LETTER OF OFFER

This Document is Important and requires your Immediate Attention

This Letter of Offer is sent to you as Shareholder(s) of **M/s. Chamatkar.net (India) Limited (CNL)** if you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Merchant Banker or Registrar to the offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and 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.

a)	Name & Address of the Acquirers	**M/s Shreenath Finstock Pvt. Ltd** A/120, Gokul Arcade, Opp. Garware House, Sahar Road, Vile Parle (East), Mumbai- 400 057 Tel. No.: 28220323 Fax No: 28242220 **Mr. Kishor P Ostwal** F/201, Aditya Apts, Old Nagardas Road, Andheri (E) Mumbai- 400 069 Tel No.: 28383889 Fax No: 28242220 **Mrs. Sangita K Ostwal** F/201, Aditya Apts, Old Nagardas Road, Andheri (E) Mumbai- 400 069 Tel No.: 28383889 Fax No: 28242220 **M/s K P Ostwal (HUF)** F-201, Aditya Appts. Old Nagardas Road, Andheri (East), Mumbai- 400 069 Tel. No.. 022-30963411 / 28383889
b)	Name & Address of the PAC	**M/s Neil Information Technology Limited (NITL)** A/ 120, Gokul Arcade Sahar Road, Vile Parle (E) Mumbai 400 057 Tel No.: 022 8220323 Fax No.: 022 8383889
c)	Name & Address of the registered office of the Target Company.	**M/s. Chamatkar.net (India) Limited** A/120, Gokul Arcade, Sahar Road, Vile Parle (East), Mumbai- 400 057 Tel No. (022) 28220323 / 28383889 Fax. No. (022) 28242220
d)	Number and Percentage of Equity Shares of the Target Company proposed to be Acquired by the Acquirers and PAC's through the open offer.	2,72,020 Equity Shares being 20% of the Equity Share Capital from existing shareholders.
e)	Offer Price & Mode of Payment.	Rs. 12.00 for each fully paid up Equity share payable in cash by cheque / demand draft.
f)	This Letter of Offer is voluntarily made under Regulation 11(1) of the SEBI (SAST) Regulations 1997, and in compliance with the letter received from BSE pursuant to the preferential allotment of equity shares to the acquirers and PAC's .	

g)	No statutory compliances are required to implement the offer except those under SEBI (SAST) Regulations, 1997.
h)	The offer is not conditional.
i)	"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 the closure of the offer" i.e.: 28-05-2005 by filling the withdrawal form attached herewith. The withdrawal form is also available on the SEBI website (www.sebi.gov.in).
j)	Upward revision of offer, if any, would be informed by way of P.A. on or before 18-05-2005 in respect of such changes in all the newspapers in which the original public announcement was made. The Acquirers shall pay the revised price for all the shares tendered any time during the offer.
k)	**There was no competitive bid.**
l)	The Copy of Public Announcement and Letter of Offer (including Form of Acceptance cum acknowledgement) are also available on the SEBI website (www.sebi.gov.in).
m)	Risk Factors: **A. In relation to the transaction:** In the event that either a regulatory approval is not received in a timely manner or if SEBI instructs the Acquirers and PAC's not to proceed with the offer, then the offer process may be delayed beyond the schedule of activities indicated in this letter of offer. Consequently, the payment of consideration to the shareholders whose shares have been accepted in the offer as well as the return of shares not accepted by the acquirers shall be delayed. **B. In relation to the Proposed Offer:** In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers and PAC's, the Acquirers and PAC's shall accept all valid applications received from the shareholders of the company on a Proportionate basis, in consultation with the Merchant banker, 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.

Manager To The Offer	**Registrar to the Offer**
Aryaman Financial Services Limited, 208, Maker Chamber V, 2nd Floor, Nariman Point, Mumbai – 400 021. Tel: (022) 22845716/22826464 Fax: 22883134 Email: afsl@vsnl.com Contact Person: Ms. Manisha	**Mondkar Computers Private Limited** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai-400 093 Tel: 022-28257641/ 28366620 Telefax: 022-28211996 Email: mcplrt@bom7.vsnl.net.in Contact Person: Mr. Ravi Utekar

SCHEDULE OF ACTIVITIES:

