91-2676-220887)

Please Note:

a) This Offer is being made pursuant to Regulation 10, Regulation 12 and other applicable provisions of the Regulations.

b) This is not a conditional offer. The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.

c) The Offer is subject to the receipt of approval of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 ("RBI Approval") for acquiring the shares tendered by resident shareholders who validly tenders their shares under the Offer. The Acquirer has made an application to Reserve Bank of India on November 22, 2010, for an approval to acquire share from resident shareholders. Please refer to paragraph 8 of this Letter of Offer for details.

d) As of the date of the Public Announcement and this Letter of Offer, there are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals.

e) If the aggregate of the valid response exceeds 3,879,040 Equity Shares, the Acquirer shall accept equal to 3,879,040 Equity Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of SEBI (SAST) Regulations.

f) In terms of Regulation 26 of the Regulations, the Acquirer can revise the Offer Price upwards upto 7 (seven) working days prior to the date of closure of the Offer i.e. January 31, 2011.

g) If there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e. January 19, 2011 or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement had published on October 22, 2010. Such revised offer price would be payable by the Acquirer for all the Equity Shares of the Target Company, validly tendered anytime during the Offer and accepted under the Offer.

h) The procedure for acceptance is set out in paragraph 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.

i) This is not a Competitive bid.

j) The Public Announcement, Corrigendum to Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India ('SEBI') http://www.sebi.gov.in

k) 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 Registrar to the Offer before the close of business hours on January 25, 2011.

l) There was no Competitive bid.

m) As the offer price cannot be revised during the period after January 19, 2011, 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 Manager to the Offer/ Registrar to the Offer at the addresses mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Collins Stewart Inga **COLLINS STEWART INGA PRIVATE LIMITED** A-404, Neelam Centre, 4th Floor, Hind Cycle Road, Worli, Mumbai 400 030. Tel.: +91-22-2498 2919 / 2498 2937, Fax: +91-22- 2498 2956 Email: seilopenoffer@csinga.com Contact Person : Mr. Mihir Pandhi / Mr. Nishant Upadhyay	MCPL **MONDKAR COMPUTERS PRIVATE LIMITED** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Email: info@mondkarcomputers.com Tel No.: +91- 22-2820 7201 / 022 - 28207203 Fax No.: +91 22- 2820 7207 Contact Person : Mr. Devanand Dalvi

OFFER OPENS : JANUARY 12, 2011 (WEDNESDAY)	OFFER CLOSES : JANUARY 31, 2011 (MONDAY)

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Schedule		Revised Schedule	
	Date	Day	Date	Day
Public Announcement Date	October 22, 2010	Friday	October 22, 2010	Friday
Corrigendum to Public Announcement	---	---	January 4, 2011	Tuesday
Specified Date*	October 29, 2010	Friday	October 29, 2010	Friday
Last date for a Competitive Bid	November 12, 2010	Friday	November 12, 2010	Friday
Last Date by which LOF will be posted to shareholders	December 02, 2010	Thursday	January 7, 2011	Friday
Date of Opening of the Offer	December 14, 2010	Tuesday	January 12, 2011	Wednesday
Last date for revising the Offer Price / Offer size	December 23, 2010	Thursday	January 19, 2011	Wednesday
Last date of withdrawal of tendered application by the shareholders	December 29, 2010	Wednesday	January 25, 2011	Tuesday
Date of Closing of the Offer	January 3, 2011	Monday	January 31, 2011	Monday
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired equity shares and/or the unaccepted equity shares / Share Certificate(s) will be dispatched / credited	January 18, 2011	Tuesday	February 15, 2011	Tuesday

** Specified date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer would be sent.*

RISK FACTORS

Given below are the risks related to the transaction, the proposed offer and the risks involved in getting associated with the Acquirer:

I. Risk related to the transaction

Transfer of Equity Shares received from Resident shareholders, as mentioned in Paragraph 8, under the Offer is subject to receipt of RBI approval for the same. Acquirer has made an application with RBI on November 22, 2010 for prior approval and the application is pending for approval with RBI.

II. Risk related to the proposed Offer

(a) In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities as indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose Equity Shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. January 25, 2011 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.

(b) The Acquirer makes no assurance with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

III. Risk involved in getting associated with the Acquirer

The Acquirer makes no assurance with respect to the financial performance of the Target Company. The Acquirer also makes no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in the Target Company.

The risk factors set forth above are not intended to cover a complete analysis of all risks as perceived in relation to the Offer or in association with the Acquirer, but are only indicative. They pertain to the acquisition and the Offer and not in relation to the present or future business or operations of the Target Company 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 the Target Company are advised to consult their stockbroker or investment consultant, for further risks with respect to their participation in the Offer.

TABLE OF CONTENTS

1. DEFINITION

Acquirer	INTEGRA Holding AG
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CHF	Swiss Franc
DP	Depository Participant
Equity Sale Shares	10,551,248 Equity Shares of Rs. 10/- each fully paid-up of the Target Company representing 54.40% of issued, subscribed and paid-up equity share capital held by W. Reiners Verwaltungs GmbH
Equity Share(s)	Equity shares of Rs. 10/- each fully paid-up of the Target Company.
FEMA	Foreign Exchange Management Act, 1999
FII(s)	Foreign Institutional Investor(s)
Form of Acceptance/ FOA	Form of Acceptance-cum- Acknowledgement
FOW	Form of Withdrawal
FY	Financial Year
INR / Rs.	Indian Rupees
Manager/ Manager to the Offer	Collins Stewart Inga Private Limited
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer / Open Offer	Offer for the acquisition of 3,879,040 fully paid up Equity Shares of the face value of Rs. 10/- each of the Target Company at a price of Rs. 9.65 per fully paid-up Equity Share
Offer price	Rs.9.65 (Rupees Nine and Paise Sixty Five only) per fully paid up share of Rs. 10/- each
Offer size	Rs. 3,74,32,736/- (Rupees Three Crore Seventy Four Lacs Thirty Two Thousand Seven Hundred Thirty Six Only)
Persons Eligible to participate in the Offer/Eligible Shareholders	All owners (registered and unregistered) of shares of the Target Company except parties to the SPA
Preference Sale Shares	12,400,000, 4% Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up representing 100% of the issued, subscribed and paid-up preference share capital of the Target Company held by Oerlikon Textile GmbH & Co. KG
RBI	Reserve Bank of India
Registrar to the Offer	Mondkar Computers Private Limited
Regulations or SEBI (SAST) Regulations	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.
Sale Shares	Means collectively the Equity Sale Shares and the Preference Sale Shares
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992
Sellers	Means (i) W. Reiners Verwaltungs GmbH, a Company incorporated under the Laws of Germany having its principal office at Leverkuser Str. 65, 42897 Remscheid, Germany, Tel. No. : +49 2191 67-0, Fax No. : +49 2161 284473430; and (ii) Oerlikon Textile GmbH & Co. KG, a limited liability partnership established under the Laws of Germany, (formerly known as Saurer GmbH & Co. KG) having its principal office at Leverkuser Str. 65, 42897 Remscheid, Germany, Tel. No. : +49 2191 67-0, Fax No. : +49 2161 284473430
Sellers' Parent	OC Oerlikon Corporation Inc., Pfäffikon, a corporation incorporated under the Laws of Switzerland, having its registered office at Churerstrasse 120, 8808 Pfäffikon, Switzerland, Tel. No. : + 41 58 360 96 96, Fax No. : +49 58 3609874, being the ultimate parent company of the Sellers
SPA	Share Purchase Agreement entered on October 20, 2010, amongst the Acquirer and Sellers viz. W. Reiners Verwaltungs GmbH promoter, Oerlikon Textile GmbH & Co KG and with respect to certain obligations only, the ultimate parent company of the Sellers, OC Oerlikon Corporation Inc., Pfäffikon

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 SCHLAFHORST ENGINEERING (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER 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 ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY.

IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, COLLINS STEWART INGA PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 03, 2010 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 ACQUIRER 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 This Offer is being made by the Acquirer to the shareholders of the Target Company in terms of Regulation 10, Regulation 12 and other applicable provision of SEBI (SAST) Regulations, for proposed substantial acquisition of Equity Shares and consequent change in control of the Target Company.

3.1.2 The Acquirer has entered into the SPA on October 20, 2010 for the acquisition of

(a) 10,551,248 Equity Shares of Rs. 10/- each fully paid-up of the Target Company representing 54.40% of issued, subscribed and paid-up equity share capital from the promoter of the Target Company namely W. Reiners Verwaltungs GmbH, a Company incorporated under the Laws of Germany having its principal office at Leverkuser Str. 65, 42897 Remscheid, Germany, Tel. No. : +49 2191 67-0, Fax No. : +49 2161 2844 73430; and

(b) 12,400,000, 4% Cumulative Redeemable Preference Shares of Rs. 10/- each fully paid-up representing 100% of the issued, subscribed and paid-up preference share capital of the Target Company from Oerlikon Textile GmbH & Co. KG, a limited liability partnership established under the Laws of Germany, (formerly known as Saurer GmbH & Co. KG) having its principal office at Leverkuser Str. 65, 42897 Remscheid, Germany, Tel. No. : +49 2191 67-0, Fax No. : +49 2161 2844 73430 and

(c) as a joint and several obligor of Sellers for their liability under the SPA with respect to representations & warranties only, OC Oerlikon Corporation Inc., Pfäffikon, a corporation incorporated under the Laws of Switzerland, having its registered office at Churerstrasse 120, 8808 Pfäffikon, Switzerland, Tel. No. : + 41 58 360 96 96, Fax No. : +49 58 3609874 being the ultimate parent company of the Sellers.

(d) In terms of SPA, the consideration to be paid to the Sellers is as follows:

Name of the Seller	No. of Shares of the Target Company	Value in CHF	Equivalent value in INR*	Price Per Share in INR
W. Reiners Verwaltungs – GmbH	10,551,248 equity shares	725,492.75	33,500,000	3.17
Oerlikon Textile GmbH & Co. Kg	12,400,000 cumulative redeemable preference shares	2,165,650	100,000,000	8.06

*The conversion rate as on October 20, 2010 for 1 CHF = INR 46.17. (Source : https://wb1.ubs.com/cache/fin/pub/gvu)

(e) The key terms of the SPA are as follows:

(i) The Sellers have the obligation to sell and the Acquirer has the obligation to buy the Sale Shares.

(ii) The Sellers, the Acquirer and Wenger & Vieli Limited ("Escrow Agent") having their main offices at Dufourstrasse 56, 8008 Zurich, Switzerland have executed an escrow agreement ("Escrow Agreement") contemporaneously with the SPA on such terms and conditions as mentioned in the said Escrow Agreement for the purpose of holding back the Sale Shares, the deeds of assignment of Sale Shares in demat rather than physical form and the purchase price between the closing of the SPA and the earlier of the completion of the Open Offer as contemplated under the SEBI (SAST) Regulations or the rescission of the SPA due to a failure of the Open Offer.

(iii) The Acquirer is entitled to reconstitute the Board of Directors of the Target Company as of the Closing of the SPA.

(iv) Subject to the consummation of, and effective as of, the closing of the SPA, (a) the Target Company shall appoint such members to the Company's Board of Directors as are intimated by the Acquirer to the Sellers as provided for and in accordance with the SPA, at anytime before the date of such Board Meeting , (b) the Sellers shall cause the resignation of Mr. K. M. Thanawalla and Mr. Ulrich Wunder or their replacement (if any), as members of the Target Company's Board of Directors.

(v) Pursuant to the SEBI (SAST) Regulations, the Acquirer cannot become the legal and beneficial owner of the Sale Shares until the completion of the Open Offer as contemplated under the SEBI (SAST) Regulations.

(vi) The Acquirer shall make a public announcement to acquire equity shares of the Company pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto.

(vii) The Sellers shall have the obligation to sell and the Acquirer shall have the obligation to acquire the Sale Shares of the Target Company subject to the satisfaction or - in case of item (b) below - waiver of the following conditions precedent as detailed in the SPA:

a. SEBI has cleared the Acquirer's draft Letter of Open Offer; and

b. No action, order, injunction or decree of any competent court, administrative body or arbitration tribunal exists or is pending which prohibits or seeks to prohibit the consummation of the transactions contemplated by the SPA.

For some of the above terms more specifically defined in SPA and other details of the SPA shareholders of the Target Company may refer SPA which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the office of Manger to the Offer.

3.1.3 The Acquirer, Sellers and Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992 as amended (the **"SEBI Act"**) or under any other regulation made under the SEBI Act.

