LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of **A.V. Cottex Ltd. (Formerly Dewan Industries 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 sold your equity shares in **A.V. Cottex Ltd**, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected.

MR. SUDHIR MILAPCHAND NAHETA

Residing at: 5, Arun Building, Narayan Dabholkar Road, Mumbai: 400 006. (Tel. No.: +91-22-2361 3399, Fax No. +91-22-2387 2414)

MS. RAJKUMARI SUDHIR NAHETA

Residing at: 5, Arun Building, Narayan Dabholkar Road, Mumbai: 400 006. (Tel. No.: +91-22-2361 3399, Fax No. +91-22-2387 2414)

(HEREINAFTER COLLECTIVELY REFERRED TO AS 'ACQUIRERS')

MAKES A CASH OFFER AT Rs. 14/- (RUPEES FOURTEEN ONLY) PER FULLY PAID-UP EQUITY SHARE OF RUPEES 10/- (TEN) EACH AND FOR PARTLY PAID UP SHARES THE AMOUNT OF Rs.14/- (RUPEES FOURTEEN ONLY) TO BE REDUCED BY AMOUNT DUE THEREON i.e. Offer Price of Rs. 6.50 per share for 10,900 Equity Shares of Rs.2.50 paid-up each and Rs 7.33 per share for 2,700 Equity Shares of Rs.3.33 paid-up each in terms of regulation 20(10) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the 'SEBI (SAST) Regulations, 1997' or 'the Regulations' or SEBI Takeover Code)

TO ACQUIRE 11, 98,380 EQUITY SHARES OF RS. 10/- EACH .

Representing 20% of Issued and Subscribed Equity Capital (20.05% of Voting Capital) of

A.V. COTTEX LIMITED ('Target Company' or 'AVCL')

Registered Office: P-10, Green Park (Ext), New Delhi: 110 016

(Tel: +91-11-2671 6002-05, Fax: +91-11-2671 6012)

Please Note:

1. This Offer is being made pursuant to regulation 10, 12 and other applicable provisions of the SEBI (SAST) Regulations, 1997.
2. The Offer is not subject to a minimum level of acceptance by the shareholders of the Target Company.
3. If there is any upward revision in the Offer Price by the Acquirers till the last date of revision i.e. April 29, 2008, or withdrawal of the Offer in terms of the SEBI (SAST) Regulations, 1997, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated December 28, 2007 had appeared. Such revised Offer Price would be payable for all the Equity Shares of A.V. Cottex Limited, tendered anytime during the Offer and accepted under the Offer.
4. The procedure for acceptance is set out in Para 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
5. The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of Equity Shares by the Acquirers from non-resident persons under the Offer or such other statutory approval(s), if required to implement the Offer.
6. 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
7. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the Registrar to the Offer before the close of business hours on May 6, 2008.
8. **There is no competitive bid as on the date of this Letter of Offer.**
9. **As the Offer Price cannot be revised during the period after April 29, 2008, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price 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 Private Limited. A-404, Neelam Centre, 4th Floor, Hind Cycle Road, Worli, Mumbai 400 030. Tel.: +91-22-2498 2919 / 2498 2927, Fax: +91-22- 2498 2956 Email: avclopenoffer@csin.co.in Contact Person: Mr. Mihir Pandhi / Mr. Nishant Upadhyay	**Mondkar Computers Pvt. Ltd** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093 Tel.: +91- 22-2836 6620. Fax.: +91- 22- 2826 2920. Email :info@mondkarcomputers.com Contact Person : Mr. Ram Jaiswar.
OFFER OPENS: APRIL 23, 2008 (WEDNESDAY)	**OFFER CLOSES: MAY 12, 2008 (MONDAY)**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Schedule		Revised Schedule	
	Date	Day	Date	Day
Public Announcement Date	December 28, 2007	Friday	December 28, 2007	Friday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	January 7, 2008	Monday	January 7, 2008	Monday
Last date for a Competitive Bid	January 17, 2008	Thursday	January 17, 2008	Thursday
Last Date by which Letter of Offer will be posted to shareholders	February 02, 2008	Saturday	April 16, 2008	Wednesday
Date of Opening of the Offer	February 15, 2008	Friday	April 23, 2008	Wednesday
Last date for revising the Offer Price / Offer size	February 22, 2008	Friday	April 29, 2008	Tuesday
Last date of withdrawal of tendered application by the shareholders	February 28, 2008	Thursday	May 6, 2008	Tuesday
Date of Closing of the Offer	March 5, 2008	Wednesday	May 12, 2008	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 demat Shares / Share Certificate(s) will be credited/ dispatched	March 19, 2008	Wednesday	May 27, 2008	Tuesday

RISK FACTORS

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

i. <u>Risk related to the transaction.</u>

Transfer of Equity Shares received from Non resident shareholders, as mentioned in Para 8, under the offer is subject to receipt of RBI approval for the same.

ii. <u>Risk related to the proposed Offer.</u>

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 Acquirers 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 AVCL whose Equity Shares have been accepted in the Offer as well as the return of the Equity Shares not accepted by the Acquirers may be delayed. In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the SEBI (SAST) Regulations, 1997, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirers, grant an extension for the purpose of completion of the Offer subject to the Acquirers paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. May 6, 2008 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of Equity Shares under the Offer and dispatch of consideration gets delayed. The tendered Equity Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

iii. <u>Risk involved in getting associated with the Acquirers.</u>

The Acquirers make no assurance with respect to the market price of the Equity Shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

The Acquirers make no assurance with respect to the financial performance of AVCL. The Acquirers also make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in AVCL.

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

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LETTER OF OFFER

1. DEFINITION

Acquirers	Mr. Sudhir Milapchand Naheta and Ms. Rajkumari Sudhir Naheta
ARCIL	Asset Reconstruction Company (India) Limited
ASE	Ahmedabad Stock Exchange Limited
BIFR	Hon'ble Board of Industrial and Financial Reconstruction
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Corrigendum to PA	Corrigendum to PA dated April 15, 2008
DP	Depository Participant
Depositories	NSDL and CDSL
DSE	Delhi Stock Exchange Association Limited
EGM	Extraordinary General Meeting
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
IPO	Initial Public Offering
JSE	Jaipur Stock Exchange Limited
Letter of Offer / LOF	This Letter of Offer
Ltd / Pvt Ltd	Limited / Private Limited
Manager/ Manager to the Offer	Collins Stewart Inga Private Limited
Net Worth	Share Capital + Reserves – Miscellaneous Expenditure
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
Offer	Open Offer for the acquisition of 11,98,380 Equity Shares of the face value of Rs. 10/- each of A.V. COTTEX LIMITED.
Offer Price	Rs. 14/- (Rupees Fourteen only) per fully paid-up share of Rs. 10/- each and for Partly Paid up shares the amount of Rs.14/- (Rupees fourteen only) to be reduced by amount due thereon i.e. Offer Price of Rs. 6.50 per share for 10,900 Equity Shares Rs.2.50 paid-up each and Rs 7.33 per share for 2,700 Equity Shares Rs.3.33 paid-up each
Offer size	Rs.1,67,77,320 (Rupees One Crore Sixty Seven Lakhs Seventy Seven Thousand Three Hundred Twenty Only)
Other Seller	Watta Finance and Investment Company Pvt Limited
Partly Paid up shares	Means 13,600 Equity Shares, of which 10,900 Equity Shares paid up Rs.2.50 each and 2,700 Equity Shares paid up Rs.3.33 each
Persons eligible to participate in the offer/Eligible shareholders	All members (registered and unregistered) of Shares of AVCL except (a) the Acquirers and (b) Sellers
Promoter Sellers/Promoters/ Promoter group	Mr. Ashwani Dewan, Ms. Sunita Dewan, Mr. Anuj Dewan, M/s Lee Hotels Pvt Ltd, M/s Conchem Construction Pvt Ltd, M/s Jas Expoship Pvt Ltd, ADB Trade Services Pvt Ltd and Competent Surveyors Pvt Ltd
PA/Public Announcement	Public Announcement dated December 28, 2007

RBI	Reserve Bank of India
Registrar to the Offer	Mondkar Computers Private Limited
SEBI/Board	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act, 1992
SEBI Guidelines	Securities & Exchange Board of India (Disclosures & Investors Protection), Guidelines, 2000 & subsequent amendments thereto
SEBI Takeover Code or Regulations or SEBI (SAST) Regulations, 1997	Securities & Exchange Board of India (Substantial Acquisition Of Shares And Takeovers) Regulations, 1997 & subsequent amendments thereto
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
Sellers	Promoter Sellers and Other Seller
Share(s)/ Equity Shares	Fully paid Equity Shares and partly paid shares of face value of Rs. 10 each of AVCL.
SPAs	Share Purchase Agreements – SPA -1, dated December 23, 2007 entered into between the Acquirers and Promoter Sellers and SPA-2, dated December 23, 2007 entered between Acquirers and Other Seller
Target Company / AVCL	A.V. COTTEX LIMITED

2 DISCLAIMER CLAUSE.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF A.V. COTTEX LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/ CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS DULY DISCHARGE 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 JANUARY 9, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 The Offer to the Eligible shareholders of AVCL is hereby made by the Acquirers in accordance with regulation 10, regulation 12 and other applicable provisions of the Regulations for the purposes of substantial acquisition of shares / voting rights and change in control of the Target Company as disclosed under Para 3.1.2 of this Letter of Offer.