ACTIVITY	DATE	DAY
Public Announcement	March 17, 2005	Thursday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	March 28, 2005	Monday
Last date for a Competitive Bid	April 07, 2005	Thursday
Date by which Letter of Offer to be posted to the shareholders.	April 30, 2005	Saturday
Date of Opening of the Offer	May 09, 2005	Monday
Last date for revising the offer price/ Number of shares	May 18, 2005	Friday
Last date for withdrawal of acceptance by the shareholders	May 24, 2005	Tuesday
Date of Closure of the Offer.	May 28, 2005	Saturday
Date of communicating the rejection /acceptance and payment of consideration for the acquired shares.	June 11, 2005	Saturday

1. INDEX

DEFINITIONS

The following definitions apply throughout this document, unless the context requires otherwise:-

ACQUIRERS	M/s Shreenath Finstock Pvt. Ltd., Mr. Kishor P. Ostwal, Mrs. Sangita K. Ostwal M/s K P Ostwal (HUF)
PAC's	Person acting in concert
NITL	Neil Information Technology Limited
SFPL	Shreenath Finstock Pvt. Ltd.
TARGET COMPANY / CNL	M/s. Chamatkar.net (India) Limited.
FORM OF ACCEPTANCE	The form of application cum acknowledgement and authority, which is enclosed with this Letter of Offer.
LOO	This Letter of Offer.
PUBLIC ANNOUNCEMENT (PA)	Announcement of the offer issued in newspapers on 17-03-2005
TAKEOVER REGULATIONS	Securities And Exchange Board Of India (Substantial Acquisition of Shares & Takeover) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities And Exchange Board Of India
OFFER PRICE	Rs. 12/- (Rupees Twelve only) per share for each fully paid-up equity shares payable in cash by cheque / demand draft
MANAGER TO THE OFFER	Aryaman Financial Services Limited.
REGISTRAR TO THE OFFER	Mondkar Computers Pvt. Ltd.
BSE	The Stock Exchange, Mumbai
PERSONS ELIGIBLE TO PARTICIPATE	All shareholders of CNL registered and unregistered, who own the shares at any time prior to the closure of the offer, except the Acquirers and PAC's.

2. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF **CHAMATKAR.NET (INDIA) LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR 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 ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER M/S. ARYAMAN FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 30, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND PAC's 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

1. CNL had acquired the business of Neil Information Technology Limited (NITL) for a consideration of Rs. 1,77,60,800/-. In lieu of consideration payable to NITL an agreement dated 04.06.2003 was entered into with NITL, wherein it was decided to pay consideration in form of 6,60,980 6% Redeemable Non-cumulative Preference Shares of Rs.10/- each to NITL and 11,15,100 Equity Shares directly to the shareholders of NITL on preferential basis in proportion of one Equity Shares of Rs.10/- each of the Company for every two Equity Shares of Rs.5/- each of NITL. The Board of Directors of CNL had pursuant to a Special Resolution passed by the members of the Company in their Extra-Ordinary General Meeting held on July 01, 2003 allotted the share as per the agreement dated 04.06.2003

2. As per the terms of the Agreement entered into with NITL, an application was filed with The Stock Exchange, Mumbai, for listing of 11,15,100 Equity Shares issued on preferential basis. The said Exchange vide its letter no: List/sg/rk/sum/2003 dated 2nd August, 2003 asked the Company to approach SEBI for its no objection/relaxation for not making disclosure as per Clause 13.1A of the SEBI (Disclosure and Investor Protection) Guidelines, 2000. Subsequently, the Board of Directors in its meeting held on 16th August, 2003 thought it prudent to approach the members for passing a Special Resolution u/s 81(1A) of the Companies Act, 1956 for ratification and therefore another resolution was passed by the members in the EGM held on 16.09.03 as required under the SEBI (DIP) Guidelines. The company has complied with all the relevant provisions of DIP Guidelines with regard to the Preferential allotment.

3. Pursuant to the resolution dated July 01, 2003, the acquirers had been allotted a total of 344550 equity shares of Rs.10/- each at Rs. 10/- per share on July 7, 2003 constituting 25.34% of the enhanced paid up equity share capital of the target company. The price of Rs. 10/- per share has been arrived at in terms of the Guidelines for preferential Allotment prescribed by SEBI. The said equity shares are subject to lock-in as per the aforementioned Guidelines.

4. The listing of 11,15,100 equity shares allotted to the shareholders of NITL on preferential allotment basis is pending before The Stock Exchange, Mumbai since August, 2003 due to non fulfillment of the SEBI (SAST) Regulations pursuant to the preferential allotment as per BSE letter.