3.1.4 In terms of the SPA, the Acquirer is entitled to reconstitute the Board of Directors of the Target Company after the Closing as defined in SPA [refer paragraph 3.1.2(e)(iii) & (iv) of this Letter of Offer]. Acquirer has sought an appointment of Mr. Adrian Oehler and Mr. Shalin S Divatia as Additional Director on the Board of Target Company in terms of the second proviso to regulation 22(7) of the Regulations.

3.1.5 The Board of Directors of Target Company at their Meeting held on January 3, 2011 has appointed Mr. Adrian Oehler, Mr. Shalin S Divatia, Mr. Mahendra Sanghvi and Mr. Jayvant H Mehta as Additional Directors on the Board of Directors and accepted resignation of Mr. Khurshed Thanawalla and Mr. Ulrich Wunder as Director of the Target Company.

3.1.6 Mr. Adrian Oehler and Mr. Shalin S Divatia, the representatives of the Acquirer on the Board of Directors of the Target Company shall recluse themselves and will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

3.2 Details of the Offer

3.2.1 The Public Announcement (**"PA"**) and Corrigendum to Public Announcement (**"Corrigendum to PA"**) was made in the following newspapers on October 22, 2010 and January 4, 2011 respectively.

News Paper	Language	Edition
Business Standard	English	All Editions
Pratahkal	Hindi	All Editions
Vadodara Samachar	Gujarati	Vadodara Edition
Navashakti	Marathi	Mumbai Edition

(The Public Announcement and Corrigendum to Public Announcement are also available on SEBI website: www.sebi.gov.in)

3.2.2 The Acquirer hereby makes this Offer to shareholders of the Target Company (other than the parties to the SPA) to acquire up to 3,879,040 equity shares ("Shares") representing in aggregate 20% of issued, subscribed and paid-up voting Equity Share capital of the Target Company, at a price of Rs. 9.65 (Rupees Nine and Paise Sixty Five Only) per fully paid up Equity Share (**"Offer Price"**) payable in cash subject to the terms and conditions mentioned in this Letter of Offer.

3.2.3 There are no partly paid-up shares of the Target Company.

3.2.4 This is not a Competitive bid. There was no Competitive bid.

3.2.5 This is not a Conditional Offer. The Offer is not subject to any minimum level of acceptance. The Acquirer will acquire all the shares that are validly tendered as per the terms of the Offer, upto a maximum of 3,879,040 Equity Shares (representing 20% of the issued, subscribed and paid-up voting equity capital) at the Offer Price. If the valid response exceeds 3,879,040 Equity Shares, the Acquirer shall accept shares equal to 3,879,040 Equity Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the Regulations.

3.2.6 The Acquirer and the Manger to Offer do not hold any Equity Shares in the Target Company as on the date of this Letter of Offer and have not acquired any Equity Shares since the date of PA upto the date of this Letter of Offer.

3.3 Object and purpose of the Acquisition / Offer

3.3.1 The Offer is mandatory offer and is being made pursuant to the SPA between the Acquirer, Sellers and Sellers' Parent as described in paragraph 3.1.2 above whereby the Acquirer intends to acquire 54.40% of the issued, subscribed and paid-up Equity Share capital and 100% of issued, subscribed and paid-up preference share capital in the Target Company from the Sellers. This acquisition of Equity Shares has resulted in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations. Hence, this Open Offer is being made in compliance with Regulation 10, Regulation 12 and other applicable provisions of the SEBI (SAST) Regulations.

3.3.2 Acquirer pursues a growth strategy in India and aims at expanding its current presence significantly during the next years. The acquisition shall provide the Acquirer with real estate resources in a strategic location, poised for the future growth of the company. Moreover, the current assets of the company will allow the utilisation of synergies with its existing subsidiary company INTEGRA India Group Company Limited having its registered office at Vadodara, Gujarat.

4 BACKGROUND OF THE ACQUIRER

INTEGRA Holding AG – Acquirer

4.1 The Acquirer was incorporated on October 4, 1988 under the Laws of Switzerland as a public limited company. The registered office of the company is situated at Hammerweg 1, 8304 Wallisellen, Switzerland; Tel. No.: +41 (0) 43 233 30 10, Fax No.: +41 (0) 43 233 30 11. The Acquirer does not belong to any Group.

4.2 Acquirer is promoted by ORGU Foundation.

4.3 Acquirer is a financial investment company incorporated with the purpose which inter alia includes administration of assets; to conduct the activities of commercial financial businesses for own and third-party accounts, financing development projects, venture funding etc.

4.4 The Acquirer does not hold and has not acquired any Equity Shares of the Target Company, therefore provision of Chapter II of the Regulations are not applicable.

4.5 The Shareholding Pattern of the Acquirer is as follows:

Shareholder Category	No of shares held	Percentage (%)
Promoters - Orgu Foundation	99,344	99.34
FII/Mutual Funds/Banks/FI	---	---
Public	656	0.66
Total Paid up Capital	100,000	100

4.6 Details of Board of Directors of the Acquirer are as follows:

Sr. No.	Name and Designation of the Director	Date of Appointment	Residential Address
1.	Adrian Oehler, Chairman	09.08.2000	Leisihaldenstr. 23, 8623 Wetzikon
2.	Heinrich M. Lanz, Vice-Chairman	31.08.2007	Ampèrestrasse 3, 8037 Zurich
3.	Hans C. Bodmer, Director	04.07.2002	General Guisan Quai 30, 8002 Zurich
4.	Fritz Hauff, Director	22.09.1992	Voa la Costa Sot 11, 7077 Valbella

4.7 Except Mr. Adrian Oehler, none of the Directors named above are on the Board of Directors of the Target Company. Mr. Adrian Oehler shall recluse himself and will not participate in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the Regulations.

4.8 The experience and qualifications of the Directors of the Acquirer is given below :

Mr. Adrian Oehler aged 39 years is having degree of Lic. Oec. HSG MAS Corporate Finance and experience in the field of Management and market development; and asset management. He is CEO & Chairman INTEGRA Holding AG.

Mr. Heinrich M. Lanz aged 61 years is having degree of Dipl. El.Ing.ETH, Program for Executive Development, IMD Lausanne and having experience as CEO in the field of International Management also engaged in Management Consultancy.

Mr. Hans C. Bodmer aged 60 years is having degree of Lic. Oec. FH. He is having experience in the field of finance.

Mr. Fritz Hauff aged 67 years is an entrepreneur and is having experience in the field of Management.

4.9 Total paid-up capital of Acquirer is CHF 1,00,00,000/- (One Crore Swiss Franc Only) divided into 100,000 shares of CHF 100 each. The shares of the Acquirer are not listed on any stock exchange.

4.10 The brief financial details of the Acquirer for the last three years viz. 2007, 2008 and 2009 and for the period ended May 31, 2010 are as under:

(CHF and Rs. in Lacs, except EPS and Book Value)

Profit and Loss Statement	31-Dec-07 Audited 12 Months		31-Dec-08 Audited 12 Months		31-Dec-09 Audited 12 Months		31-May-10 Certified by the Auditors 5 Months	
	CHF	INR	CHF	INR	CHF	INR	CHF	INR
Income from Operations	-	-	-	-	-	-	-	-
Other Income	52.00	1807.00	71.31	3245.32	55.03	2466.99	51.82	2080.05
Total Income	**52.00**	**1807.00**	**71.31**	**3245.32**	**55.03**	**2466.99**	**51.82**	**2080.05**
Total Expenditure	**8.52**	**296.07**	**7.74**	**352.25**	**8.43**	**377.92**	**2.29**	**91.92**
Profit Before Depreciation Interest and Tax	43.48	1510.93	63.57	2893.07	46.60	2089.08	49.53	1988.13
Depreciation and Provisions	0.33	11.47	10.00	455.10	5.00	224.15	-	-
Interest and Financial Costs	7.53	261.67	24.34	1107.71	13.75	616.41	1.64	65.83
Profit Before Tax	**35.62**	**1237.80**	**29.23**	**1330.26**	**27.85**	**1248.52**	**47.89**	**1922.30**
Provision for Tax	0.17	5.91	0.15	6.83	0.14	6.28	0.15	6.02
Profit after Tax	**35.45**	**1231.89**	**29.08**	**1323.43**	**27.71**	**1242.24**	**47.74**	**1916.28**

Balance Sheet Statement	31-Dec-07 Audited 12 Months		31-Dec-08 Audited 12 Months		31-Dec-09 Audited 12 Months		31-May-10 Certified by the Auditors 5 Months	
	CHF	**INR**	**CHF**	**INR**	**CHF**	**INR**	**CHF**	**INR**
Sources of Funds								
Paid-up Share Capital	100.00	3475.00	100.00	4551.00	100.00	4483.00	100.00	4014.00
Reserves and Surplus (excl. Revaluation Reserves)	324.61	11280.20	352.69	16050.92	394.04	17664.81	441.78	17733.05
Networth	424.61	14755.20	452.69	20601.92	494.04	22147.81	541.78	21747.05
Unsecured Loans	173.08	6014.53	161.07	7330.30	117.02	5246.01	97.94	3931.31
Current Loan Capital	2.27	78.88	6.74	306.74	2.17	97.28	2.75	110.39
Total	**599.96**	**20848.61**	**620.50**	**28238.96**	**613.23**	**27491.10**	**642.47**	**25788.75**
Uses of Funds								
Net Fixed Assets	-	-	-	-	-	-	-	-
Loans	24.70	858.33	28.74	1307.96	39.44	1768.10	42.59	1709.56
Investments	511.12	17761.42	525.32	23907.31	525.32	23550.10	525.32	21086.34
Net Current Assets	64.14	2228.87	66.44	3023.68	48.47	2172.91	74.56	2992.84
Total Miscellaneous Expenditure not written off	-	-	-	-	-	-	-	-
Total	**599.96**	**20848.61**	**620.50**	**28238.96**	**613.23**	**27491.10**	**642.47**	**25788.75**
Other Financial Data								
Dividend (%)	5		5		10*		N.A.	
Earning Per Share (CHF)	70.90	2463.78	58.16	2646.86	27.71*	1242.24	47.74	1916.28
Return on Networth (%)	8.35		6.42		5.61		8.81	
Book Value Per Share (CHF)	849.22	29510.40	905.38	41203.84	494.04*	22147.81	541.78	21747.05

Source: Annual Accounts for the years 2007, 2008, 2009 and financial statement for the period ended May 31, 2010 duly certified by the Statutory Auditors of the Acquirer.

* In 2009 Shares were split 1 : 2

Exchange Rates : 1 CHF = Rs. 34.75 for 2007, 1 CHF = Rs. 45.51 for 2008, 1 CHF = Rs. 44.83 for 2009 and 1 CHF = Rs. 40.14 for May 31, 2010) (Source: http://www.xe.com)

4.11 Reasons for rise / fall in total income and PAT for the last three years is given as under :

Financial year ended December 31, 2007

Total Income for the financial year ended December 31, 2007, is CHF 52.00 Lacs (equivalent to Rs. 1807.00 Lacs) as against CHF 79.90 Lacs (equivalent to Rs.2901.97 Lacs) for the financial year 2006. Profit after Tax (PAT) for the financial year ended December 31, 2007 is CHF 35.45 Lacs (equivalent to Rs. 1231.89 Lacs) as against the PAT for previous financial year ended December 31, 2006 of CHF 64.05 Lacs (equivalent to Rs. 2326.30 Lacs).

Reasons for theDecrease in total Income:

- Dividend Returns from Group companies in 2006 were 72.00 Lacs CHF and in 2007, 44.00 Lacs. In 2006 Acquirer received an extraordinary Dividend from one of its subsidiaries.

Reasons for the Decrease in PAT:

- In 2006, Acquirer could reverse a provision is had earlier made due to payment. This was a one time effect not repeated in 2007.

Financial year ended December 31, 2008

Total Income for the financial year ended December 31, 2008, is CHF 71.31 Lacs (equivalent to Rs. 3245.32 Lacs) as against CHF 52.00 Lacs (equivalent to Rs. 1807.00 Lacs) for the financial year 2007. Profit after Tax (PAT) for the financial year ended December 31, 2008 is CHF 29.08 Lacs (equivalent to Rs. 1323.43 Lacs) as against the PAT for previous financial year ended December 31, 2007 of CHF 35.45 Lacs (equivalent to Rs. 1231.89 Lacs).

