PUBLIC ANNOUNCEMENT
FOR THE ATTENTION OF THE SHAREHOLDERS OF
A. V. COTTEX LIMITED ('THE TARGET COMPANY' OR 'AVCL')
(Formerly Dewan Industries Limited)
Regd. Office: P-10, Green Park (Ext), New Delhi: 110 016.

This Public Announcement ('PA') is being issued by Collins Stewart Inga Private Limited ('CSIN' or the 'Manager to the Offer') for and on behalf of Mr. Sudhir Milapchand Naheta and Ms. Rajkumari Sudhir Naheta (hereinafter jointly and severally referred to as 'the Acquirers') pursuant to regulation 10 and 12, in compliance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ('Regulations').

1. **Background of the Offer**

1.1 This offer is being made by Mr. Sudhir Milapchand Naheta and Ms. Rajkumari Sudhir Naheta both residing at 5, Arun Building, Narayan Dabholkar Road, Mumbai: 400 006, (Tel. No. : +91-22-2361 3399; Fax No. +91-22-2387 2414) to the equity shareholders of AVCL. There are no Persons Acting in Concert with the Acquirers.

1.2 The Acquires 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 (Forty One Lakhs Sixty Nine Thousand Nine Hundred Twenty Five Only) ('Transaction Shares') equity shares of Rs. 10/- each, representing 69.59% of the issued and subscribed capital of the Target Company in the manner specified in Clause 1.3.1 of this Public Announcement, 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).

1.3 The salient features of the SPAs are:

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

(A) Details of Transaction shares are as under:

S. No	Names of the Sellers	No. of Equity Shares	% of isssue and Subscribed Capital
	Promoter Sellers (SPA-1)		
1.	Mr. Ashwani Dewan	5,87,800	9.81
2.	Mrs. Sunita Dewan	3,18,625	5.32
3.	Mr. Anuj Dewan	2,83,800	4.74
4.	ADB Trade Services Pvt. Ltd.	4,65,600	7.77
5.	Competent Surveyors Pvt. Ltd.	5,05,600	8.44
6.	Conchem Construction Pvt. Ltd.	4,89,600	8.17
7.	Lee Hotels Pvt. Ltd.	4,50,200	7.51
8.	Jas Expoship (P) Ltd.	5,23,900	8.74
	Total I	**36,25,125**	**60.50**
	Other Seller (SPA-2)		
1.	Watta Finance and Investment Company (P) Ltd.	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:

S. No	Names of the Acquirers	No. of Equity Shares	% of isssue and Subscribed 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**

1.3.2 The sale of Transaction Shares is subject to the Acquirers complying with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation 1997 and amendments made thereto.

1.3.3 Upon completion of 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. Upon such change in control, the Acquirers shall have the right to appoint their nominees including the independent directors on the Board of Directors of the Target Company

2. **The Offer**

2.1 Pursuant to the above-mentioned SPAs, the Acquirers are making an Open Offer to the remaining shareholders (other than the Acquirers and Sellers) of AVCL to acquire upto 11,98,380 equity shares of Rs.10/- each representing 20% of the issued and subscribed capital of the Target Company, at a price of Rs. 14/- per fully paid-up equity share (the 'Offer price') payable in cash. (The 'Offer' or 'Open Offer').

2.2 There are 13,600 equity shares on which calls are in arrears in the Target Company as on the date of PA. In terms of provisions of regulation 20(10) of the Regulations the Offer Price of Rs. 14/- per equity share payable, shall be reduced by the amount due on the said partly paid shares. Interest amount due on calls unpaid has been waived off by the Board of Directors of the Target Company in their meeting held on January 13, 1996 pursuant to authority in the Articles of Association. The details of which are as under:

No. of shares	Amount paid per share (Rs.)	Amount due per share (Rs.)	Total Amount due (Rs.)
2700	3.33	6.67	18000
10900	2.50	7.50	81750
13600		**Total**	**99750**

2.3 The Offer to the shareholders of AVCL is hereby made in accordance with regulations 10 and 12 of the Regulations, on account of substantial acquisition of equity shares and proposed change in control of the Target Company as a consequence of the SPAs referred to in paragraph 1.2 above

2.4 The equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirers only. For this purpose the Acquirers intend to use their personal resources. There is no Persons Acting in Concert with the Acquirers.

2.5 The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of AVCL.

2.6 Irrespective of the outcome of the SPAs, the Acquirers would complete the Offer formalities under the Regulations.

2.7 This is not a Competitive Bid.

2.8 In terms of regulation 21(5) of the Regulations, for the purpose of computing the percentage referred to in para 2.1 above, the voting rights as at the expiration of 15 days after the closure of the public offer shall be reckoned.

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

2.10 As on the date of this Public Announcement, the Acquirers do not hold any equity shares of AVCL. The Acquirers have not acquired any equity shares of AVCL during the 12 months period preceding the date of this Public Announcement.