5. Subsequent to the date of public announcement, NITL has been included as one of the PACs to the offer due to the fact that the acquirers Mr. K. P. Ostwal and Mrs. Sangeeta Ostwal are the promoter directors of NITL and presently NITL has control over the target company. Prior to the preferential allotment, the holding of NITL in the total issued capital was 40% which came down to 7.21% post allotment. But since the additional shares were allotted to the promoters of NITL and Shreenath Finstock Private Limited (a group company) the aggregate holding of the promoter group post preferential allotment became 33.25%. Effectively, the promoter's holding has fallen down from 40% to 33.25%.

6. In light of the same the present offer is a voluntary offer under Regulation 11(1) of the SEBI (SAST) Regulations.

7. This Voluntary public offer is also made in compliance with the letter received from BSE asking the acquirers to make an open offer pursuant to allotment of shares to the acquirers on preferential allotment basis. In view of this, the Acquirers and PAC's are now making an open offer under Regulation 11(1) of the SEBI SAST Regulations to the public shareholders of CNL to acquire up to 2,72,020 equity shares of Rs. 10/- each forming 20% of the post preferential issue equity share capital of the company at a price of Rs. 12/- per share ("Offer Price") for cash. Out of the 2,72,020 equity shares to be acquired by the acquirers 1,31,770 shares are unlisted as on the date of this Letter of offer.

8. The proposed change in control is not through any arrangement.

9. Based on the information available from the Acquirers / PAC's and the Target Company, neither the Acquirers / PAC's or the Target Company or the Sellers have been prohibited by SEBI from dealing in securities in terms of the direction issued u/s 11B of SEBI Act or under any of the regulation made under the SEBI Act.

10. The Acquirers Mr. Kishor P. Ostwal and Mrs. Sangita K. Ostwal, holding directorship in M/s Shreenath Finstock Pvt. Ltd., and M/s Neil Information Technology Limited are also directors on the board of M/s Chamatkar.net (India) Ltd (target company) appointed at the board meeting held on 6th August, 2002. The Composition of the Board of Directors in CNL Post-acquisition and Offer shall be determined on completion of all formalities relating to the Offer.

11. Prior to the preferential allotment, the Acquirers did not hold any shares in the Target Company.

12. As on date, the manager to the offer, Aryaman Financial Services Limited, does not hold any shares in the target company.

3.2 DETAILS OF THE PROPOSED OFFER

1. The public announcement was made by the Acquirers on 17-03-2005 in compliance with Regulation 15 of the Takeover Regulations in all the editions of Financial Express (English Daily), Jansatta (Hindi Daily) and Punyanagari (Marathi Regional daily). The Public Announcement is also available on the SEBI website at www.sebi.gov.in

2. The offer to the public shareholders of CNL is to acquire further 2,72,020 equity shares representing 20% of the equity share capital of CNL at a price of Rs. 12/- per share. The payment to the shareholders whose shares have been accepted shall be in cash and will be paid by cheque / demand draft.

3. The Acquirers and PAC's have not acquired any shares of the target company after the date of P.A. and upto the date of this LOO.

4. The offer is not subject to any minimum level of acceptance and is not a conditional offer. The Acquirers and PAC's will acquire all the equity shares of CNL that are tendered in valid form in accordance with the terms and conditions set out herein and in the Letter of Offer to be sent to the shareholders.

3.3 OBJECT OF THE ACQUISITION / OFFER

CNL had acquired the business from NITL for a consideration of Rs. 1,77,60,800/-. In lieu of consideration payable to NITL an agreement dated 04.06.2003 was entered into with NITL, wherein it was decided to pay consideration in form of 6,60,980 6% Redeemable Non-cumulative Preference Shares of Rs.10/- each to NITL and 11,15,100 Equity Shares directly to the shareholders of NITL on preferential basis in proportion of one Equity Shares of Rs.10/- each of the Company for every two Equity Shares of Rs.5/- each of NITL. The Board of Directors of CNL had pursuant to a Special Resolution passed by the members of the Company in their Extra-Ordinary General Meeting held on July 01, 2003 allotted the share as per the agreement dated 04.06.2003

Pursuant to the resolution the acquirers had been allotted 344550 equity shares of Rs.10/- each at Rs. 10/- per share constituting 25.34% of the enhanced paid up equity share capital of the target company.

This voluntary public offer is being made in compliance with the letter received from BSE asking the acquirers to make an open offer pursuant to allotment of shares to the acquirers on preferential allotment basis. This Voluntary public offer is being made in compliance with the letter received from BSE asking the acquirers to make an open offer pursuant to allotment of shares to the acquirers on preferential allotment basis. In view of this, the Acquirers and PAC's are now making an open offer under Regulation 11(1) of the SEBI SAST Regulations to the public shareholders of CNL

The Acquirers and PAC's do not have any intention to dispose of or otherwise encumber any assets of the Target Company in the next two years from the date of closure of the offer, except in the ordinary course of business with the prior approval of the shareholders.