Reason for Rise in total Income:

- Extraordinary Dividend of CHF 20.00 Lacs. from 1 subsidiary, only source of income are dividends & management fees)

Reason for Fall in PAT:

- Provisions from a loan granted to 3rd Party of CHF 10 Lacs
- Unrealized losses on investments

Financial year ended December 31, 2009

Total Income for the financial year ended December 31, 2009 is CHF 55.03 Lacs (equivalent to Rs. 2466.99 Lacs) as against CHF 71.31 Lacs (equivalent to Rs. 3245.32 Lacs) for the financial year 2008. Profit after Tax (PAT) for the financial year ended December 31, 2009 is CHF 27.71 Lacs (equivalent to Rs. 1242.24 Lacs) as against the PAT for previous financial year ended December 31, 2008 of CHF 29.08 Lacs (equivalent to Rs. 1323.43 Lacs) -

Reason for Fall in total Income:

- In 2008 extraordinary Dividend of 20.00 Lacs. CHF from 1 subsidiary

Reason for Fall in PAT:

- Less income due to absence of extraordinary dividend
- Provisions from a loan granted to 3rd party of CHF 5.00 Lacs
- Unrealised losses on investments

4.12 **Significant Accounting policies of INTEGRA Holding AG are as follows:**

Going concern assumption

Both the individual and consolidated financial statements are based on the assumption that the company will continue as a going concern for the foreseeable future, at the very least for 12 months after the balance sheet date.

Materiality

Facts are material if they have sufficient impact on the picture portrayed by the financial statements as a whole or individual items therein to potentially influence the assessment of the company by users of the financial statements. All material facts must be recorded and reported accurately with the required degree of transparency. A series of individually immaterial facts may collectively have a material impact on the accuracy of the financial statements and require disclosure.

Accrual basis

All expenses incurred in generating the income booked in the period must be included in the financial statements. Income and expenses must be recognised at the date they arise, not the date on which the money is received or paid out.

Completeness

All transactions with a direct or indirect impact on the level and composition of a company's assets, debt, provisions and equity (i.e. all transactions with a mandatory accounting requirement) must be recorded at the date on which they arise from a legal or financial perspective.

The notes to the financial statements must also be complete.

Transparency

The financial statements must be structured in a clear and comprehensible manner. Only items of the same type may be grouped together.

The clarity of the information presented may not be undermined by the form of presentation or the omission of certain information. In particular, individual items (accounts) must be allocated to the correct categories. Appropriate rounding is helpful for readers of the financial statements.

Prudence

The principle of prudence requires that particular care be exercised when assessing matters where there is uncertainty. Income and assets should not be overvalued, while expenses and liabilities should not be undervalued. However, the prudence principle does not mean that hidden reserves can be created and released at will. The prudence principle states that where future scenarios are equally likely to occur, the less optimistic scenario should be assumed.

Consistency of presentation, disclosure and valuation

The financial statements should always be produced according to the same principles as in the prior period. This relates both to the disclosure and presentation of the financial statements as a whole and to the content and valuation of the individual items.

Any departures from the consistency principle in the disclosure and presentation of the financial statements must be explained and quantified in the notes.

Prohibition on netting

The prohibition on netting requires that all items in the balance sheet and income statement be stated separately. Assets and liabilities, or income and expenses, may only be netted against each other in exceptional cases and provided that this will not mislead users (e.g. VAT). For example, interest income and expenses must be booked to separate accounts, while trade creditors with a negative balance must be reported under other receivables and not as a liability.

Individual valuation of assets and liabilities

Assets and liabilities must in principle be valued individually. However, in exceptional cases it is possible to value assets and liabilities of the same type and quality on a collective basis in the financial statements. In the case of inventories, for example, similar groups of articles may be valued collectively. The method chosen must be applied uniformly to the entire item.

Documentation/ safekeeping

All booking entries must be documented in such a way that the details can be followed up at a later date. Documentation must be produced for each entry. It must also be clear who was responsible for which transaction (approval trail). The correspondence and documentation must be kept for 10 years. Documents relating to purchases and sales of property must be kept for 25 years in Switzerland.

Internal control system

The management of each company (particularly the chief financial officer) is responsible for implementing and operating an appropriate internal control system (ICS). The ICS is designed to ensure the reliability of data, protect the company's assets and ensure compliance with accounting and other guidelines. The core elements of the ICS are: the double-checking principle for important documents, dual signatures for correspondence and payments, an appropriate division of responsibilities (separation of execution and control), regular changing of passwords and secure storage of essential documents.

Approval for major expense items and investments

Individual expense items and investments which exceed local authority levels require a formal application which must be approved by the Executive Board or the Board of Directors. Local authority levels, i.e. authorities at company level, are set out in the authority diagram.

4.13 Information in respect of Companies promoted by Acquirer:

(A) Name of the company: - Integra Immobilien AG

a) Date of Incorporation : - December 17, 1975

b) Registered Office address: - Hammerweg 1, CH-8304 Wallisellen

c) Nature of Business: - Real Estate Business

d) The Company is not a sick industrial company.

e) Brief financials based on audited accounts for the last three years are given below:

(Figures in Lacs except EPS and Book Value)

Period for the year ended	December 31,2007		December 31,2008		December 31,2009	
Months	12		12		12	
Type	Audited		Audited		Audited	
	CHF	Rs.	CHF	Rs.	CHF	Rs.
Paid-up Equity Share Capital	40.00	1390.00	40.00	1820.40	40.00	1793.20
Reserves (excl. revaluation reserves)	25.00	868.75	25.00	1137.75	25.00	1120.75
Earning per share	1.75	60.85	0.83	37.59	0.96	42.86
Total Income	85.51	2971.47	32.33	1471.34	46.06	2064.87
Profit After Tax (PAT)	70.05	2434.24	33.04	1503.65	38.24	1714.30
Book Value per share	21.05	731.38	21.37	972.69	22.43	1005.36

The Financial statements have been converted into 1 CHF = Rs. 34.75 for 2007, 1 CHF = Rs. 45.51 for 2008, 1 CHF = Rs. 44.83 for 2009.

(Source: http://www.xe.com)

(B) Name of the company: - Signal AG.

a) Date of Incorporation : - November 1, 1946

b) Registered Office address: - Kanalstrasse 34, CH-3294 Buren an der Aare.

c) Nature of Business: - To signal and marketing the traffic, manufacturing and selling of road signs and traffic management systems.

d) The Company is not a sick industrial company.

e) Brief financials based on audited accounts for the last three years are given below:

(Figures in Lacs except EPS and Book Value)

Period for the year ended	December 31, 2007		December 31, 2008		December 31, 2009	
Months	12		12		12	
Type	Audited		Audited		Audited	
	CHF	Rs.	CHF	Rs.	CHF	Rs.
Paid-up Equity Share Capital	30.00	1042.50	30.00	1365.30	30.00	1344.90
Reserves (excl. revaluation reserves)	42.97	1493.21	43.97	2001.07	48.97	2195.33
Earning per share (per share)	0.78	27.14	0.93	42.32	0.95	42.68
Total Income	31.49	1094.28	35.73	1626.07	38.45	1723.71
Profit After Tax (PAT)	23.42	813.85	27.91	1270.18	28.57	1280.79
Book Value per share	4.60	159.99	4.87	221.50	4.99	223.52

The Financial statements have been converted into 1 CHF = Rs. 34.75 for 2007, 1 CHF = Rs. 45.51 for 2008, 1 CHF = Rs. 44.83 for 2009.

(Source: http://www.xe.com)

(C) Name of the company: - Aquametro AG.

a) Date of Incorporation : - 1928

b) Registered Office address: - Ringstrasse75, CH-4106 Therwil.

c) Nature of Business: - Development, manufacturing and selling of energy and flow meters.

d) The Company is not a sick industrial company.

e) Brief financials based on audited accounts for the last three years are given below:

(Figures in Lacs except EPS and Book Value)

Period for the year ended	December 31, 2007		December 31, 2008		December 31, 2009	
Months	12		12		12	
Type	Audited		Audited		Audited	
	CHF	Rs.	CHF	Rs.	CHF	Rs.
Paid-up Equity Share Capital	30.00	1042.50	30.00	1365.30	30.00	1344.90
Reserves (excl. revaluation reserves)	48.20	1674.95	48.20	2193.58	45.00	2017.35
Earning per share (per share)	0.56	19.60	0.86	38.96	0.64	28.69
Total Income	32.44	1127.29	35.12	1598.31	24.54	1100.13
Profit After Tax (PAT)	16.92	587.97	25.68	1168.70	19.19	860.29
Book Value per share	5.93	206.10	6.26	284.89	6.40	286.87

The Financial statements have been converted into 1 CHF = Rs. 34.75 for 2007, 1 CHF = Rs. 45.51 for 2008, 1 CHF = Rs. 44.83 for 2009.

(Source: http://www.xe.com)

(D) Name of the Company: - Integra India Group Company Limited

a) Date of Incorporation: - January 9,1987

b) Change of Name : - with effect from January 20, 2010, Name Change from Integra Hindustan Control Limited to Integra India Group Co. Limited

c) Registered Office address: - Integra House, 7/A Rajpath Society, Old Padra Road, Vadodara 390020.

d) Nature of Business: - Manufacturing of Electro-mechanical components.

e) The Shares of the Company are listed on Bombay Stock Exchange Limited and Vadodara Stock Exchange Limited

f) The Company is not a sick industrial company.

g) Brief financials based on audited accounts for the last three years are given below:

Brief financials based on Accounts for the last three years are given below:

(Figures in Lacs except EPS and Book Value)

Period for the year ended	March 31, 2008	March 31, 2009	March 31, 2010
Months	12	12	12
Type	Audited	Audited	Audited
	Rs.	Rs.	Rs.
Paid-up Equity Share Capital	110.00	110.00	110.00
Reserves (excl. revaluation reserves)	501.14	616.52	725.71
Earning per share (per share)	6.20	11.89	11.56
Total Income	1262.49	1629.64	2026.36
Profit After Tax (PAT)	68.21	130.82	127.15
Book Value per share	55.56	66.05	75.97

5 DISCLOSURES IN TERMS OF REGULATION 21(2), IF APPLICABLE

a. The Offer assuming full acceptance will not result in the public shareholding falling below 25% in the Target Company, which is the minimum level required to be maintained as per the provisions of clause 40A of the Listing Agreement. Therefore, the provisions of Regulation 21(2) of the Regulations are not applicable.

b. Acquirer does not intend to de-list the equity shares of the Target Company in the next 3 years period.

5.1 Disclosures in terms of regulation 16(ix) of the Regulations and Acquirer's future plans for Target Company

5.1.1 The Acquirer currently do not intend to dispose of or otherwise encumber any assets of the Target Company in the succeeding two years, except such disposals or encumbrances in the ordinary course of business of the Target Company and / or for the purposes of restructuring, rationalizing and / or streamlining various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Further, the Acquirer undertake not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company, and in accordance with and subject to the applicable laws, permissions and consents, if any.

5.1.2 The Acquirer does not have any specific future plans for the Target Company.

6 BACKGROUND OF THE TARGET COMPANY

6.1 Schlafhorst Engineering (India) Limited, ("SEIL" / "Target Company"), is an Indo-German joint venture company. SEIL was incorporated in Maharashtra on June 3, 1981, as Padmatex Engineering Private Limited. The Target Company became a public limited company with effect from June 3, 1982, the name of the Company was changed to Padmatex Engineering Limited and the certificate of change of name was issued by the Registrar of Companies Maharashtra to that effect.The name of the Company was changed to Schlafhorst Engineering (India) Limited on October 10, 1994 consequent upon the Company's collaborator, W. Schlafhorst AG & Co., Germany ("WSC") (through its holding company W. Reiners Verwaltungs GmbH, Germany ("WRV") taking over the management control of the Company by acquiring (on February 3, 1994) 51% of equity share capital of the Company. WRV & WSC were part of Saurer Group, Switzerland which was subsequently taken over by the Oerlikon Group in the year 2007.