2.11 The Manager to the Offer does not hold any equity shares in the Target Company as on the date of this PA.

2.12 The Acquirers are permitted to revise the Offer upward upto seven working days prior to the date of closure of the Offer i.e. March 5, 2008. 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 upto 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.

3. **The Offer Price.**

3.1 The equity shares of AVCL are currently listed on Bombay Stock Exchange Limited ('BSE'), Delhi Stock Exchange Association Limited ('DSE') and Jaipur Stock Exchange Limited ('JSE').

3.2 The annualised trading turnover during the preceding six calendar months ended 30th November 2007 in each of the Stock Exchanges where the shares are listed is as follows:

Name of the Stock Exchange	Total number of Shares traded during June 2007 to 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:BSE website)

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.

3.3 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

(Source: Certified Audited Accounts) * Annualised

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 value of the fully paid up equity shares of AVCL is Rs. 14/- per share.

3.4 There is no non-compete agreement between the Acquirers and the Target Company or any other entity as envisaged under regulation 20(8) of the Regulations. No additional payment is being made by the Acquirers as non-compete fees.

3.5 In view of the above, the Offer Price of Rs. 14/- per share offered by the Acquirers to the shareholders of AVCL under the proposed Open Offer is justified in terms of regulations 20(5) of the Regulations.

3.6 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.

3.7 The Promoter Sellers have not complied with any of the provisions of the SEBI Takeover Code in respect of the acquisitions made by them during the Financial Year 2006-07.

The details of acquisition made by the promoters which triggered the open offer are listed below:

Promoter	Period of Acquisition	No. of shares	% 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 (P) 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%

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

4. **Information about the Acquirers**

The Acquirers are resident of Mumbai, which are 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: +91-22-2415 7000, Fax No: +91-22-2414 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: +91-22-2415 7000, Fax No: +91-22-2414 4900.

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

5. **Information about the Target Company / 'AVCL'**

5.1 A.V. COTTEX LIMITED was incorporated on 7th November, 1994 as a Public Limited Company in the name of Dewan Industries Limited. Members of the company accorded approval by passing of resolution in the extra ordinary general meeting held on November 22, 1995 for change of name from Dewan Industries Limited to A.V. Cottex Limited. Fresh Certificate of incorporation consequent on change of name was issued by Registrar of Companies of NCT of Delhi and Haryana on 12th January 1996. The Certificate of Commencement of business was issued on 21st November 1994 by Registrar of Companies of NCT of Delhi and Haryana. 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.

5.2 AVCL is presently engaged in the business of manufacture, buy and sell of Cotton Yarn, Wool, Silk and other synthetics. The issued, and subscribed capital of AVCL as on the date of this public announcement 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 13,600 partly paid up shares of the Target Company as at the date of this public announcement. The partly paid share does not carry any voting rights.

5.3 There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. Entire promoter shareholding of 36,25,125 equity shares of face value of Rs.10/- is under lock in till 09th January 2008.

5.4 The shares of the Target Company currently are listed on the Bombay Stock Exchange Limited, Delhi Stock Exchange Association Limited and Jaipur Stock Exchange Limited.

5.5 There has been no merger, de-merger and spin off in the last three years in the Target Company.

5.6 The financial highlights of the Target Company are given below:

(Rs. Lakhs)

Particulars	Amount	
	Period Ended 15-Dec-2007	Year Ended 31-Mar-2007
Type	Certified by Auditors	Audited
Total Income	1162.31	2177.32
Profit After tax	67.16	(0.68)
Paid-up equity capital	598.19	595.35
Reserves (excl Revaluation Reserves)	153.50	86.34
Earning Per Share (Rs. per share)	1.58*	(0.01)
Return on Networth (%)	12.58*	(0.10)
Book value (Rs. per share)	12.55	11.38

**Annualized*

(Source: Annual Reports and Certified financial statements by Statutory Auditors)

6. **Reasons for the Acquisition and future plans**

6.1 The Offer to the shareholders of AVCL, as explained in paragraph 2.1 above, is made pursuant to regulations 10 and 12 of the Regulations for substantial acquisition of equity shares accompanied with change of control / management of AVCL.

6.2 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.

6.3 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.

6.4 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.

7. **Statutory Approvals and Other Approvals for the Offer**

7.1 To the best knowledge and belief of the Acquirers, as on the date of this PA there are no other statutory approvals or approvals from the lenders required, for the acquisition of equity shares tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals.

7.2 In case of delay in receipt of any approval, SEBI has the power to grant an extension of time to the Acquirers for payment of consideration to the Shareholders under the Offer provided that the Acquirers agrees to pay interest in accordance with regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, regulations 22(13) of the Regulations will also become applicable.

8. **Disclosure in terms of regulation 21(2) of the Regulations**

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.

9. **Financial Arrangement for the Offer**

9.1 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.

9.2 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 equity shares of AVCL at Offer Price of Rs. 14/- per equity share.

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

9.4 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.

10. **OTHER TERMS OF THE OFFER**

10.1 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) 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 07, 2008 (the 'Specified Date'). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the open offer in any manner whatsoever. A copy of the Letter of Offer (including Form of Acceptance) will 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.