4. BACKGROUND OF THE ACQUIRERS AND PAC's

4.1 Information about the Acquirers

1. The Acquirers – Mr. Kishor Ostwal and Mrs. Sangita Ostwal are related to the extent that they are husband and wife and they both are directors in NITL, SFPL and CNL

2. The net worth of all the Acquirers and PAC's have been certified by Arun S. Jain & Co, Chartered Accountants (membership no. 43161 of Mr. Arun S. Jain), having their office at Mezzanine floor, Kothari mansion, 357 S.V.P Road, Prathana Samaj, Mumbai – 400 004, Telephone No. : 022 2387 7431 vide their certificates dated 04.03.2005, 09.03.2005 and 25.04.2005.

3. The Acquirers and PAC's have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the Regulation made under the SEBI Act.

4. There has been no agreement between the Acquirers and PAC's as regards the shares to be acquired under the open offer.

4.2 M/S. SHREENATH FINSTOCK PVT. LTD (SFPL)

1. Shreenath Finstock Private Limited is a Private Limited Company incorporated on 28.12.94 under the name of Shreenath Finstock Pvt. Ltd. The registered office of the company is presently situated at A/120, Gokul Arcade, Sahar Road, Vile Parle (East), Mumbai- 400 057) Tel. No.: 28220323 Fax No: 28242220

2. The Company was promoted by Mr. Bharat H Parajia and Mr Kishor P Ostwal, who were also the first directors of the company . The company is presently engaged in the business of financial consultants, advisors and undertakes trading in shares and securities. The present directors of SFPL are Mr. Kishor P Ostwal and Mrs. Sangita K Ostwal.

3. The Authorised Share Capital of the company as on 31.03.04 is Rs. 5.00 lacs, divided into 50,000 equity shares of Rs.10/- each. The issued and subscribed capital of the company is Rs. 4.45 lakhs divided into 44450 equity shares of Rs. 10/- each fully paid up and There are no calls in arrears and no partly paid up shares in the company. The equity shares of the company are not listed on any stock exchange.

4. The total income of the Company as on 31.03.2004 was Rs. 12.25 Lacs with a net loss of Rs. (2.81) lacs. The net worth of the company was Rs. 40.56 lacs. The book value per share as on 30.03.2004 was Rs 23.05, the earning per share was Rs. (1.61) and return on net worth was nil

5. **Share holding pattern:**

Sr. No.	Shareholders Category	No. of shares held	% of share capital
1.	Promoter Group	44,450	100.00
2.	FII/Mutual Funds/Fis/Banks	--	--
3.	Public	--	--
	Total Paid Up Capital	**44,450**	**100.00**

6. **Board Of Directors**

The composition of Board of Directors as on the date of Public Announcement is as follows:

Name	Residential Address	Experience	Qualifications	Date of Appointment
Mr. Kishor Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	He is a FCA and has to his credit varied, extensive knowledge, and practical experience of over 15 years in administration and general management. He is an outstanding expert in taxation and in the field of Finance and Corporate Laws.	F.C.A.	28.12.94
Mrs. Sangita Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	She has over 5 years of experience in the Software industry and her specialization is in designing, programming and various internet related activities.	B.Com.	01.03.96

As on date, both the directors are on the board of the Target company.

7. FINANCIAL HIGHLIGHTS:

(i) *Profit & Loss Statement :-*

(Rs. in Lacs)

PARTICULARS	**For The Period Ended 31/12/04 (Certified)**	**Year Ended 31/03/2004 (Audited)**	**Year Ended 31/03/2003 (Audited)**	**Year Ended 31/03/2002 (Audited)**
Income from Operations	15.09	11.60	2.22	2.62
Other Income	0.81	0.65	0.01	6.16
Total Income	15.90	12.25	2.23	8.78
Total Expenditure	17.12	15.06	4.22	2.99
PBIDT	13.05	10.38	1.10	6.90
Depreciation	0.00	0.00	0.00	0.76
Interest	0.00	0.00	0.00	0.00
Profit Before Tax	0.25	(2.81)	(1.99)	5.79
Provision for Tax	0.00	0.00	0.00	0.00
Profit After Tax	0.25	(2.81)	(1.99)	5.79