3.1.2 The Acquirers have entered into 2 Share Purchase Agreements (‘SPAs’) on December 23, 2007 viz. (i) SPA – 1 with Promoter Sellers (ii) SPA – 2 with Other Seller, to acquire an aggregate of 41,69,925

(Fourty One Lakhs Sixty Nine Thousand Nine hundred Twenty Five Only) ('Transaction Shares') fully paid-up Equity Shares of Rs. 10/- each, representing 69.59% of the equity share capital of the Target Company in the manner specified in Para 3.1.3 of this Letter of Offer, at a price of Rs. 10/- per equity share payable in cash, aggregating to Rs. 4,16,99,250/- (Rupees Four Crores Sixteen Lakhs Ninety Nine Thousand Two Hundred Fifty only). All percentages have been calculated on issued and subscribed capital.

3.1.3 The Promoter Sellers and Other Seller have agreed to sell and the Acquirers have agreed to acquire 41,69,925 (Fourty One Lakhs Sixty Nine Thousand Nine Hundred Twenty Five Only) fully paid-up Equity Shares vide the above-mentioned SPAs, details of which are as under :

(A) Details of Transaction Shares are as under:

Sr. No	Names, Address, Telephone No. and Fax No. of the Sellers	No. of Equity Shares	% of Present Issued Capital
	Promoter Sellers (SPA-1)		
1.	Mr. Ashwani Dewan 103, Delhi Blue Apts. 2, Factory Road, Safdarjung, Ring Road, New Delhi -110 029 Tel No.: 011-26716004, Fax No.: 011-26716012	5,87,800	9.81
2.	Ms. Sunita Dewan 103, Delhi Blue Apts. 2, Factory Road, Safdarjung, Ring Road, New Delhi -110 029 Tel No.: 011-26716004, Fax No.: 011-26716012	3,18,625	5.32
3.	Mr. Anuj Dewan 103, Delhi Blue Apts. 2, Factory Road, Safdarjung, Ring Road, New Delhi -110 029 Tel No.: 011-26716004, Fax No.: 011-26716012	2,83,800	4.74
4.	ADB Trade Services Pvt. ltd SCO-14, Club Market, Karnal -132001, Haryana Tel No.: 011-26716005, Fax No.: 011-26716012	4,65,600	7.77
5.	Competent Surveyors Pvt. Ltd SCO-14, Club Market, Karnal -132001, Haryana Tel No.: 011-26716005, Fax No.: 011-26716012	5,05,600	8.44
6.	Conchem Construction Pvt Ltd. P-10, Green Park Extension, New Delhi -110016 Tel No.: 011-26716005, Fax No.: 011-26716012	4,89,600	8.17
7.	Lee Hotels Pvt. Ltd 103, Delhi Blue Apts. 2, factory road, Safdarjung, Ring Road, New Delhi -110 029 Tel No.: 011-26716005, Fax No.: 011-26716012	4,50,200	7.51
8.	Jas Expoship (P) Ltd 103, Delhi Blue Apts. 2, factory road, Safdarjung, Ring Road, New Delhi -110 029 Tel No.: 011-26716005, Fax No.: 011-26716012	5,23,900	8.74
	Total I	**36,25,125**	**60.50**
	Other Seller (SPA-2)		
1.	Watta Finance and Investment Company (P) Ltd. SCO-14, Club Market, Karnal 132001, Haryana Tel No.: 0184-2257221, Fax no.: 0184-2257221	5,44,800	9.09
	Total II	**5,44,800**	**9.09**
	Total I+II	**41,69,925**	**69.59**

(B) The Transaction Shares are proposed to be acquired by the Acquirers in the following manner:

Sr. No.	Names of the Acquirers	No. of Equity Shares	% of Present Issued Capital
1.	Mr. Sudhir Milapchand Naheta	31,69,925	52.90
2.	Ms. Rajkumari Sudhir Naheta	10,00,000	16.69
	Total	**41,69,925**	**69.59**

3.1.4 Salient features of the SPAs:

i. The Purchase of the Transaction Shares by the Acquirers is subject to the compliance of the provisions of the SEBI (SAST) Regulations, 1997. In case of non-compliance of any provisions of the SEBI (SAST) Regulations, 1997 the said SPAs shall not be acted upon by the Sellers or the Acquirers.

ii. Upon completion of the acquisition of Transaction Shares by the Acquirers pursuant to SPA -1, entered into with the Promoters of the Target Company; there shall be a change in control of the Target Company and the management of the Target Company would rest with the Acquirers.

iii. After completion of all formalities relating to the acquisition and after complying with formalities required by the Regulations, the Board of Directors might be reconstituted to include nominee(s) of Acquirers.

3.1.5 Neither the Acquirers nor the Target Company nor the Sellers have been prohibited by SEBI to deal in securities under Section 11B or any other regulations made under the SEBI Act.

3.2 Details of the Offer

3.2.1 The Public Announcement and Corrigendum to PA were made in the following newspapers on December 28, 2007 and April 15, 2008 respectively, in accordance with regulation 15 of the Regulations.

Newspaper	Language	Edition
Financial Express	English	All Editions
Jansatta	Hindi	All Editions

(The Public Announcement and Corrigendum to PA is available on the SEBI website: www.sebi.gov.in)

3.2.2 The Acquirers are making an Open Offer to the equity shareholders of AVCL to acquire 11,98,380 Equity Shares of Rs.10/- each representing 20% of the issued and subscribed equity capital and 20.05% voting capital of the Target Company at a price of Rs. 14 (Rupees Fourteen Only) per fully paid equity share of the Target Company (the 'Offer Price'), payable in cash, in terms of regulation 20 of the Regulations (the 'Offer' or 'Open Offer')

3.2.3 There are 13,600 Equity Shares on which calls are in arrears in the Target Company as on the date of PA. Price payable for the Partly paid up share shall be the price reduced from the Offer Price of Rs,14/- by the amount due on the said Partly paid up shares in terms of regulation 20(10) of the Regulations (Refer table below). Interest amount due on calls unpaid has been waived off by the Board of Directors of the Target Company at their meeting held on January 13, 1996 pursuant to authority in the Articles of Association.

No. of shares	Amount paid per share (Rs.)	Amount due per share (Rs.)	Total Amount due (Rs.)	Offer Price for Fully paid up Share (Rs.)	Offer Price for Partly Paid up shares. (Rs.)
2,700	3.33	6.67	18,000	14/-	7.33
10,900	2.50	7.50	81,750	14/-	6.50
13,600		**Total**	**99,750**		

3.2.4 This is not a conditional offer. The offer is not subject to any minimum level of acceptance. Acquirers will acquire all the shares that are validly tendered in terms of the Offer, upto a maximum of 11,98,380 Equity Shares at the Offer Price. If the valid response exceeds 11,98,380 Equity Shares the Acquirers shall accept Equity Shares equal to 11,98,380 Equity Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with regulation 21(6) of SEBI (SAST) Regulations, 1997.

3.2.5 This is not a Competitive Bid.

3.2.6 The Manager to the Offer does not hold any Equity Shares in the Target Company, as on the date of the Public Announcement and has not acquired any Equity Shares of the Target Company since the date of PA upto the date of this Letter of Offer.

3.2.7 The Acquirers do not hold any Equity Shares as on the date of Public Announcement and have not acquired any Equity Shares during the 12 months period preceding the date of Public Announcement. Also the Acquirers have not acquired any Equity Shares of AVCL from the date of the Public Announcement upto the date of this Letter of Offer.

3.2.8 The Acquirers may purchase additional Equity Shares of AVCL from the open market and / or through negotiations or otherwise, after the date of the PA in accordance with regulation 20(7) of the Regulations and details of such acquisition, if any, will be disclosed by the Acquirers within 24 hours of such acquisition to the Stock Exchanges, wherever Equity Shares of AVCL are listed and to the Manager to the Offer in terms of regulation 22 (17) of the Regulations. The highest price paid for acquisitions shall be payable for all acceptances received under the Offer as per regulation 22(17) of the Regulations.

3.2.9 No separate consideration has been paid or would be paid by the Acquirers, other than as mentioned in Para 3.1.2, to the Sellers for any of the above covenants or any other covenants mentioned in the SPA.

3.2.10 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 Acquirers. The Equity Shares tendered in the Offer by the Shareholders of AVCL shall be free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.11 In case there is any upward revision in the Offer Price of Equity Shares / No of Equity Shares by the Acquirers in accordance with regulation 26 of the Regulations not later than April 29, 2008 i.e. upto seven working days prior to the date of closure of the Offer or incase of withdrawal of the Offer by the shareholders in accordance with regulation 22(5A) of the Regulations, the same would be informed by way of Public Announcement in the newspapers where Public Announcement had appeared and the same revised price would be payable by the Acquirers to all the shareholders who tendered their Equity Shares at any time during the offer and which are valid and accepted by the Acquirers under the Offer.

3.2.12 This Offer is being made to all shareholders of AVCL except the parties to the SPAs.

3.3 Object of the Acquisition / Offer

3.3.1 This Offer to the shareholders of AVCL is being made pursuant to regulation 10 and regulation 12 of the Regulations for substantial acquisition of Equity Shares of AVCL accompanied by change in the control / management.