6.2 On February 1, 1996, the registered office of the Target Company was shifted to Vadodara, Gujarat from Maharashtra by a resolution passed by the shareholders on May 5, 1995 and as confirmed by the Company Law Board on November 23, 1995. On July 1, 2005, the registered office of the Company was shifted to Halol, Gujarat by a resolution passed by the shareholders on April 21, 2005. The registered office is now located at Chandrapura Village, Taluka: Halol - 389 350 District: Panchmahal, Gujarat, Tel No.: +91-2676-221870, Fax No.: +91-2676-220887. The branch office of the Target Company is situated at Unad Deep Township, FF-10, Tower A, GIDC – Tarsali Ring Road, Tarsali, Vadodara – 390 010, Gujarat, Tel No. : +91-265-2646040

6.3 Brief History of the Target Company :

SEIL was promoted by Mafatlal Industries Limited in technical and financial collaboration with WRV, a company belonging to the Saurer Group for the manufacture of textile machinery namely automaticcone winding machine and set up its plant at Halol, District: Panchmahals , Gujarat and commenced commercial production in the last quarter of 1983. In 1984, it acquired a running plant situated in Vadodara, Gujarat to enable it to increase its manufacturing capacity to meet the growing demand for textile machinery. In 1985 a new product, Zinser's (Germany) design high speed draw, was introduced in its product range. During 1990, SEIL entered into a technical collaboration with Reifenhauser GmbH, Germany for the manufacture of sophisticated plastic processing machinery viz. extruders and extrusion systems. On November 14, 1990, SEIL issued 584,000 Equity Shares of Rs.10 each at par to Reifenhauser as part of the collaboration agreement. However, on January 1, 1995, the collaboration agreement was terminated by mutual consent as the plastic processing machinery business was not compatible with the core business strategy and long term goals of SEIL under the new management of WRV. Pursuant to acquisition of equity shares of Gujarat Textronics Limited ("GTL") over the period between 1987-1989 and 1994-1995, GTL became subsidiary of the Company. GTL manufactures electronic equipments namely yarn clearer, spindle electronics, bobbin weft feelers, counter, and auto-Ls as its captive unit.On account of discontinuation of autoconer production by SEIL in 1997, the operation of GTL was discontinued and in November, 2006 an application was made to the Registrar of Companies, Gujarat to remove its name as a defunct company under Section 560 of the Companies Act, 1956. Since 1993, SEIL's operations started deteriorating on account of high cost of production (interest and personnel cost), competition from multinational players with high-tech models and superior features and the loss of export market. The autoconer production was therefore discontinued in December, 1997 and the capacity was redeployed for job work. The net worth of the Company was completely eroded as on December 31, 1998 and a reference was made to the Honourable Board for Industrial and Financial Reconstruction ("BIFR") on July 30, 1999. BIFR at the hearing held on March 24, 2000, declared SEIL as a sick industrial company in terms of section 3(1) (o) of Sick Industrial Companies (Special Provisions) Act, 1985 ("SICA") by its order dated April 4, 2000 and ICICI Bank Limited was appointed as the operating agency. A rehabilitation scheme placed before the BIFR was approved by it on August 16, 2005. In accordance with the approved scheme, SEIL's plant at Vadodara consisting of land, buildings and certain old machineries were sold through a committee chaired by Mr. P.K. Banerji, the special director appointed by the BIFR and SEIL paid off all outstanding loans, dues to the workmen retired under the voluntary retirement scheme and other statutory dues.

On November 18, 2006, SEIL made an application to BIFR for de-registration as its net worth turned positive.

As the Target Company has ceased to be a 'sick industrial company' within the meaning of section 3(1)(0) of SICA and BIFR by its order dated May 17, 2007 (case no 318/99) discharged the company from the provisions of SICA/BIFR with effect from May 17, 2007. BIFR also discharged Mr. P. K. Banerji as a special director with effect from that date.

6.4 Present Business of the Target Company:

SEIL is presently engaged in the business of manufacturing high speed draw frames and also provide services which includes drafting, conversion and renovation of any make of draw frame, parts for autoconer and draw frame, machining on job work basis and sheet metal fabrication on job work basis like auxiliary converter boxes and power converter boxes for Indian railways through Bombardier, BHEL & NELCO, etc. Presently the manufacturing unit of the Target Company is situated at Chandrapura Village, Taluka: Halol - 389 350 District: Panchmahals, Gujarat.

6.5 The share capital structure of Target Company is as follows:

Paid up shares of Target Company	No. of shares / Voting Rights	% of shares / Voting Rights
Fully paid up equity capital	19,395,196	100%
Partly paid-up equity capital	–	–
Total issued and paid up equity capital of the Target Company	19,395,196	100%
Total voting rights in the Target Company	19,395,196	100%
Fully paid preference capital	12,400,000	100%
Partly paid-up preference capital	–	–
Total issued and Paid-up preference capital of the Target Company	12,400,000	100%
Total voting rights in the Target Company	–	–

6.6 On October 28, 2004, SEIL allotted 12,400,000 - 4% Cumulative Redeemable Preference Shares (redeemable anytime after December 15, 2006, but before 20 years from the date of allotment, as the Board of Directors of SEIL may decide) of Rs. 10/- each aggregating to Rs. 124,000,000/- to Saurer GmbH & Co. KG (Saurer GmbH), by converting certain loan given by Saurer GmbH to SEIL. Subsequently, the name of Saurer GmbH & Co. KG changed to Oerlikon Textile GmbH & Co. KG. w.e.f. June 5, 2007, Saurer GmbH & Co. KG were part of Saurer Group, Switzerland which was subsequently taken over by the Oerlikon Group in the year 2007.

6.7 Build up of the capital structure of Target Company:

Date of Allotment	No. of shares issued	% of total share capital**	Total No. of Shares	Cumulative Paid up capital (Rs.)	Mode of allotment	Identity of allottees (Promoters/ ex promoters / others)	Status of Compliance
June 17, 1981	2	0.00	2	20	Subscribers to the memorandum	Shares to subscribers to the memorandum of association	Complied with provisions of Companies Act, 1956
March 29, 1982	5	0.00	7	70	Subscribers to the memorandum	Shares to subscribers to the memorandum of association	Complied with provisions of Companies Act, 1956
December 7, 1983	1,999,993	10.31	2,000,000	20,000,000	Initial Public Offering (Issued through prospectus)	520,000 shares to WRV (Promoter) & 520,000 shares to Mafatlal Industries Limited (ex Promoters) 959,993 shares to public	Complied with provisions of Companies Act,1956 and CCI Guidelines
December 12,1985	1,500,000	7.73	3,500,000	35,000,000	Right Issue	To the existing shareholders	Complied with provisions of Companies Act,1956 and CCI Guidelines
October 31, 1986	1,200,000	6.19	4,700,000	47,000,000	Conversion of debentures issued on rights basis	To the existing shareholders	Complied with provisions of Companies Act, 1956
November 21, 1986	156,951	0.81	4,856,951	48,569,510	Conversion of debentures issued on rights basis	To the existing share holders	Complied with provisions of Companies Act, 1956
June 23, 1987	400,000	2.06	5,256,951	52,569,510	Preferential Issue	To the WRV (promoter)	Complied with provisions of Companies Act,1956
November 14, 1990	584,000	3.01	5,840,951	58,409,510	Preferential Issue	To Reifenhauser on preferential basis	Complied with provisions of Companies Act,1956
November 7, 1992	2,336,380	12.05	8,177,331	81,773,310	Rights Issue	Existing shareholders	Complied with provisions of Companies Act,1956
November 23,1992	116,800	0.60	8,294,131	82,941,310	Rights Issue	To the employees	Complied with provisions of Companies Act,1956
February 3, 1994	4,636,000	23.90	12,930,131	129,301,310	Preferential Issue	To WRV (promoter) on preferential basis	Complied with provisions of Companies Act,1956
September 19, 2002	6,465,065	33.33	19,395,196	193,951,960	Conversion of preference shares	To promoters and others upon conversion of preference shares into Equity Shares	Complied with provisions of Companies Act,1956 and SEBI (Disclosure and Investor Protection) Guidelines, 2000 (Now repealed)
Total	**19,395,196**	**100**		**193,951,960**			

** % of shares issued is calculated on the total number of paid up Equity Shares as on the date.

6.8 There has been no suspension of trading of the Equity Shares of the Target Company on BSE.

6.9 All the Equity Shares of the Target Company are currently listed on BSE.

6.10 There are no partly paid-up Equity Shares of the Target Company. There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures, etc. which are convertible into Equity Shares at any later date as on the date of this Letter of Offer.

6.11 Status of Chapter II compliance of the Regulations:

(a) Chapter II compliances by the Target Company:

Disclosure with the BSE under regulation 8(3) of SEBI (SAST) Regulations was filed with delay of 2575 days for the year 2000 and 1 day delay for the year 2001 by the Target Company.

Acknowledged copy / dispatch proof for the submission of the disclosures required to be filed under Chapter II of the Regulations were not available for verification except for the year 1997, 1998, 1999, 2008, 2010. The Target Company has complied with the applicable provisions of Chapter II of the Regulations.

(b) Chapter II compliances by promoters of the Target Company :

Disclosure with the Target Company under regulation 8(1) and 8(2) of SEBI (SAST) Regulations was not submitted by the promoter i.e. WRV for the year 2000 and for the year 2001 was submitted with delay of 9 days.

Disclosure with respect to acquisition of voting rights upon conversion of preference shares into Equity Shares held by the promoter as required under regulation 7(1A) of the Regulations was not filed with the Target Company and BSE.

(c) Status of Chapter II compliances of the Regulations by major shareholders of the Target Company:

Except promoters there are no other major shareholders holding 15% or more of the equity share capital of the Target Company, therefore, provisions of Chapter II of the Regulations is not applicable.

Further, disclosure under Chapter II of the Regulations, were sent by courier/post to the Stock Exchanges by the promoter group including Target Company. Target Company has sought confirmation from the stock exchanges in regard to receipt of disclosures made under Chapter II of the Regulations. Upon receipt of complete information SEBI shall examine the same and may initiate action for the non compliances/violations of the Chapter II against the promoter group including Target Company in terms of the Regulations.

6.12 Target Company is in compliance with the listing agreements entered into with the Stock Exchange. No penal action has been initiated by Stock Exchanges against the Target Company. Further, no investigations, proceedings, or inquiries are pending against Target Company by the Securities and Exchange Board of India, any recognized stock exchange, or any other regulatory authority, in relation to the securities of Target Company or trading therein or otherwise.

6.13 The Board of Directors of the Target Company as on date are as under :

Name Designation & age	**Date of appointment**	**Residential Address**	**Qualification**	**Experience**
Mr. Hemraj C. Asher, Chairman, 76 years	June 23, 2010	32, Modi Street Fort Mumbai-400 001.	LLB University of Mumbai. Admitted as a Solicitor in 1957.	April 1976 to date – senior partner Crawford Bayley & Co. April 1968 to March 1976 – partner Crawford Bayley & Co. April 1957 to March 1968 – Crawford Bayley & Co. Local advisory board-Banque Indo Suez director of over thirty Indian companies.
Mr. Sanjay K. Asher, Independent Director, 47 years	March 11, 2004	32, Modi Street Fort Mumbai-400 001	B.Com. LLB, Chartered Accountant, Solicitor.	Equity partner of M/s. Crawford Bayley & Co. since January 2001. He was an associate and a senior associate in Crawford Bayley & Co. from December 1989 till December 2000 before he was inducted as equity partner. He was a senior associate in a consultancy company since September 1986 until December 1989. He is a director in several large corporations including public listed companies and is a member of audit committee of large number of public listed companies.
Mr. Adrian Oehler, Director 39 years	January 3, 2011	Leisihaldenstrasse 23, CH- 8623, Wetzikon	Lic. Oec. HSG MAS Corporate Finance	Management of turnaround and market development, Asset management.
Mr. Mahendra Sanghvi Director 62 years	January 3, 2011	8, J.P. Nagar, Opp. Aviskar Complex, Old Padra Road, Vadodara- 390015 India.	Chemical Engineer from Wayne State University, USA MBA from Toronto University, Canada	More than 36 years of experience of in Plastic Industries Presently a Member of Committee of Administration of the Plastics Export Promotion Council. Member of Managing Committee of the Federation of Gujarat Industries Has been Co-Chairman of Overseas of Plastindia Foundation
Mr. Jayvant H. Mehta Director 71 years	January 3, 2011	5,Nirmal Nagar, H Akota Stadium, Vadodara-390015. Gujarat India.	B.Com, MBA from Liverpool (U.K.), Fellow, Institute of Cost and Management Accountants, London.	Chief Accountant and Management Consultant for various Companies in U.K for a period of 8 years Managing Director of Ireland based Company for 5 years. Financial Controller of an India based Company for 4 years. Currently as Management Consultant and Financial Controller of various companies in India and abroad

Name Designation & age	Date of appointment	Residential Address	Qualification	Experience
Mr. Shalin S. Divatia Director 45 Years	January 3, 2011	28, Queens Lawn, 967, S.V. Road, Vileparle (W), Mumbai-400056 India	B. Com, LLB, FCA	22 years as practicing Chartered Accountant.

Mr. Adrian Oehler and Mr. Shalin S. Divatia are representatives of the Acquirer. Apart from them none of the Directors of the Target Company are representative of the Acquirer. Mr. Adrian Oehler and Mr. Shalin S. Divatia shall recluse themselves from any steps in relation to Open Offer.