10.2 All owners of equity shares, except for the parties to the SPAs, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

10.3 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 Registrar to the Offer viz; 'M/s. Mondkar Computers Pvt. Ltd.' to the Offer at the following address, so as to reach on or before the closure of the Offer, i.e. March 5, 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 Centre	Contact Person	Mode of Delivery	Tel. No.	Fax No.
MUMBAI Mondkar Computers Pvt. Ltd. 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	022-28207201; 022-28366620	022-28207207
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	011-29962971; 011-29962972	011-29961284

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 the collection centres mentioned above, on or before the closure of the Offer, i.e. March 5, 2008. The documents can be tendered at the above centres 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.

10.4 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 paragraph 10.3, 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.

10.5 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, or 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.

10.6 Shareholders of AVCL who have sent their equity shares for transfer should submit Form of Acceptance 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.

10.7 In case the number of shares tendered for sale by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirers shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot.

10.8 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.

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

10.10 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.

10.11 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 on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.

10.12 A schedule of some of the key events in respect of the Offer is given below:

Activity	Date	Day
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	January 7, 2008	Monday
Last date for a Competitive Bid	January 17, 2008	Thursday
Last Date by which Letter of Offer will be posted to shareholders	February 02, 2008	Saturday
Date of Opening of the Offer	February 15, 2008	Friday
Last date for revising the Offer Price / Offer size	February 22, 2008	Friday
Last date of withdrawal of tendered application by the shareholders of AVCL	February 28, 2008	Thursday
Date of Closing of Offer	March 05, 2008	Wednesday
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired equity shares and/or the unaccepted equity shares / Share Certificate(s) will be dispatched / credited	March 19, 2008	Wednesday

11. **General**

11.1 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 at the collection centres mentioned above as per the mode of delivery indicated therein on or before February 28, 2008.

The withdrawal option can be exercised on submitting the form of withdrawal (which will be sent to Shareholders along with the Letter of Offer) and the copy of the acknowledgement received from the Registrar to the Offer while tendering the acceptance together with:

a) In respect of physical shares: name, address, distinctive numbers, folio number, number of shares tendered and number of shares to be withdrawn.

b) In respect of dematerialized shares: name, address, number of shares tendered, number of shares withdrawn, DP name, DP ID, beneficiary account number, photocopy of the delivery instruction in 'Off Market' mode duly acknowledged by DP.

In case of non-receipt of the form of withdrawal the above application can be made on a plain paper.

11.2 The Acquirers are permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than February 22, 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 shares have been verified and accepted by the Acquirers. The same would be informed by way of Public Announcement in the same newspapers where this Public Announcement appears.

11.3 If there is a competitive bid:

a. The public offer under all the subsisting bids shall close on the same date.

b. As the Offer Price cannot be revised during the seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final offer price of each bid and tender their acceptances accordingly.

11.4 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 (the 'SEBI Act') or any other regulation made under the SEBI Act.

11.5 Pursuant to regulation 13 of the Regulations, the Acquirers have appointed Collins Stewart Inga Private Limited, Mumbai as Manager to the Offer and Mondkar Computers Private Limited, Mumbai as Registrars to the Offer.

11.6 Please note that some financial data contained in this Public Announcement have been rounded off to the nearest lakhs except where stated otherwise.

11.7 For further details please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

11.8 Acquirers accept full responsibility for the information contained in this Public Announcement (except that which pertains to the Target Company and has been compiled from publicly available sources) and also for the obligations of the Acquirers as laid down in the Regulations.

Eligible persons to the Offer may also download a copy of this Public Announcement from SEBI's website at www.sebi.gov.in.

Eligible persons to the Offer may also download a copy of Letter of Offer, Form of Acceptance and the Form of Withdrawal which will be available on SEBI's website at www.sebi.gov.in from the date of Opening of the Offer, i.e. February 15, 2008 and can apply on the same.

THIS PUBLIC ANNOUNCEMENT IS ISSUED ON BEHALF OF THE ACQUIRERS BY THE MANAGER TO OFFER

Mr. Sudhir Milapchand Naheta and Ms. Rajkumari Sudhir Naheta

Address: 5, Arun Building, Narayan Dabholkar Road, Mumbai: 400 006.

REGISTRAR TO THE OFFER:

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- 22-2820 7201 / 28366620
Fax.: +91- 22-2820 7207.
Email : info@mondkarcomputers.com
Contact Person : Mr. Ram Jaiswar.

ISSUED BY MANAGER TO OFFER

Collins Stewart Inga

Collins Stewart Inga Private Limited
A- 404, Neelam Centre, Hind Cycle Road, Worli, Mumbai 400 030
Tel.: (+91 22) 24982919 / 24982927; Fax.: (+91 22) 24982956
Email: avclopenoffer@csin.co.in
Contact Person: Mr. Mihir Pandhi / Mr. Nishant Upadhyay

Date : December 28, 2007
Place : Mumbai

CONCEPT

Size: 50x33sq. cm