3.3.2 The Acquirers and the Target Company are not in existing line of business. The Acquirers through AVCL intend to invest, incubate in corporate opportunities and also provide extensive insight and support on development of the existing business. The Acquirers would review various options to use the existing structure and converge their long term plans of building multiple revenue streams under AVCL. For this purpose, the Acquirers would suitably strengthen the Target Company with the requisite financial and human resources. The Acquirers will also impart support systems in the financial / human resources aspects for the existing business. The Acquirers reserve the right to modify the present structure in a manner, which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws. The Acquirers may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

4 BACKGROUND OF THE ACQUIRERS

4.1 Details of the Acquirers

The Acquirers are resident of Mumbai, primarily engaged in the business of dealing in precious stones, Semi Precious Stones, Diamonds, Colour Stone Studded Jewellery. No other persons / individuals/ entities are acting in concert with the Acquirers for the purpose of this Offer.

Mr. Sudhir Milapchand Naheta , son of Mr. Milapchand Naheta, aged 52 years is a Commerce Graduate, residing at 5, Arun Building, Narayan Dabholkar Road, Mumbai 400 006, Tel. No. : +91-22-2361 3399; Fax No: +91-22-2387 2414. He has an experience of 30 years in the field of dealing in precious stones, semi precious stones and diamond jewellery. The Networth of **Mr. Sudhir Milapchand Naheta** as on December 20, 2007 is Rs. 3,57,79,451/- (Rupees Three Crores Fifty Seven Lakhs Seventy Nine Thousand Four Hundred Fifty One Only) , as certified by Mr. Yogesh R Amal (Membership no: 111636) of M/s Ghalla & Bhansali, Chartered Accountants, 'Devansh' 2nd Floor, 133 D.S.P Road, Near Ranjit Studios, Dadar (E), Mumbai: 400 014, vide certificate dated December 24, 2007; Tel No: 2415 7000, Fax No: 2414 4900.

Ms. Rajkumari Sudhir Naheta, wife of Mr. Sudhir Milapchand Naheta, aged 48 years is a Commerce graduate, residing at 5, Arun Building, Narayan Dabholkar Road, Mumbai 400 006, Tel. No. : +91-22-2361 3399; Fax No: +91-22-2387 2414. She has an experience of 20 years in the field of Dealing in precious stones, semi precious stones and diamond jewellery. The Networth of **Ms. Rajkumari Sudhir Naheta** as on December 20, 2007 is Rs. 1,53,36,584/- (Rupees One Crore Fifty Three Lakhs Thirty Six Thousand Five Hundred Eighty Four Only) as certified by Mr. Yogesh R Amal (Membership no: 111636) of M/s Ghalla & Bhansali, Chartered Accountants, 'Devansh' 2nd Floor, 133 D.S.P Road, Near Ranjit Studios, Dadar (E), Mumbai: 400 014, vide certificate dated December 24, 2007; Tel No: 2415 7000, Fax No: 2414 4900.

The Acquirers have not entered into any agreement amongst themselves for this Offer / acquisition of Equity Shares.

4.2 The compliance under Chapter II of SEBI (SAST) Regulations, 1997 is not applicable to the Acquirers since they do not hold any Equity Shares of AVCL except the Transaction Shares proposed to be acquired in terms of SPAs.

4.3 The Acquirers do not intend to delist the Equity Shares of the Target Company in the next three years period. However, should such circumstances arise in future on account of the market conditions and the business dynamics, Acquirers may delist the Equity Shares of AVCL in future in accordance with the then prevailing SEBI Guidelines.

4.4 The Acquirers undertakes that, if there is any shortfall in meeting the SPAs' obligation and if need arises, they shall apply for loan against property from Banking or Financial Institutions.

4.5 The Acquirers are not directors in any of the listed company. Further, the Acquirers severally do not hold any office of directorship in any company other than Gehna Creations (India) Private Limited.

4.6 The Acquirers are the Promoter/Directors of Gehna Creations (India) Pvt. Ltd having registered office at Bidasar Bhavan, 3rd Floor, 04/114, Dr. Atmaram Merchant Road, Bhuleshwar, Mumbai: 400 002.

Brief details of the company promoted by the Acquirers is as under:

Gehna Creations (India) Pvt. Ltd., incorporated on October 19, 2004 under the Companies Act, 1956, is engaged in the business of precious stones, semi-precious stones and jewellery. The registered office of the company is situated at Bidasar Bhavan, 3rd Floor, 04/114, Dr. Atmaram Merchant Road, Bhuleshwar, Mumbai 400 002. The Authorised Capital of the Company is Rs. 10,00,000/- divided into 1,00,000 Equity Shares of Rs. 10/- each. The company is not sick industrial Company. Being a private limited company Equity Shares of the company are not listed on any stock exchange.

Brief financials based on Accounts for the last three years are given below: (Amount in Lacs)

Period for the year ended	March 31, 2005. Rs	March 31,2006. Rs.	March 31, 2007. Rs.
Months	12	12	12
Type	Audited	Audited	Audited
Total Income	NIL	NIL	NIL
Paid up Equity share capital	1.00	1.00	1.00
Reserves (Excl Revaluation Reserves)/P&L Dr ( )*	(0.71)	(0.81)	(8.24)
Earnings Per share**	(7)	(8)	(82)
Profit After Tax (PAT)	(0.71)	(0.81)	(8.24)
NAV per share in Rs.** (Equity Shares of Rs.10 Each)	2.93	1.94	(72.64)

* ( ) = Negative / Loss. ** EPS and NAV are per share and not in Lacs.

4.7 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code and Acquirers future plans for AVCL.

4.7.1 The Acquirers 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 Acquirers 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.

4.7.2 The Acquirers through AVCL intend to invest, incubate in corporate opportunities and also provide extensive insight and support on development of the existing business. The Acquirers would review various options to use the existing structure and converge their long-term plans of building multiple revenue streams under AVCL. For this purpose, the Acquirers would suitably strengthen the Target Company with the requisite financial and human resources. The Acquirers will also impart support systems in the financial / human resources aspects for the existing business. The Acquirers reserve the right to modify the present structure in a manner, which is useful to the larger interests of the Shareholders. Any change in the structure that may be effected will be in accordance with the applicable laws. The Acquirers may re-organize and / or streamline various businesses for commercial reasons and operational efficiencies.

4.7.3 The Acquirers have no specific plan and the Acquirers will evolve specific plans in due course of time after assuming control of the Target Company and hence there is no specific implementation framework.

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

In the event, pursuant to this Offer, the public shareholding in the Target Company falls below 25% of its outstanding Equity Share Capital, the Acquirers will, in accordance with regulation 21(2) of the Regulations, facilitate the Target Company to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the Stock Exchanges with in the specified time and in accordance with the prescribed procedure under amended Clause 40A (viii) of the Listing Agreement and in compliance with the Regulations.

6. BACKGROUND OF THE TARGET COMPANY (A.V. COTTEX LIMITED)

6.1 A.V. COTTEX LIMITED was incorporated on November 7, 1994 as a public limited company in the name of Dewan Industries Limited. Members of AVCL accorded approval by passing of resolution in the EGM held on November 22, 1995 for change of name from Dewan Industries Limited to A.V. Cottex Limited. The Fresh Certificate of incorporation consequent on change of name was issued by Registrar of Companies of NCT of Delhi and Haryana on January 12, 1996. The certificate of commencement of business was issued on November 21, 1994 by Registrar of Companies of NCT of Delhi and Haryana. The Registered office of AVCL is situated at P-10, Green Park Extn, New Delhi: 110 016, Tel No. : +91-11-2671 6002/05, Fax No.: +91-11-2671 6012

6.2 AVCL is presently engaged in the business of trading of cotton yarn, wool, silk and other synthetics. The issued and subscribed capital of AVCL comprises of 59,91,900 Equity Shares of Rs.10/- each aggregating to Rs.599.19 Lakhs. The paid up capital of the Target Company is Rs.598.19 Lakhs, consisting of 59,78,300 fully paid Equity Shares of Rs.10/- each and there are 13,600 Partly Paid up shares, the details of which are as under.

No. of shares	Amount paid per share (Rs.)	Amount due per share (Rs.)	Total Amount due (Rs.)
2,700	3.33	6.67	18,000
10,900	2.50	7.50	81,750
13,600		**Total**	**99,750**

Note: Partly Paid up Equity Shares do not carry voting rights pursuant to provisions in Articles of Association.

6.3 AVCL came up with initial public issue of Equity Shares in 1995, consequent to which it Equity Shares were listed on ASE, BSE, DSE and JSE. AVCL Equity Shares have been delisted from ASE and JSE with effect from December 20, 2007 and January 9, 2008, respectively.

6.4 Major fire broke in the midnight of May 4/5 2000 in the factory of AVCL due to which all stocks, finished goods, yarn including plant and machinery were damaged. Consequently, factory was closed down and AVCL reported negative Networth for the financial year ended 2001. AVCL filed a reference with Hon'ble BIFR for relief under SICA. AVCL started giving consultancy services and trading in yarn in order to make Networth positive. AVCL Networth for the financial year ended March 2005 exceeded its accumulated losses and accordingly AVCL submitted a reference with hon'ble BIFR to remove the status of sick industrial company as per the provisions of Sick Industrial Companies (Special Provisions) Act, 1985. The Hon'ble BIFR vide its Order dated January 30, 2006, discharged the company from the purview of SICA.