6.14 There are no merger /de-merger, spin off during last 3 years involving the Target Company.

6.15 The audited financials of Target Company for the last three years and certified financials for half year ended on June 30, 2010 are as follows:

(Figures in Lacs, except Book Value and EPS)

Profit and Loss statement (For the year / period ended)	December 31, 2007	December 31, 2008	December 31, 2009	June 30, 2010
	Audited	Audited	Audited	Certified
	Rs.	Rs.	Rs.	Rs.
MONTHS	**12**	**12**	**12**	**6**
Income Statements				
Income from operations	1136.68	773.72	496.22	271.51
Other Income	129.14	160.17	224.18	77.98
Total Income	**1265.82**	**933.89**	**720.40**	**349.49**
Total Expenditure	**1024.52**	**736.05**	**566.94**	**350.96**
Profit before Depreciation, Interest & Tax	**241.30**	**197.84**	**153.46**	**(1.47)**
Depreciation	53.04	49.24	37.32	17.15
Interest	1.19	0.91	0.48	0.13
Profit / (Loss) before Tax	187.07	147.69	115.66	(18.75)
Provision for Tax	3.05	2.15	13.45	-
Profit / (Loss) after Tax	**184.02**	**145.54**	**102.21**	**(18.75)**

Balance sheet	December 31, 2007	December 31, 2008	December 31, 2009	June 30, 2010
	Audited	Audited	Audited	Certified
	Rs.	Rs.	Rs.	Rs.
MONTHS	**12**	**12**	**12**	**6**
Sources of Funds				
Paid up Equity share capital	1939.52	1939.52	1939.52	1939.52
Reserves & Surplus (Excluding Revaluation reserves)	623.31	623.31	623.31	623.31
4% Cumulative Redeemable Pref. Share	1240.00	1240.00	1240.00	1240.00
Total	**3802.83**	**3802.83**	**3802.83**	**3802.83**
Misc. Expend. not written off	-	-	(122.94)	(107.57)
Dr. Bal of Profit & Loss	(2209.37)	(2063.83)	(1961.62)	(1980.37)
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Total Debt	-	-	-	-
Total	**1593.46**	**1739.00**	**1718.27**	**1714.89**
Uses of Funds				
Net Fixed Assets	394.06	345.97	292.91	265.92
Capital WIP	-	-	-	-

Investments				
Net Current Assets	1199.40	1393.03	1425.36	1448.97
Total	**1593.46**	**1739.00**	**1718.27**	**1714.89**
Other Financial Data				
Networth (Excl. CRPS)	353.46	499.00	478.27	474.89
Dividend %	-	-	-	-
Earning Per Share (Rs.) (annualized)	0.95	0.75	0.53	(0.10)
Return on Net Worth (%) (Excl.CRPS)	52.06	29.17	21.37	(3.95)
Book Value Per Share (Rs.) (Excl.CRPS)	1.82	2.57	2.47	2.45
Negative EPS has not been annualized				

(Source : Annual Report for the year 2007, 2008, 2009 and duly certified Limited Review Report and unaudited financial results for the six months ended June 30, 2010)

6.16 The Target Company has not paid any dividend since its issue and allotment of 12,400,000 - 4% Cumulative Redeemable Preference Shares i.e. October 28, 2004 due to inadequacy of profit.

6.17 Reasons for rise and fall in Income and Profit after Tax during the last three years

Financial year ended December 31, 2007

Income for the financial year ended December 31, 2007 is Rs. 1265.82 Lacs as against Rs. 2770.65 Lacs for the financial year ended December 31, 2006. PAT for the financial year ended December 31, 2007 is Rs. 184.02 Lacs as against the PAT for previous financial year ended December 31, 2006 of Rs. 1016.50 Lacs, which was mainly due to the exceptional gain of Rs.1572.24 Lacs on account of sale of Vadodara property and also provided for various write offs towards obsolete/non-slow moving inventory, bad debts, investments and advances of its subsidiary company, fixed assets and also plant shifting expenses totaling to Rs.623.09 Lacs.

Reason for Rise / Fall in total Income and Reason for Rise / Fall in PAT :

Income from sale of draw frame (50 Nos.) has declined, consequent to which, PAT has decreased, however, income from sale of spare parts & job work has increased. Income from rent and interest on fixed deposits have also increased and accordingly operating profit. However, there was no exceptional income / expenses in 2007.

Financial year ended December 31, 2008

Income for the financial year ended December 31, 2008 is Rs. 933.89 Lacs as against Rs. 1265.82 Lacs for the financial year ended December 31, 2007. PAT for the financial year ended December 31, 2008 is Rs. 145.54 Lacs as against the PAT for previous financial year ended December 31, 2007 of Rs. 184.02 Lacs.

Reason for Rise / Fall in total Income and Reason for Rise / Fall in PAT :

Income from sale of draw frame (21 Nos.) has declined drastically along with decline in sale of spare parts and job work. However, there is a rise in income from rent and interest on fixed deposits. Overall, there was a fall in total income and consequently fall in PAT.

Financial year ended December 31, 2009

Income for the financial year ended December 31, 2009 is Rs. 720.40 Lacs as against Rs. 933.89 Lacs for the financial year ended December 31, 2008. PAT for the financial year ended December 31, 2009 is Rs. 102.21 Lacs as against the PAT for previous financial year ended December 31, 2008 of Rs. 145.54 Lacs.

Income from sale of draw frame (4 Nos.) has declined drastically along with decline in sale of spare parts and job work. However, there is a rise in income from rent and interest on fixed deposits. Overall there was a fall in total income and consequently fall in PAT.

6.18 Pre and Post offer shareholding pattern of Target Company is as follows :

sr. No.	Shareholder Category	Shareholding / voting rights prior to the SPA		Shares/voting rights to be acquired through SPA		Shares/voting rights to be acquired in the open offer (Assuming full acceptance)		Shareholding/voting rights after acquisition and Open Offer	
		A	%	B	%	C	%	D	%
1)	**Promoter Group**								
	a. Parties to the Agreement	1,05,51,248	54.40	-	-	-	-	-	-
	b. Promoters other than (a) Above	-	-	-	-	-	-	-	-
	Total(1)	**1,05,51,248**	**54.40**	**-**	**-**	**-**	**-**	**-**	**-**
2)	**Acquirer**			**-**	**-**	**-**	**-**	**-**	**-**
	Acquirer								
	Integra holding AG	-	-	1,05,51,248	54.40	38,79,040	20.00	1,44,30,288	74.40
	Total(2)	**-**	**-**	**1,05,51,248**	**54.40**	**38,79,040**	**20.00**	**1,44,30,288**	**74.40**
3)	**Parties to the Agrement other than (1) & (2)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4)	**Public (other than parties to agreement)**					(38,79,040)	(20.00)	49,64,908	25.60
	a. Fis/MFs/FIls/Banks, SFIs	4,280	0.02	-	-				
	b. Others	88,39,668	45.58	-	-				
	Total (4)	**88,43,948**	**45.60**	**-**	**-**	**(38,79,040)**	**(20.00)**	**49,64,908**	**25.60**
	Grand Total (1+2+3)	**1,93,95,196**	**100.00**	**1,05,51,248**	**54.40**	**-**	**-**	**1,93,95,196**	**100.00**

Note :

1. Acquirer has not acquired any Equity Shares in the Target Company after Public Announcement till date of this Letter of Offer.
2. Shareholding pattern as on September 30, 2010
3. As on the Specified Date October 29, 2010, the total number of public shareholders of the Target Company is 22,660.

6.19 Details of shares acquired / sold by Promoters from date of notification of SEBI (SAST) Regulations, of the Target Company is given below.

*Percentages have been computed based on the issued and paid-up capital as on the date of acquisition.

Period / Year	Mode of acquisition	*Shares acquired Number & (%)	Shares sold Number & (%)	*Cumulative shares Number & (%)	Compliance
Opening as on the year April 1, 1992				12,32,000 (21.09%)	
1992-1993	Rights basis	7,26,400 (2.86%)	--	19,58,400 (23.95%)	NA
1993-1994	Preferential basis	4,636,000 (27.05%)	--	65,94,400 (51.00%)	NA
1994-1995	--	--	--	65,94,400 (51.00%)	NA
1995-1996	--	--	--	65,94,400 (51.00%)	NA
1996-1997	--	--	--	65,94,400 (51.00%)	NA
1997-1998	--	--	--	65,94,400 (51.00%)	NA
1998-1999	--	--	--	65,94,400 (51.00%)	NA
1999-2000	--	--	--	65,94,400 (51.00%)	NA
2000-2001	--	--	--	65,94,400 (51.00%)	NA
2001-2002	--	--	--	65,94,400 (51.00%)	NA

Period / Year	Mode of acquisition	*Shares acquired Number & (%)	Shares sold Number & (%)	*Cumulative shares Number & (%)	Compliance
2002-2003	Conversion of 9% cumulative convertible Preference shares on 19.09.2002	38,36,619 (2.78%)	--	1,04,31,019 (53.78%)	Not complied u/r. 7(1A) of the Regulations
2003-2004	--	--	--	1,04,31,019 (53.78%	NA
2004-2005	--	--	--	1,04,31,019 (53.78%	NA
2005-2006	--	--	--	1,04,31,019 (53.78%	NA
2006-2007	--	--	--	1,04,31,019 (53.78%	NA
2007-2008	Acquired under Open Offer	1,20,229 (0.62%)	--	1,05,51,248 (54.40%)	NA
2008-2009	--	--	--	1,05,51,248 (54.40%)	NA
2009-2010	--	--	--	1,05,51,248 (54.40%)	NA

6.20 Target Company has duly complied with the various requirements of Clause 49 relating to corporate governance under the Listing Agreement with the Stock Exchanges from time to time.

6.21 Following are the details of litigation pending by and / or against Target Company. :

LIST OF EMPLOYEES' PENDING CASES IN LABOUR COURT

Sr. No.	Name	Designation	Date of Birth	Date of Joining	Date of Termination	Case No.	Reason for Termination	Current Status
1	Mr D. J. Modi	Junior Officer	28.03.50	01.02.74	13.01.96	591/96 319/02	Service was terminated by the Company as per one of the terms and conditions of the appointment letter dated 04.02.74 and as per the rules of the Company by giving one month's notice and pay in lieu of one month's notice with legal dues.	The matter is pending at the Labour Court
2	Mr G. R. Todkar	Junior Officer	17.01.41	08.02.81	13.01.96	592/96 320/02	Service was terminated by the Company as per the termination Clause in the Appointment letter dated 08.02.1981 by giving one month's notice and pay in lieu of one month's notice as per the rules of Company.	The matter is pending at the Labour Court
3	Mr D. L. Yadav	Junior Officer	04.04.45	02.12.72	13.01.96	593/96 321/02	Service was terminated by the Company as per the termination clause of the appointment letter dated 27.11.72 by giving one month's notice and pay in lieu of one month's notice with legal dues.	The matter is pending at the Labour Court

Sr. No.	Name	Designation	Date of Birth	Date of Joining	Date of Termination	Case No.	Reason for Termination	Current Status
4	Mr J. B. More	Junior Officer	07.08.49	02.04.79	13.01.96	594/96 322/02	Service was terminated by the Company as per Clause 8 of the appointment letter dated 02.04.79 by giving one month's notice and pay in lieu of one month's notice with legal dues.	The matter is pending at the Labour Court
5	Mr R. D. Solanki	Assistant Officer	14.03.44	08.05.83	13.01.96	595/96 323/02	Service was terminated by the Company as per the clause 7 of the appointment letter dated 29.04.83 by giving one month's notice and pay in lieu of one month's notice with legal dues.	The matter is pending at the Labour Court
6	Mr K. N. Patel	Junior Officer	29.09.64	09.09.92	30.11.94	249/95 33/2005	Service was terminated by the Company as per clause 7 of the appointment letter dated 15.10.92 by giving one month's notice and pay in lieu of one month's notice with legal dues.	The Company has filed a miscellaneous application against an ex-parte award and the matter is pending at the Labour Court
7	Mr J. V. Gandhi	Junior Officer	01.07.59	01.04.84	11.04.96	1795/98	Service was terminated by the Company in accordance with the termination clause in the appointment letter dated 01.04.84 by giving pay and in lieu of one month's notice period.	The Company has filed miscellaneous application against an ex-parte award and the matter is pending at the Labour Court
8	Mr N. M. Patel	Clerk	21.12.56	06.02.86	10.03.95	LCV / 238/96	Dismissed after enquiry proceeding for not performing his duty as per Company's rules and regulation in stores department.	Final order is received. The order directed the Company to reinstate with 35% of back wage including benefits from date of dismissal. Company is in process of filing the petition at the Gujarat High Court.