Paid up Equity Shares of Target Company	Issued and Susbscribed Shares. Nos.	Voting rights.	% of Outstanding Equity Shares	% of Voting Rights
Fully paid up Equity Shares	59,78,300	59,78,300	99.77%	100%
Partly paid up Equity Shares	13,600	NIL	0.23%	NIL
Total	59,91,900	59,78,300	100%	100%

6.5 The Voting capital as on December 28, 2007 has been calculated as under:

6.6 Build up of the Capital Structure of AVCL (as certified by AVCL)

Date of allotment	No. of Shares issued (of Rs. 10/- each)	% of shares issued	Cumulative Number of Shares	Mode of allotment	Identity of Allottee (Promoters/Ex Promoters/Others)	Status of Compliances
Since Incorporation.	700	0.01%	700	At the time of incorporation	Promoter	Complied with relevant provisions
21/02/1995	4,93,200	8.23%	4,93,900	Further Issue	Promoter	Complied with relevant provisions

21/02/1995	5,07,500	8.47%	10,01,400	Further Issue	Promoter	Complied with relevant Provisions
03/05/1995	6,09,900	10.18%	16,11,300	Further Issue	Promoter	Complied with relevant Provisions.
27/09/1995	3,80,600	6.35%	59,91,900	IPO	Promoter, Indian Resident Directors, their friends, relatives	Complied with relevant Provisions
27/09/1995	40,00,000	66.75%		IPO	Public	Complied with relevant Provisions

6.7 Due to non compliance of clause 15/16 of the Listing Agreement, Equity Shares of AVCL were suspended from trading on BSE with effect from September 6, 1999. AVCL regularized the non compliance of clause 15/16 of the Listing Agreement and paid a fees of Rs.4,80,000/- to remove the suspension of its trading. The suspension was removed from February 12, 2007.

6.8 As on date there are no outstanding convertible instruments.

6.9 At the Annual General Meeting of the AVCL held on September 30, 2005 consent of the members was accorded for delisting of Equity Shares of the Target Company from the DSE, JSE and ASE. The Target Company has filed delisting application with DSE and it is yet to be delisted from DSE. However, the Equity Shares of the Target Company has been delisted from ASE and JSE on December 20, 2007 and January 9, 2008, respectively.

6.10 Details of Compliances by the Target Company with the applicable provisions of Chapter II of the Regulations.

- The Target Company has not complied with the provisions of regulation 6(4) for 1997 and 8(3) for the years 1998, 1999, 2000, 2001, 2002, however the Target Company has regularized the said non compliances through SEBI Regularization Scheme, 2002.
- The Target Company has complied with the regulation 8(3) with delay for year 2003 and 2004.
- The Target Company has complied with the provisions of regulation 8(3) for the years ending 2005, 2006, 2007.

SEBI may take appropriate action at a later stage for the aforesaid delayed compliances.

6.11 The Promoter Sellers have not complied with the provisions of regulation 7 of the Regulations for the acquisition made on 20.05.2006, 31.07.2006, 10.08.2006 and 21.08.2006. The Promoter Sellers intend to regularize this non-compliances by filing for Consent Order with SEBI.

6.12 The Board of Directors of the Target Company as on the date of Public Announcement is as under :

Name (Designation)	(Age)	Date of Appointment	Qualification	Residential Address
Ashwani Dewan (Managing Director)	47 years	7/11/1994	FCA	103, Delhi Blue Apartment, 2 Factory Road, Safdarjung Ring Road, New Delhi - 110029
Neeraj Jain (Independent Director)	34 years	28/03/2005	Graduate	B-1/126, Phase- II, Ashok Vihar, New Delhi
Vijay Gupta (Independent Director)	53 years	28/03/2005	Graduate	B-172, Surajmal Vihar, Delhi: 110 092.
Anuj Dewan (Non-Executive Director)	21 years	15/12/2005	Pursuing MBA	103, Delhi Blue Apartment, 2 Factory Road, Safdarjung Ring Road, New Delhi - 110029

Mr. Ashwani Dewan has 22 years experience in areas of setting up of Textile manufacturing plants, setting up of Business and Management Systems, corporate finance and turnaround of stressed assets. He holds directorship in the following companies.

Sr. No	Company Name
1	CT Cotton Yarn Ltd (Listed)
2	Jas Expoship P Ltd.
3	Competent Surveyors Pvt Ltd.
4	Lee Hotels Pvt Ltd.
5	Conchem Constructions Pvt Ltd.
6	Aparna Lighting (India) Pvt Ltd.
7	Harmilap Roshni Ltd
8	Okara Agro Industries Ltd.
9	Okara Leasing & Investment Ltd.
10	Okara Securities Ltd.

Mr. Neeraj Jain has 10 years experience in field on bearings, textiles. He holds directorship in M/s C.T Cotton Yarn Limited (Listed Company).

Mr. Vijay Gupta has 25 years experience in the field of manufacturing of lamps. He holds directorship in the following companies.

Sr. No	Company Name
1	Harmilap Roshni Ltd.
2	Kiran Lighting Pvt. Ltd
3	Analog Commercials Ltd
4	Fashionable Investment Pvt. Ltd

Mr. Anuj Dewan is a Student of Bachelor of Sciences in Management from Western International University, Arizona U.S.A. He holds directorship in the following companies.

Sr. No	Company Name.
1	Alchemy Investments & Exports Ltd.
3	Okara Agro Industries Ltd
4	Okara Leasing & Investment Ltd.
5	Okara Securities Ltd.

None of the directors on the Board of the Target Company are either representatives of the Acquirers or have any interest in any of the Acquirers.

6.13 There are no mergers / demergers / spin offs during last 3 years involving the Target Company.

6.14 The audited financial highlights of AVCL for the last three years and the unaudited financials statements for the period ended on December 15, 2007 as certified by the statutory auditors are as follows:

Rs. Lacs

For the period / year ended	Upto December 15, 2007 Certified	March 31, 2007 Audited	March 31, 2006 Audited	March 31, 2005 Audited
Income Statement				
Income from operations and Other Income	1162.31	2177.32	427.70	634.56
Total Income	**1162.31**	**2177.32**	**427.70**	**634.56**
PBDIT	67.43	47.85	159.20	618.58
Depreciation	0.00	1.29	4.56	0.0046
Bank Charges and interest	5.70	2.50	7.45	19.08
Profit / (Loss) before Tax	**61.76**	44.06	**147.19**	**599.49**
Provision for Tax				
- Current	(5.42)	6.45	0.00	0.00
- Deferred	0.00	(38.28)	37.69	0.00
Profit / (Loss) after Tax	**67.15**	**(0.68)**	**184.88**	**599.49**

Balance Sheet as at	Upto December 15, 2007	March 31, 2007	March 31, 2006	March 31, 2005
Paid-up Equity Share Capital	598.19	595.35	519.17	519.17
Reserves & Surplus (excl. Revaluation Reserves)	153.50	86.34	87.02	30.00
Secured Loans	**128.70**	**13.62**	**98.54**	**206.32**
Unsecured Loans	**37.50**	**37.50**	**0.00**	**47.50**
Deferred tax liability	**0.60**	**0.60**	**0.00**	**0.00**
Total	**918.49**	**733.41**	**704.73**	**802.99**
Application of funds				
Net fixed assets	59.02	19.05	72.51	180.25
Investments	322.66	284.19	169.196	59.19
Net current assets	536.81	430.16	425.33	435.69
Deferred Tax (Net)	0.00	0.00	37.69	0.00
Misc. Expenditure	0.00	0.00	0.00	0.00
Profit and loss A/c Dr	0.00	0.00	0.00	**127.86**
Total	**918.49**	**733.41**	**704.73**	**802.99**
Other Financial Data				
Dividend (%)	**0.00**	**0.00**	**0.00**	**0.00**
Networth (Rs. lakhs)	751.69	681.69	606.19	549.17
Earning Per Share (Rs.)	1.58*	(0.01)	2.45	10.00
Return on Networth (%)	12.58*	(0.10)	24.28	0.88%
Book Value Per Share (Rs.)	12.55	11.38	10.11	10.39

*Annualised

Source: Annual Reports of AVCL the years 2006-07, 2005-06, 2004-2005 and Certified Accounts as on December 15, 2007.

DETAILS REGARDING SECURED AND UNSECURED LOANS. **(Rs. in Lacs)**

Loans	Amount	Amount	Amount	Amount
Financial Year	**Upto 15.12.2007**	**31.03.2007**	**31.03.2006**	**31.03.2005**
	Certified	Audited	Audited	Audited
Secured Loans:				
Haryana Financial Corporation, Chandigarh				
a) Term loan	Nil	Settled	86.37	180.97
b) H.F.C. Bridge Loan	Nil	Settled	12.17	25.35
c) Kotak Mahindra Prime Ltd	13.37	13.62	Nil	Nil
d) ICICI Bank Ltd (Car Loan)	16.12	Nil	Nil	Nil
e) ICICI Bank Ltd (Loan Against Property)	99.20	Nil	Nil	Nil
Total Secured Loans	**128.70**	**13.62**	**98.54**	**206.32**
Unsecured Loans:				
Aristo Fab Pvt. Ltd	Nil	Nil	Settled	5.00
Jas Expoship Pvt Ltd	Nil	Nil	Settled	10.00
KLM Growth Fund Pvt Ltd	Nil	Nil	Settled	11.00
Rajender Sharma	Nil	Nil	Settled	10.00
Sristhi Growth Fund Pvt Ltd	Nil	Nil	Settled	11.50
T.C Spinners Limited	37.50	37.50	Nil	Nil
Total Unsecured Loans	**37.50**	**37.50**	**Nil**	**47.50**

6.15 Reasons for rise and fall in Income and Profit after Tax during the last three years. (Rs. in Lacs)

Financial year ended March 31, 2007

Income for the financial year ended March 31, 2007 is Rs. 2177.32 as against Rs. 427.70 for the financial year ended March 31, 2006. Profit after Tax (PAT) for the financial year ended March 31, 2007 is Rs. (0.68) as against the PAT for previous financial year ended March 31, 2006 of Rs.184.88. This rise in income is due to increase in volume of trading of yarn and company booked sales to the tune of Rs.2141.74.

The reason for reporting of loss of Rs. (0.68) is due to higher administrative and general expenses.

Financial year ended March 31, 2006

Income for the financial year ended March 31, 2006 is Rs. 427.70 as against Rs. 634.56 for the financial year March 31, 2005. Profit after Tax (PAT) for the financial year ended March 31, 2006 is Rs. 184.88 as against the PAT for previous financial year ended March 31, 2005 of Rs. 599.49. The Company reported lower Total income than previous financial year due to decline in other income component for the financial year ending March 31, 2006.

The reason for decrease in profit after tax is due to increase in raw material consumption and its cost and rise in interest cost.

Financial year ended March 31, 2005

Income for the financial year ended March 31, 2005 is Rs.634.56 as against Rs. Nil income for the financial year 2003-04. Profit after Tax (PAT) for the financial year ended March 31, 2005 is Rs. 599.49 as against the PAT for previous financial year ended March 31, 2004 of Rs. (93.18). This rise in total income and PAT is due to fact that AVCL booked substantial income from providing consultancy services and the balance is the interest written back on the term loan of Haryana Financial Corporation in terms of the settlement made under the Non performing assets Scheme of HFC.

6.16 No investigations, proceedings, or inquiries are pending against AVCL by the Securities and Exchange Board of India, or any other regulatory authority, in relation to the securities of AVCL or trading therein or otherwise. AVCL is in compliance with the Listing Agreements entered into with the Stock Exchanges.

6.17 Pre and Post- Offer share holding pattern of AVCL as follows: As on the date of Letter of Offer. All percentages have been calculated on issued and subscribed capital.

Sr. No.		Shareholder Category	Shareholding & voting right prior to the acquisition and offer		Shares / voting rights agreed to be acquired which triggered the Open Offer		Shares/ Voting rights to be acquired in the Open offer (Assuming full acceptance)		Shareholding/ Voting rights after the agreement / acquisition and offer	
			A	%	B	%	C	%	D = A+B+C	%
1)		**Promoter Group**								
	a	**Parties to the agreement**	3,625,125	60.50	(3,625,125)	(60.50)	-	-	-	-
		Total (1)	**3,625,125**	**60.50**	**(3,625,125)**	**(60.50)**	-	-	-	-
2)		**Acquirers**								
	a	Sudhir Milapchand Naheta	-	-	3,169,925	52.90	998,380	16.66	4,168,305	69.57
	b	Rajkumari Sudhir Naheta	-	-	1,000,000	16.69	200,000	3.34	1,200,000	20.03
		Total (2)	-	-	**4,169,925**	**69.59**	**1,198,380**	**20.00**	**5,368,305**	**89.59**
3)		Party to the agreement other than 1 and 2	544,800	9.09	(544,800)	(9.09)	-	-	-	-
		Total (3)	**544,800**	**9.09**	**(544,800)**	**(9.09)**	-	-	-	-
4)		**Public (other than parties to agreement and Acquirers)**								
	a	Banks / FIIs / SFIs / M. F. /FIs	-	-	-	-	(1,198,380)	(20.00)	623,595	10.41
	b	Others	1,821,975	30.41	-	-				
		Total (a + b)	**1,821,975**	**30.41**	-	-	**(1,198,380)**	**(20.00)**	**623,595**	**10.41**
		Grand Total (1+2+3+4)	**5,991,900**	**100.00**	-	-	-	-	**5,991,900**	**100.00**

Note: No Equity Shares of the Target Company have been purchased by the Acquirers after the Public announcement till the date of this Letter of Offer.

As on Specified date i.e. January 7, 2008, the total number of Public shareholders stood at 556.

Pre and Post Offer Shareholding of the Target Company as on the date of Letter of Offer as per the voting capital of the Company is given below. Percentages have been computed on the basis of voting capital of the Target Company.

Sr. No.	Shareholder Category	Shareholding & voting right prior to the acquisition and offer		Shares / voting rights agreed to be acquired which triggered the Open Offer		Shares/ Voting rights to be acquired in the Open offer (Assuming full acceptance)		Shareholding/ Voting rights after the agreement / acquisition and offer	
		A	%	B	%	C	%	D = A+B+C	%
1)	**Promoter Group**								
a	**Parties to the agreement**	3,625,125	60.64	**(3,625,125)**	(60.64)	-	-	-	-
	Total (1)	**3,625,125**	**60.64**	**(3,625,125)**	**(60.64)**	-	-	-	-
2)	**Acquirers**								
a	Sudhir Milapchand Naheta	-	-	3,169,925	53.02	998,380	16.70	4,168,305	69.72
b	Rajkumari Sudhir Naheta	-	-	1,000,000	16.73	200,000	3.35	1,200,000	20.07
	Total (2)	-	-	**4,169,925**	**69.75**	**1,198,380**	**20.05**	**5,368,305**	**89.80**
3)	Party to the agreement other than 1(a) and 2	544,800	9.11	(544,800)	(9.11)	-	-	-	-
	Total (3)	**544,800**	**9.11**	**(544,800)**	**(9.11)**	-	-	-	-
4)	**Public (other than parties to agreement and Acquirers)**								
a	Banks / FIIs / SFIs / M. F. /FIs	-	-	-	-	} (1,198,380)	}(20.05)	} 609,995	} 10.20
b	Others	1,808,375	30.25	-	-				
	Total (a + b)	**1,808,375**	**30.25**	-	-	**(1,198,380)**	**(20.05)**	**609,995**	**10.20**
	Grand Total (1+2+3+4)	**5,978,300**	**100.00**	-	-	-	-	**5,978,300**	**100.00**

Note: Since all the Equity Shares under the SPAs are the fully paid up Equity Shares which carry voting rights, Shareholding under point 4(b) has been taken as Total shareholding in the public category less Partly Paid-up shares i.e. 18,21,975 – 13,600 = 18,08,375.

6.18 Since the SEBI (SAST) Regulations, 1997 came into effect, details of shares acquired / sold by Promoter group is given below. The Promoter group has not complied with the applicable provisions of Chapter II of the Regulations.

*Percentages have been computed based on the changes in the issued and subscribed capital.

Period / Year	Mode of acquisition	*Shares acquired Number & (%)	*Shares sold Number & (%)	*Cumulative shares Number & (%)	Status of Compliance
1996-1997	Opening. as on initial disclosure	4,17,100 (6.96%)	Nil	4,17,100 (6.96%	Complied
2005 2006	Off market purchase	12,46,225 (20.89%)	Nil	16,63,325 (27.76%)**	Complied
2005-2006	Off market sale	Nil	4,89,700 (8.17%)	11,73,625 (19.59%)	Complied
2006-2007	Off market purchase	24,51,500 (40.91%)	Nil	36,25,125 (60.50%)	Not Complied

As per the representations and explanations made by the Promoter Sellers, acquisitions made by them during financial year 2005-06, did not trigger the Open Offer as per the provisions of the Regulations. Promoter Sellers have not acquired any Equity Shares since initial disclosure in 1997 to March 31, 2005.

**During the financial year 2005-2006, Mr. Ashwani Dewan forming part of Promoter Sellers acquired 3,65,800 Equity Shares on February 15, 2006 as result of transmission, due to which the combine shareholding of the Promoter group increased from 11.65% to 17.76% of the issued and subscribed share capital of the Target Company. As the Equity Shares were acquired through transmission, the transaction has not resulted in the trigger of Open Offer under regulation 10 of the Takeover code.

The Promoter Sellers have not complied with the provisions of the Regulations in respect of the acquisitions made by them during the Financial Year 2006-07

The details of acquisition made by the Promoter Sellers during Financial Year 2006-07, which triggered the Open Offer, are listed below:

Promoter	Period of Acquisition	No. of shares	% of issued capital acquired
M/s ADB Trade Services Pvt. Ltd.	20-5-06 to 10-11-06	3,85,600	6.44%
Mr. Anuj Dewan	20-5-06	2,46,800	4.12%
M/s Competent Surveyors Pvt. Ltd.	20-5-06 to 10-11-06	4,15,600	6.94%
M/s Conchem Constructions Pvt. Ltd.	20-5-06 to 30-11-06	4,29,400	7.17%
M/s Jas Expoship Pvt. Ltd.	30-6-06 to 30-11-06	5,23,900	8.74%
M/s Lee Hotels Pvt. Limited	13-4-06 to 30-11-06	4,50,200	7.51%
Total		**24,51,500**	**40.91%**

The following table shows the details of acquisitions collectively made by the Promoter Sellers in the Financial Year 2006-2007, which triggered an Open Offer under the provisions of Chapter III of the Takeover Code but not complied with the provisions of the Regulations.