LIST OF EMPLOYEES' PENDING CASES AT THE HIGH COURT OF GUJARAT

Sr. No	Name	Designation	Date of Birth	Date of Joining	Date of Termination	Reason for Termination	Current Status
1	Mr M. B. Pandya	Junior Officer	06.08.48	26.05.81	13.01.96	Service was terminated by the Company in accordance with the appointment letter dated 26.05.81 by giving pay in lieu of one month's notice period along with other legal dues.	The Gujarat High Court directed the Company to comply with the provisions of Section 17-B of the Industrial Disputes Act, 1947 with effect from the date on which the applicant surrendered his sanad before the Bar Council of Gujarat. Mr Pandya has surrendered his Sanad in August 2003. Accordingly from September 2003 onwards Company has paid last drawn wages until August 2008, being the date of his retirement. The Company does not expect any further liability. The matter is pending with the Gujarat High Court.

Sr. No	Name	Designation	Date of Birth	Date of Joining	Date of Termination	Reason for Termination	Current Status
2.	Mr K. M. Pawar	Canteen Boy	07.06.67	09.04.81	02.08.95	Service was terminated by the Company by giving 13 days notice pay in lieu of 13 days' notice, as he has played mischief with the health of employees.	In February 2005, the Gujarat High Court ordered the Company to pay ad-interim relief in terms of para 10(B) subject to the compliance of provision of section 17(B) of the Industrial Dispute Act, 1947. Accordingly the Company is paying last drawn wages of Rs.1909/- per month to him from March 2005. The matter is pending with the Gujarat High Court.

STATUS OF INCOME TAX – ASSESSMENT YEARWISE

Assessment Years	Income/(Loss) Declared	Income Assessed	Income tax liability	Remarks
2010-11	55,57,387	-	18,36,233 Refund claimed	The e-return has been filed with the Assistant Commissioner of Income Tax ("ACIT"), Vadodara. Tax liability under the Minimum Alternate Tax ("MAT") amounting to Rs. 4,86,073/- has been adjusted against the Tax Deducted at Source ("TDS") and Fringe Benefit Tax ("FBT") paid and balance is claimed as refund- Rs.18,36,233/-
2009-10	154,12,562	-	15,98,613 Refund claimed	The e-return has been filed with ACIT, Vadodara. Tax liability under MAT amounting to Rs. 12,30,470/- has been adjusted against TDS and balance is claimed as refund - Rs. 15,98,613/-.
2008-09	213,18,221	-	(4,33,975) Refund claimed	The e-return has been filed with the ACIT, Vadodara. An intimation u/s 143(1) of the Income Tax Act, 1961 ("IT Act") passed by ACIT, Vadodara. Application for TDS refund made on 05/04/2010.
2007-08	1009,13,105	-	(5,40,243) Refund claimed	The case has been assessed u/s. 143(3) of the IT Act disallowing an amount of Rs.279.32 Lacs & denying long term capital loss of Rs.159.86 Lacs. Accordingly the assessed income stands at Rs.111.85 Lacs (comprising of long term capital gains), after adjusting the business loss for the year and unabsorbed depreciation, has resulted into tax / interest liability of Rs.50.07 Lacs. The matter is being contested in appeal before the CIT (Appeals). Stay & rectification applications have been filed for grant of stay of recovery of demand and rectification of mistakes apparent from records. On some rectification the demand was reduced to Rs. 26.20 Lacs. Against this demand ACIT has attached our bank account and collected Rs.5.31 Lacs.
2006-07	(50,70,310)	-	(2,27,873) Refund claimed	The return has been filed with the ACIT, Vadodara. Intimation under section 143(1) of the IT Act was passed by ACIT, Vadodara. Application for TDS refund was made on 05/04/2010.
2005-06	20,20,000	-	-	The Company has received a refund of Rs. 1,47,960/- (Rs.1,32,114/- plus Rs.15,850/- interest) vide intimation passed under section 143(1) of the IT Act passed by the ITO Ward 4(3), Vadodara.
2004-05	2,57,51,834	2,57,51,834	-	The Company has received a refund of Rs. 1,05,655/-(including interest under section 244A of Rs.11,320/-) vide intimation passed u/s. 143(1) of the IT Act, by the ITO, Ward 4(3), Vadodara.
2003-04	(4,37,53,545)	(4,37,53,545)	-	The loss declared in the return of income has been accepted in the intimation issued under section 143(1) of the IT Act by the ACIT -1(3), Circle 4, Vadodara. The refund of Rs.68,800/- has been granted along with interest under section 244A of the IT Act.
2002-03	(1,75,55,408)	-	-	The loss declared in the return of income has been accepted in the intimation issued under section 143(1) of the IT Act by the Deputy Commissioner of Income Tax ("DCIT") – 1(3), Mumbai. The refund of Rs.19556/- has been granted along with interest u/s. 244A.
2001-02	(64,15,040)	(64,15,040)	-	The loss declared in the return of income has been accepted in the intimation issued under section 143(1) of the IT Act by the DCIT-1(3), Mumbai. The refund of Rs.11651/- has been granted along with interest under section 244A of the IT Act.

Assessment Years	Income/(Loss) Declared	Income Assessed	Income tax liability	Remarks
2000-01	(5,49,57,450)	-	-	As per our records, the Company has neither received an intimation u/s. 143(1) of the IT Act nor notice for scrutiny u/s. 143(2) of the IT Act. Therefore, the loss declared in the return is deemed to be accepted by the department. The refund of Rs.13981/- of TDS has been received.
1999-2000	(3,84,52,203)	(3,84,52,203)	-	The Company has received intimation accepting the loss declared in the return of income. The Company has not received any notice for scrutiny of the return. The refund of Rs.64,024/- has been granted along with interest u/s. 244A of the IT Act
1998-99	(4,76,76,594)	(4,76,76,594)	-	The company has received intimation accepting the loss declared in the return of income. The Company has not received any notice for scrutiny of the return. The refund of Rs.2,66,914/- has been granted along with interest u/s. 244A of the IT Act.
1997-98	(1,19,49,810)	(1,07,15,239) As per order giving effect to the CIT(A) order	-	The department had filed the appeal against the CIT(A) order on modvat issue. The appeal heard before the Income Tax Appellate Tribunal ("ITAT"). The order from the ITAT has been received in favour of the Company.
1996-97	(7,54,91,364)	(5,80,28,250)	-	The CIT(A) has set aside the order passed u/s. 143(3) of the IT Act to the assessing officer for passing the revised order considering all the evidences submitted before the CIT(A).
1995-96	(8,52,06,562)	(8,52,06,562)	NIL	The Company has received refund as per intimation passed u/s. 143(1)(a) of the IT Act. The return has not been selected for scrutiny. The refund has been granted.
1994-95	(7,65,75,887)	(6,86,22,933)	NIL	The CIT(A) had confirmed the disallowance of commission and brokerage amounting to Rs. 15,24,654 and Rs. 64,28,300 against which the Company has filed the appeal before the ITAT . The appeal has now come up for hearing before the ITAT.
1993-94	NIL	NIL	(17,72,381)	The Company has filed the return of income with the DCIT.
1992-93	66,95,480	2,07,25,647	1,60,00,000 The company has paid the taxes.	As per order giving effect to ITAT order.
1991-92	12,76,330	2,97,70,300 As per order giving effect to the CIT(A) order	(19,54,666) Refund adjusted against the demand of A.Y. 1992-93	The Company has filed cross objection to the appeal filed by the dept. to the ITAT. The appeal and cross objection has not yet come up for the hearing.

SALES TAX ASSESSMENT ORDER: GST

2nd APPEAL REMANDED & PENDING

SR NO.	DATE OF DEMAND	REASON FOR DEMAND	APPEAL AGAINST	GROUND OF APPEAL	COMMENTS	LIABILITY (RS. IN LACS)
1.	06.09.2001	Sales tax amount considered by Sales Tax authority for short payment of tax includes interest Rs. 142163 GST 291227	Assessment Order dated 6.9.2001 for the year 1989-90	(1) This sales tax assessment order is time barred which is wrong and incorrect issued by Authority	2nd appeal with Tribunal at Ahmedabad and obtain remand order which is pending.	(2.91)
2	11.03.2003	Sales tax amount considered by sales tax authority for tax includes penalty Rs.3670 GST 190750	Assessment Order dated 10.03.2003 for the year 1993-94	(1) gross sales turn-over wrongly calculated in local sales by STO	2nd appeal with Tribunal at Ahmedabad and obtain remand order which is pending.	(1.91)
3.	05.04.2003	Sales tax amount considered by s.t. auth. For tax includes interest Rs.308208 GST 868765	Assessment Order dated 31.03.2003 for the year 1999	(1) Set off on purchases not allowed u/r. 42 (2) Form-19 / refund of materials not allowed	2nd appeal with Tribunal at Ahmedabad and obtain remand order which is pending.	(8.69) 13.51

6.22 Details of the Compliance Officer of Target Company:

Name : Mr. Y.J. Shah

Address : Chandrapura Village, Taluka Halol – 389 350,
District: Panchmahals, Gujarat.

Tel No. : +91-2676-221870,

Fax No. : +91-2676-220887

Email Id : seilhalol@sify.com

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Equity Shares of Target Company are currently listed on Bombay Stock Exchange Limited (‘BSE’).

7.1.2 The Equity Shares of the Target Company are frequently traded on BSE (Source:www.bseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations.

The annualized trading turnover in the shares of Target Company on BSE based on trading volume during April 2010 to September 2010 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares traded during 6 calendar months prior to the month in which the PA is made	Total No. of Listed shares	Annualized Trading Turnover (as % of Total Shares Listed)
BSE	11,46,850	1,93,95,196	11.83%

(Source: www.bseindia.com)

7.1.3 Based on the above information, the Equity Shares of the Target Company are frequently traded on BSE within the meaning of explanation (i) to regulation 20(5) of the Regulations. The Offer Price of Rs. 9.65 (Rupees Nine and Paise Sixty Five Only) per Equity Share, fully paid up is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations being more than the highest of the following:

(a)	the negotiated price payable under the SPA	CHF 0.0687589 equivalent to Rs. 3.17 per share**
(b)	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of Public Announcement (Published on October 22, 2010).	Not Applicable
(c)	The average of the weekly high and low of closing prices of the shares on BSE of the Target Company for the 26 weeks preceding the date of the Public Announcement (Published on October 22, 2010).*	Rs. 8.90 per share
(d)	The average of the daily high and low prices of the shares on BSE of the Target Company for the two weeks preceding the date of the Public Announcement (Published on October 22, 2010).*	Rs. 9.60 per share

**(Source:www.bseindia.com)*

** conversion rate Rs./CHF = 0.0216565 as on October 20, 2010 (Source : https://wb1.ubs.com/cache/fin/pub/gvu)

7.1.4 The computation of average price in terms of Regulation 20 (4) (c) of the Regulations is as below:

Table 1: The average of the weekly high and low of closing prices of the shares of the Target Company on BSE for the 26 weeks preceding the date of the Public Announcement (published on October 22, 2010) is shown in table below:

Week	From	To	Weekly closing price at BSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
1	23-Apr-10	29-Apr-10	8.45	8.01	8.23	36,300
2	30-Apr-10	06-May-10	8.97	8.45	8.71	5,800
3	07-May-10	13-May-10	8.03	6.76	7.40	11,800
4	14-May-10	20-May-10	6.52	6.10	6.31	7,250
5	21-May-10	27-May-10	6.65	5.85	6.25	16,650
6	28-May-10	3-Jun-10	7.49	6.90	7.20	4,350
7	4-Jun-10	10-Jun-10	7.02	6.37	6.70	7,400
8	11-Jun-10	17-Jun-10	6.34	6.04	6.19	5,350
9	18-Jun-10	24-Jun-10	7.56	6.23	6.90	18,100
10	25-Jun-10	1-Jul-10	8.66	7.50	8.08	109,900
11	2-Jul-10	8-Jul-10	9.09	8.17	8.63	33,350
12	9-Jul-10	15-Jul-10	9.23	8.18	8.71	31,900
13	16-Jul-10	22-Jul-10	8.77	8.00	8.39	8,650
14	23-Jul-10	29-Jul-10	8.82	7.99	8.41	13,300
15	30-Jul-10	5-Aug-10	9.50	8.87	9.19	81,700
16	6-Aug-10	12-Aug-10	11.17	9.77	10.47	134,850
17	13-Aug-10	19-Aug-10	10.74	10.05	10.40	47,550
18	20-Aug-10	26-Aug-10	12.82	11.26	12.04	289,050