Date	Mode of Acquisition/	Particulars	No. of Shares Acquired	% to the issued & subscribed shares	cumulative No. of shares	% to the isuued Subscribed shares
1-Apr-06		Opening		0.00	1,173,625	19.59
13-Apr-06	Off market	Promoter Sellers Collectively	303,700	5.07	1,477,325	24.66
20-May-06	Off market	Promoter Sellers Collectively	856,200	14.29	2,333,525	38.94
30-Jun-06	Off market	Promoter Sellers Collectively	242,600	4.05	2,576,125	42.99
10-Jul-06	Off market	Promoter Sellers Collectively	39,400	0.66	2,615,525	43.65
31-Jul-06	Off market	Promoter Sellers Collectively	164,300	2.74	2,779,825	46.39
10-Aug-06	Off market	Promoter Sellers Collectively	192,600	3.21	2,972,425	49.61
21-Aug-06	Off market	Promoter Sellers Collectively	480,700	8.02	3,453,125	57.63
5-Oct-06	Off market	Promoter Sellers Collectively	1,200	0.02	3,454,325	57.65
10-Nov-06	Off market	Promoter Sellers Collectively	146,300	2.44	3,600,625	60.09
30-Nov-06	Off market	Promoter Sellers Collectively	24,500	0.41	3,625,125	60.50
		Total	**2,451,500**	**40.91**	**3,625,125**	

SEBI may initiate appropriate action under SEBI Act / Regulations against the Promoter Sellers for the above-mentioned non-compliance.

6.19 The status of Corporate Governance, is as follows:

AVCL 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.

6.20 Details of Pending Litigation:

There are following pending litigation by and / or against the AVCL.

Pending Litigation no: 1

Petitioner	A.V. Cottex limited
Defendant	Oriental Insurance Company
Court/Jurisdiction	National Consumer Forum.
Amount/Claim	Rs.48.21 Lacs
Brief Details	In the year 2000, a major fire broke out in the premises of factory premises of AVCL situated at 71/3, Mile Stone, Near Radha Swami Satsang Bhawan, G.T Road, Karnal-132001. The insurance claim of the AVCL is pending against the oriental insurance company limited for the loss of profit policy. AVCL had in this respect filed the case before National Consumer Redressal Commission, New Delhi, which is pending for final adjudication.
Current Status	This Claim is further assigned in favour of M/s Conchem Construction Private Limited.

Pending Litigation no: 2

Petitioner	A V Cottex limited
Defendant	National Insurance Company
Court/Jurisdiction	High Court. Chandigarh.
Amount/Claim	Rs.83.60 Lacs.
Brief Details	Arbitration Case No: 5/2004. In the year 1998, a fire broke out in the factory premises and godown of AVCL situated at 71/3, Mile Stone, Near Radha Swami Satsang Bhawan, G.T Road, Karnal – 132001. The insurance claim of the company in respect of loss of profit policy pending against the national insurance company in the high court of Chandigarh. Arbitrator has been appointed by the high court against which the special leave petition has been filed by the national insurance company before the Supreme Court. This claim is further assigned in favour of M/s Conchem Construction Private Limited.
Current Status	This claim is further assigned in favour of M/s Conchem Construction Private Limited

Pending Litigation no: 3

Petitioner	A V Cottex limited
Defendant	Oriental Insurance Company
Court/Jurisdiction	High Court. Chandigarh.
Amount/Claim	Rs.41.10 Lacs
Brief Details	Arbitration Case no: 196/2004. In the year 1998, a fire broke out in the factory premises and godown of AVCL situated at 71/3, Mile Stone, Near Radha Swami Satsang Bhawan, G.T Road, Karnal – 132001.The insurance claim of the company in respect of the material damage policy against the National Insurance Company in the high court of Chandigarh.
Current Status	This claim is further assigned in favour of M/s Conchem Construction Private Limited

Pending Litigation no: 4

Petitioner	A V Cottex limited
Defendant	Dept. of Industries Govt of Haryana
Court/Jurisdiction	High Court. Chandigarh.
Amount/Claim	Rs.30.00 Lacs.
Brief Details	AVCL is going to file a writ petition against the Dept. of Industries Govt of Haryana for the release of Rs.30 Lacs receivable from Haryana Government against the decision of Director Industries for not releasing the subsidy in favour of it.
Current Status	This claim is further assigned in favour of M/s Conchem Construction Private Limited

Pending Litigation no: 5

Petitioner	A V Cottex limited
Defendant	Pan Asia Global Limited (In Liquidation)
Court/Jurisdiction	High Court. Delhi.
Amount/Claim	NA
Brief Details	AVCL has purchased debt of ARCIL in Pan Asia Global Limited as per debt assignment dated May 21, 2007 and hence has become first charge holder of immovable and movable property of Pan Asia Global Limited and only secured creditor. The claim for the same has been filed with the official liquidator.
Current Status	This claim is further assigned in favour of M/s Conchem Construction Private Limited

6.21 Details of the Compliance Officer of AVCL:

Mr. Ashwani Dewan. (Managing Director)
C/o A.V.Cottex Limited.
P-10, Green Park (Ext),
New Delhi: 110 016.
Phone No: 011-2671 6004,
Fax No.: 011-2671 6012
Email: ashwanidewan@gmail.com / avcottex@rediffmail.com

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Equity Shares of AVCL as on the date of PA were listed on Bombay Stock Exchange Limited, Mumbai ('BSE'), Delhi Stock Exchange Association Limited, Delhi ('DSE'), and Jaipur Stock Exchange Limited ("JSE").Subsequently, JSE vide its letter dated January 15, 2008 addressed to AVCL intimated that, AVCL has been removed from the trading list w.e.f from January 9, 2008.

7.1.2 The annualized trading turnover during the preceding six calendar months ended 30th November, 2007 in each of the Stock Exchanges where the Equity Shares are listed is as follows:

Name of Stock Exchange	Total number of shares traded during the preceding six calendar months ended November 2007	Total number of listed shares	Annualized trading turnover (% of total listed shares)
BSE	87,500	59,91,900	2.92
DSE	Nil	59,91,900	Nil
JSE	Nil	59,91,900	Nil

(Source: www.bseindia.com)

Based on the above information, the Equity Shares of AVCL are infrequently traded on BSE, DSE, and JSE within the meaning of explanation (i) to regulation 20(5) of the Regulations.

7.1.3 In accordance with regulation 20(5) of the Regulations, the Offer Price of Rs. 14/- per Equity Share is higher of the following parameters

a)	Proposed acquisition price under the SPAs	Rs. 10/- per equity share	
b)	Highest price paid by the Acquirers for acquisition including by way of allotment in public or rights issue, if any, for equity share of AVCL during the 6 months period preceding the date of the PA	Not Applicable	
c)	Other parameters with reference to the Target Company.	For the year ended March 31, 2007	For the period ended December 15, 2007
	Return on Net worth (%)	(0.10)	12.58*
	Book Value (Rs.)	11.38	12.55
	Earnings Per Share (Rs.)	(0.01)	1.58*
	Price / Earnings (PE) Ratio based on Offer Price**	NIL	8.86

*(Annualized)

(Source: Certified Accounts)

*** The Target Company is operating in the Industry category 'Textiles-Cotton/Blended' with an Industry PE of 22.3 [Source: 'Capital Market'* Vol. XXII/04, Dec 03-Dec 16, 2007*]. The industry PE is not strictly comparable as the Industry segment covered by the Capital Market consists of companies, which have varied and different businesses compared to AVCL and also vary widely in terms of financial parameters with AVCL.*

Mr. Vijay Agarwal (Membership No. 32174) of M/s. Agarwal Vijay & Associates, Chartered Accountants, having its address 503, Jolly Bhavan, No 1, New Marine Lines, Mumbai – 400 020, vide report dated December 24, 2007, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the fair value of the fully paid up Equity Shares of AVCL is Rs. 14/- per share.

7.1.4 The Offer Price of Rs. 14/- per share offered by Acquirers to the shareholders of AVCL under the proposed Open Offer is justified in terms of regulation 20(5) of the Regulations. The Offer Price for Partly paid up shares shall be the price reduced by the amount due upon the said shares. Details of Offer Price for Partly Paid up shares as per the regulation 20(10) of the Regulations is as under:

No. Of partly paid shares	Amount due per share Rs. (A)	Offer Price per fully paid share Rs. (B)	Amount payable per Partly paid share Rs. (B-A)
2,700	6.67	14	7.33
10,900	7.50	14	6.50

7.1.5 The Acquirers are 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 anytime during the Offer. If the Acquirers acquire Equity Shares of AVCL 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.

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

7.1.7 There is no non compete agreement between the Acquirers and Sellers.

7.2 Financial Arrangements

7.2.1 The total fund requirement or the maximum consideration for the Offer assuming full acceptance of the Offer would be Rs. 1,67,77,320/- (Rupees One Crore Sixty Seven Lakhs Seventy Seven Thousand Three Hundred and Twenty Only) i.e. consideration payable for acquisition of 11,98,380 fully paid-up Equity Shares of AVCL at Offer Price of Rs.14/- per equity share.

7.2.2 In accordance with the provisions of regulation 28 of the SEBI (SAST) Regulations, 1997, the Acquirers, have created an escrow account with HDFC Bank, Fort Branch, Maneckji Wadia Building, Ground Floor, N. M. Marg, Mumbai - 400 023 and deposited therein cash of Rs. 42,00,000/- (Rupees Fourty Two Lacs Only) being more than 25% of the maximum consideration payable under the Offer. In accordance with the SEBI (SAST) Regulations, 1997 the authority has been given to the Manager to the Offer to operate the escrow account.

7.2.3 Mr. Yogesh R Amal (Membership no: 111636) of M/s Ghalla & Bhansali, Chartered Accountants, 'Devansh' 2nd Floor, 133 D.S.P Road, Near Ranjit Studios, Dadar (E), Mumbai: 400 014, No:+91-22-2415 7000, Fax No:+91-22-2414 4900 vide certificate dated December 24, 2007; has certified that Acquirers have adequate personal resources to meet the financial requirements of the Open Offer.

7.2.4 The Acquirers have made firm financial arrangements for the consideration payable as per the Regulations for the acquisition of Equity Shares under the Offer. For this purpose, the Acquirers intend to utilize personal resources.

7.2.5 The Manager to the Offer has satisfied itself that the Acquirers have the ability to implement the Offer in accordance with the Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF 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) for the acquisition of Equity Shares by the Acquirers from non-resident persons under the Offer.

8.1.2 As at the date of Public Announcement, entire shareholding of the Promoters was under lock in till January 9, 2008. As on the date of this Letter of Offer, No Equity Shares of AVCL are in lock in.

8.1.3 The Acquirers confirms that, as of the date of this Letter of Offer, there are no other statutory approvals or approval from lenders required, for the acquisition of Equity Shares tendered pursuant to this Offer. The Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Offer. The Acquirers will not proceed with the Offer in the event that such statutory approvals that are required are refused in terms of regulation 27 of the Regulations.

8.1.4 In case of non receipt of any approval, SEBI may, if satisfied that non receipt of the requisite approvals was not due to any willful default or neglect of the Acquirers or failure of the Acquirers to diligently pursue the application for the approval, grant extension of time for the purpose, subject to the Acquirers agreeing to pay interest to the shareholders as directed by SEBI, in terms of regulation 22(12) of SEBI (SAST) Regulations, 1997. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulation 22(13) of the Regulations will also become applicable.

8.1.5 Other terms.

8.1.5.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance cum Acknowledgement (‘Form of Acceptance’), Form of Withdrawal and Transfer Deed (for shareholders holding Equity Shares in the physical form only) will be mailed to the shareholders of AVCL whose names appear on the register of members of AVCL and to the Beneficial Owners of the Equity Shares of AVCL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business on January 7, 2008, (the ‘Specified Date’).

8.1.5.2 All owners of Equity shares, registered or unregistered (except the Acquirers and Sellers), are eligible to participate in the Offer, at any time before the closure of the Offer, as per the procedure set out in Para 9 below. 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 is required from the unregistered owners. No Letter of Offer together with a Form of Acceptance-cum-Acknowledgement will be mailed to the Acquirers and parties of SPAs.

8.1.5.3 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. A copy of the Letter of Offer (including Form of Acceptance) is expected to be 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.

8.1.5.4 The Offer is not subject to any minimum level of acceptance.

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

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

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

8.1.5.8 Equity Shares tendered in the Offer by the shareholders of AVCL shall be free from lien, charges and encumbrances of any kind whatsoever.

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

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders who hold Equity Shares of AVCL in physical form and wish to tender their Equity Shares pursuant to the Offer will be required to submit the Form of Acceptance, original Share Certificate(s) and transfer deed(s) duly signed to the Registrars to the Offer at the following address, so as to reach on or before the closure of the Offer, i.e. May 12, 2008 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance. 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.

Name & Address of Collection Centres	Contact Person	Mode of Delivery	Tel. No.	Fax No.
Mumbai Mondkar Computers Pvt Limited 21,Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai: 400 093 Email : info@mondkarcomputers.com	Mr. Ram Jaiswar	Registered Post / Hand Delivery	022-2820 7201; 022-2836 6620	022-2820 7207
New Delhi Mondkar Computers Pvt.Ltd. C/o Beetal Consultant Gr.Floor, 99, Madangir B/H Local Shopping Centre (Pushp Vihar) Nr.Dada Harsukhdas Mandir New Delhi 110 062 Email :info@beetalfinancial.com	Mr. Ashok K Sundriyal	Hand Delivery	011-2996 2971; 011-2996 2972	011-2996 1284

All registered owners can send the Form of Acceptance duly completed and signed in accordance with the instructions contained therein to the Registrars to the Offer at any of the collection centres mentioned above, on or before the closure of the Offer, i.e. May 12, 2008. The documents can be tendered at the above centre between Monday to Friday from 10.30 am to 12.30 pm and 1.30 p.m. to 4.30 p.m. and on Saturdays from 10.00 am to 1.00 pm. The Centres will be closed on Sundays and any other Public holidays.

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

9.2.1 For Equity Shares held in physical form

Registered Shareholders should enclose

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

Unregistered owners should enclose

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original share certificate(s).
- Original broker contract note.
- Valid share transfer deed(s) as received from the market. The details of the buyer should be left blank failing which the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.
- All other requirements for valid transfer will be precondition for acceptance.

9.2.2 For Equity Shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.

- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the special depository account.

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-cum-Acknowledgement 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.

9.2.3 The Registrars to the Offer, Mondkar Computers Private Limited, has opened a special depository account with HDFC Bank Limited. Beneficial Owners and shareholders holding Equity Shares of AVCL in the dematerialised form, will be required to send their Form of Acceptance to the Registrars to the Offer, as mentioned in Para 9.1, on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instructions in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of 'MCPL Escrow A/c AVCL Open Offer' and filled in with the details given below:

DP Name	HDFC Bank Limited
DP ID Number	IN301151
Client ID Number	23414234
ISIN	INE355H01015
Market	Off- Market
Depository	National Securities Depository Ltd.

Forms of Acceptance of dematerialized Equity Shares not credited to the above special depository account on or before the closure of Offer are 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. Shareholders having their beneficiary account in Central Depository Services Limited ('CDSL') have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the special depository account with NSDL.

9.2.4 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).

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

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

9.5 In case of unregistered owners or shareholders who have not received the Letter of Offer, may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer. In the 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 the “Off-market” mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

The application should be signed by all the shareholders as per the registration details available with AVCL and should be sent to the Registrar to the Offer in an envelope clearly marked ‘A.V. COTTEX LTD. – Open Offer’.

Shareholders of AVCL who have sent their Equity Shares for transfer should submit, Form of Acceptance Cum Acknowledgement duly completed and signed, copy of the letter sent to AVCL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

9.6 Non-Resident shareholders should submit copy of the permission received from Reserve Bank of India for acquisition of the shares of AVCL. In case of its non-submission, Acquirers reserve their right to reject the shares tendered in the Offer.

9.7 In case of delay in receipt of statutory approvals, SEBI has the power to grant extension of time to Acquirers for payment of consideration to shareholders, subject to the Acquirers agreeing to pay interest for the delayed period, as directed by SEBI in terms of regulation 22(12) of the SEBI Takeover Code.

In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below so as to reach the Registrar to the Offer on or before May 6, 2008.

Kindly follow the detailed instructions given below with respect to withdrawal:

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with AVCL for shareholders in case of physical holdings/ with the Depository in case of electronic holdings so as to reach the Registrar to the Offer at the collection centre mentioned above on or before May 6, 2008. The signature of the beneficial holders on the Form of Withdrawal should be attested by the DP.

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

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

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

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

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

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

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

g) 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 AVCL.

h) 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.

i) Shareholders holding shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP accounts.

9.8 If the number of Equity Shares offered by the shareholders are more than the Offer Size of 11,98,380 shares, then the acquisition from each shareholder will be, in consultation with the Manager to the Offer, as per regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The Equity Shares of AVCL are compulsorily traded in dematerialised form and the minimum marketable lot for the purpose of acceptance, for both physical and demat will be one equity share.

Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement

It will be the responsibility of the equity shareholders to ensure that the unaccepted Equity Shares are accepted by their respective Depository Participants when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP accounts. Shareholders should ensure that their depository accounts are maintained till the offer formalities are completed.

9.9 The consideration to those shareholders whose Shares or share certificates and/or other documents are found complete, valid and in order will be paid by crossed account payee cheques/demand drafts. 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 Acquirers are required to deduct tax at 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.

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

9.10 The Registrars to the Offer will hold in trust the Equity Shares and share certificate(s), Equity Shares lying in credit of the special depository account, Form of Acceptance, and the transfer deed(s) on behalf of the shareholders of AVCL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted Equity Shares / share certificates are dispatched/ returned.