Week	From	To	Weekly closing price at BSE		Average Price (Rs.)	Volume Shares
			High (Rs.)	Low (Rs.)		
19	27-Aug-10	2-Sep-10	13.03	11.14	12.09	113,200
20	3-Sep-10	9-Sep-10	10.73	9.88	10.31	53,750
21	10-Sep-10	16-Sep-10	11.47	9.93	10.70	23,400
22	17-Sep-10	23-Sep-10	11.00	9.97	10.49	13,000
23	24-Sep-10	30-Sep-10	10.97	9.96	10.47	25,400
24	1-Oct-10	7-Oct-10	10.50	9.80	10.15	23,250
25	8-Oct-10	14-Oct-10	10.14	9.66	9.90	12,750
26	15-Oct-10	21-Oct-10	9.64	8.90	9.27	7,900
	Average				**8.90**	

Table 2: The average of the daily high and low prices of the shares on BSE of the Target Company for the (2) two weeks preceding the date of the Public Announcement (published on October 22, 2010) is shown in table below:

Day	Date	Daily high/low on BSE		Average Price (Rs.)	Volume Shares
		High (Rs.)	Low (Rs.)		
1	8-Oct-10	10.50	9.52	10.01	5,750
2	11-Oct-10	10.00	9.62	9.81	250
3	12-Oct-10	10.50	9.58	10.04	500
4	13-Oct-10	10.20	9.51	9.86	5,750
5	14-Oct-10	10.14	9.70	9.92	500
6	18-Oct-10	9.65	9.64	9.65	1,300
7	19-Oct-10	9.18	9.16	9.17	700
8	20-Oct-10	9.40	8.80	9.10	800
9	21-Oct-10	9.24	8.50	8.87	5,100
	Average			**9.60**	

(Source : www.bseindia.com)

7.1.5 There is no non-compete agreement between the Acquirer, Sellers, the Target Company and any other entity as envisaged under Regulation 20(8) of the Regulations. No additional payments are being made by the Acquirer as non-compete fees.

7.1.6 The Offer Price of Rs. 9.65 (Rupees Nine and Paise Sixty Five only) per share offered by the Acquirer to the shareholders of the Target Company under the proposed Open Offer is justified in the opinion of the Manager to the Offer.

7.1.7 The Acquirer is permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the Equity Shares tendered and accepted anytime during the Offer.

7.1.8 To the extent of the Offer Size, all Equity Shares of the Target Company that are validly tendered pursuant to this Offer are proposed to be acquired by the Acquirer. The Equity Shares will be acquired by the Acquirer, free from all lien, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared thereon.

7.1.9 If the Acquirer acquires Equity Shares of Target Company 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 requirement for implementation of the Offer at Rs. 9.65 (Rupees Nine and Paise Sixty Five Only) per fully paid up Equity Share is Rs. 3,74,32,736 (Rupees Three Crore Seventy Four Lacs Thirty Two Thousand Seven Hundred Thirty Six Only) assuming that full acceptance for the Offer is received ("Offer Consideration").

7.2.2 In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has caused the deposit of Rs. 42,500,000 (Rupees Four Crore Twenty Five Lacs Only) i.e. more than 100% Offer Consideration, in the escrow account with HSBC Bank, Shiv Building, Plot No. 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle (East), Mumbai – 400 057, styled Schlafhorst Engineering India Ltd. –Open Offer Escrow Account ("Escrow Amount"), in favour of the Manager to the Offer. The Escrow Amount represents the required escrow amount that needs to be deposited in accordance with Regulation 28 of the SEBI (SAST) Regulations. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Manager to the Offer has been duly authorized to realize the value of the aforesaid Escrow Amount.

7.2.3 Mr. Shalin S. Divatia, Membership No. 39755, partner of S. R. Divatia & Co. (Chartered Accountants) located at 219-221, Avon Arcade, D. J. Road, Vile Parle (West), Mumbai – 400056, Tel No.: +91-22-26160791, +91-22-26631927 Fax No.: +91-22-26104926 has in his letter dated October 20, 2010 certified that the Acquirer has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.

7.2.4 The reserve and surplus of the Acquirer shall be utilised to meet the obligations under the Offer.

7.2.5 The Manager to the Offer is satisfied about the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Statutory Approvals required for the Offer

8.1.1 The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA), as amended from time to time for the acquisition of Equity Shares by the Acquirer from resident shareholders validly tendered and accepted under the Offer.

8.1.2 The Acquirer has made an application to RBI on November 22, 2010, for an approval to acquire 3,879,040 Equity Shares of the Target Company from existing shareholders of the Target Company (i.e. resident shareholders, NRIs, OCBs, FIIs and other non-resident/FDI shareholders) at a price of Rs. 9.65 (Rupees Nine and Paise Sixty Five Only) per Equity Share through an Offer in accordance with the provisions of the Regulations. The said application is pending with RBI for approval. Other than the approvals as set out in paragraph 8.1.1 above, there are no other statutory approvals required to implement the Offer. If any other statutory approvals become applicable, the Offer would be subject to such approvals.

8.1.3 In case of delay in receipt of the above approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. However, in terms of Regulation 22(13) of the SEBI (SAST) Regulations if the Acquirer fails to obtain statutory approvals in time on account of the willful default or neglect or inaction or non-action by Acquirer in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in the SEBI (SAST) Regulations.

8.2 A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum-Acknowledgement (**"FOA"**) is mailed to all the shareholders of the Target Company (other than parties to the SPA), whose names appear on the Register of members of the Target Company and to the owner of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on October 29, 2010 (the **"Specified Date"**). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

8.3 A copy of the Letter of Offer (including Form of Acceptance) is available on SEBI's website (http:// www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site.

8.4 All owners of Equity Shares demat/physical, registered/unregistered (other than parties to the SPA) are eligible, to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the Letter of Offer and FOA, to the Registrar to the Offer, at the collection centre mentioned in paragraph 9.1, before the closure of the Offer i.e. January 31, 2011. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity shall be required from the unregistered shareholders. The Offer is not subject to any minimum level of acceptance.

8.5 Rejection of shares

8.5.1 Applications in respect of shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these shares are not received together with the Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

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

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

8.6 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the shareholders of the Target Company. The Acquirer 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.

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 The Eligible Shareholders of the Target Company, who wish to avail of and accept the Offer, can also deliver the FOA along with all the relevant documents at the collection centres below in accordance with the procedure as set out in this Letter of Offer on or before the closure of the Offer, January 31, 2011 (Monday to Friday 10 am to 3 pm & Saturdays 10 am to 1pm.).

In case of non-receipt of the Letter of Offer, shareholder(s) may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or Registrar to the Offer on providing suitable documentary evidence of acquisition of the said shares.

Collection Centres	Address of Collection Centres	Contact Person	Contact Details	Mode of delivery
Mumbai	Mondkar Computers Pvt. Ltd. 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093	Mr. Devanand Dalvi	**Tel No.** +91- 22-2820 7201 / 022 – 28207203 **Fax No**. +91 22- 2820 7207 **Email** info@mondkarcomputers.com	Post / Hand Delivery
Vadodara	Mondkar Computers Pvt. Ltd. C/o Mr. Sanjay Sutar 45, Taskent Society, Nr. Davedeep Shopping Complex, Nizampura, Baroda - 390002	Mr. Sanjay Sutar	**Tel No.** +91-265-2775420 / 09825450718 **Fax No.** +91 – 22-2775420 **Email**: info@mondkarcomputers.com	Hand Delivery

The centre will be closed on Sundays and Public Holidays.

9.2 Holder of shares in physical form: Shareholders who wish to tender their Shares, held in physical form, will be required to send the Form of Acceptance cum Acknowledgement, original share certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, Mondkar Computers Private Limited, either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., not later than January 31, 2011 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. In case of registered shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed share transfer form(s) have been received, the Offer shall be deemed to have been accepted.

9.3 Holder of shares in demat form : Beneficial owners (holders of shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., not later than January 31, 2011, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before closure of the Offer, i.e., not later than January 31, 2011.

9.4 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 have been accepted. Shareholders holding dematerialized Shares and wishing to participate in the Offer, should ensure the credit of the Shares in favour of the special depository account mentioned below before the close of business hours on the closure of the Offer, i.e., not later than January 31, 2011 (**“Offer Closing Date”**).

9.5 All owners (registered or unregistered) of shares of the Target Company, except the parties to SPA, are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they had acquired their shares. No indemnity is required from the unregistered owners.

9.6 In case of non-receipt of the Letter of Offer, the Eligible Shareholders may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., not later than January 31, 2011 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, 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 closure of the Offer, i.e., not later than January 31, 2011.

9.7 For the shareholders holding shares in dematerialised form The Registrar to the Offer, Mondkar Computers Private Limited, has opened a special depository account with Central Depository Services (India) Limited (“CDSL”)] called, “ MCPL ESCROW ACCOUNT SEL OPEN OFFER ”. Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the special depository account:

Depository Participant (“DP”) Name	Sushil Financial Services Private Limited
Dp Id / Client ID	1202890000980906
ISIN No.	INE984B01015
Depository	Central Depository Services (I) Limited

Shareholders having their beneficiary account in National Securities Depository Limited (“NSDL”) have to use inter-depository delivery instruction slips for crediting their shares in favour of the special depository account with CDSL.

9.8 Form of Acceptance of dematerialised Equity Shares not credited to the above special depository account on or before the closure of Offer is liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer.

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum- Acknowledgement.

9.9 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of 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. Such documents may include (but not be limited to)

Duly attested death certificate and succession certificate (for single shareholder) in case the original shareholder has expired.

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

No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

In case of companies, the necessary certified corporate authorizations (including board and/or general meeting resolutions).

9.10 **Duly executed Form(s) of Acceptance along with share certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirer.**

9.11 If the shares tendered in this Offer by the shareholders of the Target Company are more than the shares to be acquired under this Offer, the acquisition of shares from each shareholder will be on a proportionate basis as per the provisions of Regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target Company is 1 (one) share.

9.12 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so upto 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 collection centre mentioned above as per the mode of delivery indicated therein on or before January 25, 2011.

b. The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.

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

- In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and

- In case of dematerialized shares: name, address, 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.

d. In case of partial withdrawal of shares :

- 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 Target Company and duly witnessed at the appropriate place.
- The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Registrar to the Offer/ credited to the special depository account.
- The intimation of returned shares to the shareholders will be at the address as per the records of Target Company or the Depositories as the case may be.
- 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 Target Company.
- 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.
- Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.13 The Registrar 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, if any, and the transfer form(s) on behalf of the shareholders of Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/or the unaccepted shares/share certificates are dispatched/returned.

9.14 The payment consideration for Equity Shares accepted under the Offer may be made through a crossed Demand draft/Pay Order or through Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), National Electronic Clearing Services ('NECS'), at specified centers where clearing houses are managed by the Reserve Bank of India within 15 days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgment and enclose a photocopy of cheque along with the Form of Acceptance cum Acknowledgment and also provide IFSC Code.

- Direct Credit – Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.
- RTGS – Applicants having a bank account at any of the RBI managed centers and whose payment consideration exceeds Rs. 1 Lac, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided, payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts payable.
- NEFT (National Electronic Fund Transfer) – Payment of consideration shall be undertaken through NEFT wherever the shareholders bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder has registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the applicants through this method. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
- For all other applicants, including those applicants whose payment consideration is not credited by NECS/Direct credit due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post/Registered Post. Such payment consideration will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered.
- In case of payment consideration is rejected through the NECS/Direct credit facility, the Registrar would endeavor to dispatch the payment consideration within 3 working days of such rejection.
- The bank account details for NECS/DC/RTGS/NEFT will be directly taken from the depositories' database or from the details as mentioned by the shareholders in the FOA.

9.15 **It is advised that shareholders provide bank details in the Form of Acceptance-cum-Acknowledgment so that same can be incorporated in the demand draft/pay order.**

9.16 The consideration to thoseshareholders whose shares or share certificates and /or other documents are found complete, valid and in order, will be paid by demand drafts / pay orders or through DC/NEFT/RTGS/NECS. Such considerations in excess of Rs. 1500/- or unaccepted share certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity Shares held in dematerialised 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 or otherwise. The Acquirer is required to deduct tax on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

9.17 Unaccepted share certificates, transfer forms and other documents, if any, will be returnedby registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Unaccepted shares held in dematerialized form 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.