9.11 The Acquirers are permitted to revise the Offer Price of Equity Shares / No. of Equity Shares upwards. Such upward revision will be made in accordance with regulation 26 of the Regulations, not later than April 29, 2008, which is 7 (seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their Equity Shares at any time during the Offer Period to the extent that their Equity Shares have been verified and accepted by the Acquirers. The same would be informed by way of Public Announcement in the same newspapers where the original Public Announcement appeared.

9.12 The Acquirers and AVCL have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended or any other regulation made thereunder.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of AVCL 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 Share Purchase Agreements dated December 23, 2007 (SPA-1, SPA-2)

b) The Networth certificates of Mr. Sudhir Milapchand Naheta dated December 24, 2007 and January 29, 2008 issued by Mr. Yogesh R Amal (Membership No.:111636) partner of M/s. Ghalla and Bhansali, Mumbai (Chartered Accountants).

c) The Networth certificate of Ms. Rajkumari Sudhir Naheta dated December 24, 2007 and January 29, 2008 by Mr. Yogesh R Amal (Membership No: 111636) partner of M/s Ghalla and Bhansali, Mumbai (Chartered Accountants).

d) Certificate of Incorporation and Memorandum and Articles of Association of AVCL.

e) Annual Reports of AVCL for the financial years ended 2005, 2006, 2007 and certified accounts for the period ended December 15, 2007.

f) Copy of the letter issued by HDFC Bank, Mumbai confirming deposit of Rs. 42,00,000/- (Rupees Fourty Two Lakhs only) in terms of the Escrow requirements.

g) Copy of code of conduct dated December 24, 2007 between Collins Stewart Inga Private Limited, the Manager to the Offer and the Acquirers.

h) Copy of confirmation regarding opening of Special Depository Account in the name and Style of 'MCPL Escrow A/c AVCL Open Offer'.

i) Valuation certificates dated December 24, 2007 and January 21, 2008, for fair value of Equity Shares of AVCL by M/s. Agarwal Vijay and Associates, Chartered Accountants, Mumbai.

j) Undertaking from the Acquirers in respect of arrangement of funds dated February 19, 2008.

k) Copy of Public Announcement and Corrigendum to PA as published in the newspapers on December 28, 2007 and April 15, 2008.

l) Letter no: CFD/DCR/TO/SKM/121787/08 dated March 31, 2008 received from SEBI in terms of regulation 18(2) of the Takeover Code.

11 DECLARATION BY THE ACQUIRERS

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

(Sudhir Milapchand Naheta) **(Rajkumari Sudhir Naheta)**

Place: Mumbai

Date: April 15, 2008.

Encl:

1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal.
3. Transfer Deed.

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

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

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

OFFER OPENS ON	**April 23, 2008 (Wednesday)**
OFFER CLOSES ON	**May 12, 2008 (Monday)**

Name :

Full Address :

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

To

The Acquirers:
Mr. Sudhir Milapchand Naheta .
Ms. Rajkumari Sudhir Naheta.
C/o Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai - 400 093
Tel: +91-22- 2836 6620, Fax: +91-22- 2826 2920.

Dear Sir,

Sub. : Open Offer to acquire up to 11,98,380 Equity Shares of Rs.10/- each, representing 20.00 % Issued and Subscribed Equity capital (as defined in the Letter of Offer), of A.V. COTTEX LIMIITED ("AVCL"/"Target Company") by the Acquirers at a price of Rs. 14/- (Rupees Fourteen only) per fully paid up equity share and for Partly Paid up shares, Offer Price of Rs. 6.50 per share for 10,900 Equity Shares, Rs.2.50 paid-up each and Rs 7.33 per share for 2,700 Equity Shares of Rs.3.33 paid-up each in terms of regulation 20(10) of the Regulations (Offer Price).

I/We refer to the Letter of Offer dated April 15, 2008 for acquiring the Equity Shares held by me/us in **A.V. Cottex 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.

☐ **EQUITY 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 Equity 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 Equity Shares to the special depository account via

☐ A delivery instruction from my account with NSDL

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

DP Name	HDFC Bank Limited
DP ID Number	IN301151
Client ID Number	23414234
Beneficiary Account Name	MCPL Escrow A/c AVCL Open Offer
ISIN	INE355H01015
Market	Off- Market
Depository	National Securities Depository Ltd.

I/We note and understand that the Equity Shares would lie in the special depository account until the time the Acquirers dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

☐ **EQUITY 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 Equity Shares as detailed below.

Tear Here

A. V. COTTEX LIMITED - Open Offer
Acknowledgement Slip

Received from Mr. /Ms._ ____________________________ residing at ____ a Form of Acceptance cum Acknowledgement for ________________________ Equity Shares along with:

☐ Copy of depository instruction slip from DP ID ___________________ Client ID _____________________

☐ _______________ Share certificate(s) __________________ transfer deed(s) under folio number(s) ____________________

for accepting the Offer made by the Acquirers.

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

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

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

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 Acquirers dispatches the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

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 Equity Shares of **A.V. COTTEX LIMITED** hereby tendered in the Offer.

I/We confirm that the Equity Shares of **A.V. COTTEX 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 Acquirers to accept the Equity Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers to return to me/us, share certificate(s)/ Equity Shares in respect of which the Offer is not found valid/not accepted without specifying the reasons thereof.

I/We authorize the Acquirers 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

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:_______________________________

Bank Details

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Equity 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 Equity 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.

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

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

General Instructions

(1) **In case of Equity 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 Equity Shares in **A.V. COTTEX 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) **Non-resident shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire Equity Shares held by them in **A.V. COTTEX LIMITED**.

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

(5) **All the shareholders** should provide all relevant documents which are necessary to ensure transferability of the Equity 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 Equity Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 9 TITLED "PROCEDURES FOR ACCEPTANCE AND SETTLEMENT" ON PAGE 21 OF THIS LETTER OF OFFER.

— — — — — ✂ — — — — — — — — — — — Tear Here — — — — — — — — — —✂ — — — — — — —

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

Mondkar Computers Private Limited

(Unit: **A.V. COTTEX LIMITED**)

21, Shakil Niwas, Opp. Satya Saibaba Temple,

Mahakali Caves Road, Andheri (East), Mumbai - 400 093

Tel.: +91- 22-2836 6620. **Fax.:** +91 22- 2826 2920.

E-mail : info@mondkarcomputers.com.

Contact Person: Mr. Ram Jaiswar.

FORM OF WITHDRAWAL

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

OFFER OPENS ON	**April 23, 2008 (Wednesday)**
LAST DATE OF WITHDRAWAL	**May 6, 2008 (Tuesday)**
OFFER CLOSES ON	**May 12, 2008 (Monday)**

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

Name:

Full Address:

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

To
Acquirers.
Mr. Sudhir Milapchand Naheta .
Ms. Rajkumari Sudhir Naheta.
Mondkar Computers Private Limited
(Unit: **A.V. COTTEX LIMITED**)
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai - 400 093
Email :info@mondkarcomputers.com
Tel.: +91- 22-2836 6620. Fax.: +91 22- 2826 2920.

Dear Sir,

Sub. : Open Offer to acquire up to 11,98,380 Equity Shares of Rs.10/- each, representing 20.00 % Issued and Subscribed Equity capital (as defined in the Letter of Offer), of A.V. COTTEX LIMIITED ("AVCL"/"Target Company") by the Acquirers at a price of Rs. 14/- (Rupees Fourteen only) per fully paid up equity share and for Partly Paid up shares, Offer Price of Rs. 6.50 per share for 10,900 Equity Shares, Rs.2.50 paid-up each and Rs 7.33 per share for 2,700 Equity Shares, Rs.3.33/- paid-up each in terms of regulation 20(10) of the Regulations (Offer Price).

I/We refer to the Letter of Offer dated April 15, 2008 for acquiring the Equity Shares held by me/us in **A.V. COTTEX 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 Acquirers 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 Acquirers / 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. **May 6, 2008 (Tuesday).**

I / We note the Acquirers / 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 Acquirers 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
			From	To	
1.					
2.					
3.					
4.					
5.					
Total number of Equity Shares					

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

Tear Here

A. V. COTTEX LIMITED - Open Offer
Acknowledgement Slip

Received from Mr. /Ms. _ ____________________________ residing at ____ a Form of Withdrawal for ________________________ shares along with a copy of:

- ☐ Depository instruction slip from DP ID ___________________ Client ID _____________________
- ☐ Acknowledgement slip issued when depositing dematerialized shares
- ☐ Acknowledgement slip issued when depositing physical shares for withdrawing from the Offer made by the Acquirers

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

I / We hold the following shares in dematerialized form and had executed an off-market transaction for crediting the shares to the 'MCPL Escrow A/c AVCL 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 ACQUIRERS 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 A.V. Cottex 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 9 TITLED "PROCEDURES FOR ACCEPTANCE AND SETTLEMENT" ON PAGE 21 OF THIS LETTER OF OFFER.

— — — — — ✂ — — — — — — — — — — — Tear Here — — — — — — — — — ✂ — — — — — — — —

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

Mondkar Computers Private Limited

(Unit: **A.V. COTTEX LIMITED**)

21, Shakil Niwas, Opp. Satya Saibaba Temple,

Mahakali Caves Road, Andheri (East), Mumbai - 400 093

Tel.: +91- 22-2836 6620. **Fax.:** +91 22- 2826 2920.

E-mail : info@mondkarcomputers.com.

Contact Person: Mr. Ram Jaiswar.