9.18 Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer, i.e., not later than January 31, 2011, else their application would be rejected.

9.19 While tendering the shares under the Offer, NRIs/OCBs/foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such shares tendered.

9.20 Compliance with tax and other regulatory requirements:

- As per the provisions of section 196D(2) of the Income-tax Act, 1961 no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor as defined in section 115AD of the Income-tax Act, 1961.
- While tendering their Equity Shares under the Offer, NRIs, OCBs and other non-resident shareholders will be required to submit a No Objection Certificate or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from the Income-tax authorities under the Income-tax Act, 1961 indicating the amount of tax to be deducted by Acquirer before remitting the consideration, failing which Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs on the entire consideration amount payable to such shareholder.

9.21 Securities transaction tax will not be applicable to the shares accepted in the Offer.

9.22 **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw acceptance tendered by them upto 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22 (5A) of the SEBI (SAST) Regulations.**

9.23 If there is any upward revision in the Offer Price by Acquirer till the last date of revision viz. January 19, 2011 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original PA had appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of Target Company at the office of the Manager to the Offer, Collins Stewart Inga Private Limited, A – 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai – 400 030 from 10.30 a.m. to 1.00 p.m. on any day except Saturdays, Sundays and public holidays from the date of opening of the Offer until the Offer closes.

a) Copy of Public Announcement published in the newspapers on October 22, 2010.

b) Copy of Corrigendum to Public Announcement published in the newspapers on January 4, 2011.

c) Certificate of Incorporation and Memorandum and Articles of Association of Acquirer.

d) Annual Accounts Acquirer for the financial years 2007, 2008, 2009 and financial results for the period ended May 31, 2010 certified by the statutory auditors of the Company.

e) Letter dated October 20, 2010 issued by Shalin S. Divatia, partner of S. R. Divatia & Co. (Chartered Accountants) certifying that Acquirer has adequate resources to meet the financial requirements of the Open Offer

f) Certificate of Incorporation and Memorandum and Articles of Association of Target Company.

g) Annual Reports of Target Company for the financial years 2007, 2008, 2009 and certified unaudited financial statement for six months ended June 30, 2010 along with limited review report by the statutory auditors of the Target Company.

h) Copy of the SPA dated October 20, 2010.

i) Copy of Escrow Agreement.

j) Copy of the letter issued by HSBC Bank, confirming 42,500,000/- (Rupees Four Crore Twenty Five Lacs Only) in Escrow Account.

k) Copy of Letter No. CFD/DCR/TO/DA/31178/10 dated December 27, 2010; received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

l) A copy of the agreement entered into with Depository participant for opening a special depository account for the purpose of the Offer

11 DECLARATION BY THE ACQUIRER

Acquirer and their respective Directors severally and jointly accept the responsibility for the information contained in this Letter of Offer. Acquirer shall be responsible for the fulfillment of its obligations under the SEBI (SAST) Regulations.

For and on behalf of
INTEGRA Holding AG

Sd/-
Director

Place: Switzerland

Date: January 4, 2011

Enclosed:

1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal
3. Transfer Deeds (for the Physical shareholders only)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

(Please send this Form of Acceptance cum Acknowledgement with enclosures to Mondkar Computers Private Limited at any of the collection centers as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OFFER OPENS ON	JANUARY 12, 2011 (WEDNESDAY)
OFFER CLOSES ON	JANUARY 31, 2011 (MONDAY)

From :

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

Name :

Full Address :

Tel. No. : **Fax No. :** **E-mail :**

To,
Integra Holding AG
C/o Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Contact Person: Mr. Devanand Dalvi
Email: info@mondkarcomputers.com
Tel. No.: +91-22-2820 7201/22-2820 7203; Fax No.: +91-22-2820 7207

Dear Sir,

Sub. : Open Offer to acquire up to 3,879,040 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the issued and paid-up voting equity share capital of Schlafhorst Engineering (India) Limited, at a price of Rs. 9.65 per fully Paid up Equity Share ("Offer Price") payable in cash by Integra Holding AG.

I/We refer to the Letter of Offer dated January 4, 2011 for acquiring the equity shares held by me/us in **Schlafhorst Engineering (India) Limited** I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein.

☐ SHARES IN DEMATERIALIZED FORM

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

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

I/We have executed an off-market transaction for crediting the shares to the special depository account viz. "MCPL ESCROW ACCOUNT SEL OPEN OFFER" via

☐ A delivery instruction from my account with CDSL

☐ An inter-depository delivery instruction from my account with NSDL

DP Name	Sushil Financial Services Private Limited
DP ID – Client ID	12028900 00980906
ISIN No.	INE984B01015

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 Form of Acceptance for which corresponding Shares have not been credited to the special depository account as on the date of closure of the Offer will be rejected.

☐ SHARES IN PHYSICAL FORM

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

Sr. No.	Ledger Folio No(s)	Certificate No(s)	Distinctive No(s)		No. of shares
			From	To	
1.					
2.					
3.					
4.					
5.					
				Total number of shares	

(In case the space provided is inadequate, please attach a separate sheet with details.)

In case of 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.

Tear along this line

ACKNOWLEDGEMENT SLIP

Received from Mr./Ms. ____________________

residing at ____________________

____________________ Acceptance cum Acknowledgement for ____________shares along with:

☐ **Deamt Shares :** Copy of depository instruction slip from DP ID ____________ Client ID ____________

☐ **Physical Shares :** Share Certificate(s) under folio number(s) ____________ for accepting the Offer made by the Acquirer.

Stamp of Collection Centre		Signature of Official		Date of Receipt	

For NRIs/ OCBs/ FIIs/ Foreign Shareholders:

I/We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ RBI approvals for acquiring shares of Schlafhorst Engineering (India) Limited hereby tendered in the Offer.

☐ Copy of Permanent Account Number / PAN Card.

I/We, confirm that the tax deduction on account of equity shares of Schlafhorst Engineering (India) Limited held by me/us is to be deducted on (tick whichever is applicable):

☐ Long-term capital Gains

☐ Short-term capital gains

☐ Trade Account

In order to avail the benefit of lower rate of tax deduction under the applicable Double Taxation Avoidance Agreement ("DTAA"), if any, kindly enclose a certificate stating that you are a tax resident of your country of incorporation in terms of the DTAA entered into between India and your country of resident.

For FII Shareholders:

I/We, Confirm that the equity shares of Schlafhorst Engineering (India) Limited are held by me/us on (select whichever is applicable):

☐ Investment / Capital Account

☐ Trade Account

In case the shares are held on trade account, kindly enclose a certificate stating that you are a tax resident of your country of resident/ incorporation and that you do not have a permanent establishment in India in terms of the DTAA entered into between India and your country of residence. Where the tax is to be deducted on account of long-term capital gains, the shareholders should submit a certificate from a Chartered Accountant (along with proof such as demat account statement) certifying that the Shares have been held for more than one year. In order to claim the benefit of computation of tax liability on the net capital gains (i.e. after reducing the cost of acquisition of shares), the shareholder should obtain a tax clearance certificate from the appropriate income tax authorities certifying the net income chargeable to capital gains tax. In the absence of the above, tax would be deducted at the maximum marginal rate on the entire consideration paid to the shareholders.

I/We note and understand that the Registrar to the Offer will hold the original share certificate(s) and valid share transfer deed in trust for me/us until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer.

I/We note and understand that the shares would lie in the special depository account until the time the Acquirer dispatches the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

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

I/We authorize the Acquirer:

1. To acquire the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer.
2. To return to me/us, share certificate(s)/ shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by Registered Post/UPC as may be applicable at my/our risk, the draft/ cheque, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For shares that are tendered in demat form, the Bank account as obtained from the beneficiary position (download to be provided by the depositories) will be considered and the draft/cheque will be issued with the said Bank particulars, and not any details provided herein.

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

Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road,
Andheri (E), Mumbai – 400 093
Email: info@mondkarcomputers.com; Contact Person : Mr. Devanand Dalvi
Tel. No.: +91-22-2820 7201/22-2820 7203; Fax No.: +91-22-2820 7207

Shareholders have an option to receive the consideration through NECS/DC/NEFT/ RTGS.

I / we

☐ Opt for NECS/DC/NEFT/RTGS

☐ Not opt for NECS/DC/ NEFT/RTGS

Following Bank details to be given:

Name of the Bank		Branch	
Account Number		Savings/Current/(Others: please specify)	
9 digit MICR code		IFSC Code*	

*only incase of RTGC and NEFT

Provide Photo copy of Cheque along with the above bank details.

Yours faithfully,

Signed and Delivered

	Full Name(s) of the shareholders	**Signature**
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

____

Place : ____________________

Date : ______________________

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

General Instructions

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

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

(3) **Shareholders of Target Company having their beneficiary account in NSDL has to use inter depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL**.

(4) **Non-resident shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire shares held by them in Schlafhorst Engineering (India) Limited.

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

(6) Shareholders have an option to receive the consideration through National Electric Clearing System (NECS). Payment of consideration shall be made through NECS, where NECS clearing are managed by Reserve Bank of India.

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

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

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

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

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 09 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 23 OF THIS LETTER OF OFFER.

FORM OF WITHDRAWAL

(Please send this Form of Withdrawal with enclosures to Mondkar Computers Private Limited at any of the collection centers as mentioned in the Letter of Offer. All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER	
OFFER OPENS ON	**JANUARY 12, 2011 (WEDNESDAY)**
LAST DATE OF WITHDRAWAL	**JANUARY 25, 2011 (TUESDAY)**
OFFER CLOSES ON	**JANUARY 31, 2011 (MONDAY)**

From :

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

Name :

Full Address :

Tel. No. : **Fax No. :** **E-mail :**

To,
Integra Holding AG
C/o Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (E), Mumbai – 400 093
Contact Person: Mr. Devanand Dalvi
Email: info@mondkarcomputers.com
Tel. No.: +91-22-2820 7201/22-2820 7203; Fax No.: +91-22-2820 7207

Dear Sir,

Sub. : Open Offer to acquire up to 3,879,040 fully Paid-up Equity Shares of Rs.10/- each, representing 20.00 % of the issued and paid-up voting equity share capital of Schlafhorst Engineering (India) Limited, at a price of Rs. 9.65 per fully Paid up Equity Share ("Offer Price") payable in cash by Integra Holding AG.

I/We refer to the Letter of Offer dated January 4, 2011 for acquiring the equity shares held by me/us in **Schlafhorst Engineering (India) Limited**. I/We, the undersigned have read the Letter of Offer and understood their contents and unconditionally accept the terms and conditions as mentioned therein

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

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

I / We note that this Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal i.e. January 25, 2011.

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

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

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

Sr. No.	Ledger Folio No(s).	Certificate No(s).	Distinctive No(s).		No. of Equity Shares
Shares Tendered			**From**	**To**	
1.					
2.					
3.					
				Total Number of Shares tendered	
Shares Withdrawn					
1.					
2.					
3.					
				Total no. of equity shares withdrawn	

(In case the space provided is inadequate, please attach a separate sheet with details.)

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ACKNOWLEDGEMENT SLIP

Received from Mr./Ms. ____________________

residing at ____________________

____________________ A Form of Withdrawal for ____________shares along with a copy of:

☐ **Demat Shares :** Copy of Delivery instruction slip from DP ID ____________ Client ID ____________
Acknowledgement slip issued when depositing dematerialized shares

☐ **Physical Shares** : Folio No. ____________
Acknowledgement slip issued when depositing physical shares *(Tick whichever is applicable)*

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

☐ **SHARES IN DEMAT FORM**

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the "MCPL ESCROW ACCOUNT SEL OPEN OFFER". Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by DP. The particulars of the account from which my / our shares have been tendered are as follows:

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

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

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

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

Yours faithfully,

Signed and Delivered

	Full Name(s) of the shareholders	Signature
First/Sole Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		

Address of First/Sole Shareholder ____

____

Place : ____________________

Date : _____________________

PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

General Instructions

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

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

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

(4) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the shares in respect of which the withdrawal is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.

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

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 09 TITLED PROCEDURE FOR ACCEPTANCE AND SETTLEMENT ON PAGE 23 OF THIS LETTER OF OFFER.

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

Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road,
Andheri (E), Mumbai – 400 093
Email: info@mondkarcomputers.com; Contact Person : Mr. Devanand Dalvi
Tel. No.: +91-22-2820 7201/22-2820 7203; Fax No.: +91-22-2820 7207

SAP Print Solutions Pvt. Ltd. Tel.: 022 4074 1000