(ii) *Balance Sheet Statement :*

(Rs. in Lacs)

PARTICULARS	**For The Period Ended 31/12/04 (Certified)**	**Year Ended 31/03/2004 (Audited)**	**Year Ended 31/03/2003 (Audited)**	**Year Ended 31/03/2002 (Audited)**
Sources of Funds:-				
Paid up Share Capital	17.48	17.48	17.48	26.00
Reserves & Surplus (excluding revaluation reserves)	23.08	22.83	25.64	6.11
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loan	42.50	42.50	11.10	6.56
TOTAL	**83.06**	**82.81**	**54.22**	**38.66**
Uses of Funds:-				
Net Fixed Assets	0.00	0.00	0.00	1.63
Investments	19.60	19.60	20.36	30.85
Net Current Assets	63.46	63.20	33.84	6.15
Total Miscellaneous Expenditure Not Written Off	0.00	0.01	0.02	0.03
TOTAL	**83.06**	**82.81**	**54.22**	**38.66**

(iii) Other Financial Data :-

PARTICULARS	AS ON 31.12.04	YEAR ENDED 31/03/04 (AUDITED)	YEAR ENDED 31/03/03 (AUDITED)	YEAR ENDED 31/03/02 (AUDITED)
Dividend (%)	0.00	0.00	0.00	0.00
Earning Per Share (Rs) {(PAT / No. of equity shares issued)}	0.14	(1.61)	(1.13)	2.22
Return on Net Worth (%) {(PAT/ Networth) *100}	0.62	0.00	0.00	18.03
Book Value per Share (Rs) {(Total Assets – Intangible Assets – Liabilities- Preference Share Capital) / No. of Equity Shares}	23.20	23.05	24.66	12.34

4.3 MR. KISHOR P. OSTWAL

Mr. Kishor Punamchand Ostwal, aged 42 years old, is residing at F-201, Aditya Apts, Old Nagardas Road, Andheri (East), Mumbai- 400 069. Mr. Kishor Ostwal, is a Chartered Accountant. He has to his credit varied, extensive knowledge, and practical experience in administration and general management. He is an outstanding expert in Taxation and in the field of Finance and Corporate Laws. The net worth of Mr. Kishor P Ostwal as on 08.03.2005 was Rs. 13.10 lacs.

4.4 MRS. SANGITA K. OSTWAL

Mrs. Sangita K Ostwal, aged 38 years old, and wife of Mr. Kishor Ostwal, is residing at F-201, Aditya Apts, Old Nagardas Road, Andheri (East), Mumbai- 400 069. She is a B.Com graduate and has around 5 years of experience in Software industry with specialization in web designing, programming and various internet related activities. The net worth of Mrs. Sangita K Ostwal as on 08.03.2005 was Rs. 12.40 lacs.

The Acquirers Mr. Kishor Ostwal and Mrs. Sangita Ostwal are the directors in Shreenath Finstock Private Ltd, Neil Information Technology Ltd and also in the target company.

4.5 M/s. K P OSTWAL (HUF)

M/s K P Ostwal (HUF) is situated at F-201, Aditya Apts., Old Nagardas Road, Andheri (East), Mumbai- 400 069 Tel. No.. 022-30963411 / 28383889. It was formed on 01.06.1996 and till date no business or any other activity had been carried out by it. Mr. K P Ostwal is the Karta of HUF.

4.6 M/S NEIL INFORMATION TECHNOLOGY LIMITED (PAC's)

1. NITL was initially incorporated as a private limited company on February 01, 1999 under the Companies Act, 1956 in the name Krish Realtors Private Limited. The name of the company was changed to Neil Information Technology Private Ltd. on August 2, 1999 and subsequently, the company was converted into a public limited company and the name was changed to Neil Information Technology Ltd. on 22nd March, 2002. The Registered office of the Company is situated at A/ 120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai 400 057.

2. The company has been promoted by Mr. Kishor Ostwal and Mrs. Sangita Ostwal who are also the directors of the company apart form Mr. Deven Jhaveri and Mrs. Rupa Jhaveri. The company does not belong to any group. The Company is not listed on any Stock Exchange.

3. NITL is presently engaged in the Information Technology business. The company had successfully developed the financial portal “Chamatkar.net” and is also providing investment advisory services and data on companies. CNL has subsequently acquired the financial portal “Chamatkar.net” from NITL alongwith all its brands, clienteles and business. The company is a channel partner of M/s. Satyam Infoway Ltd. for providing content sourcing to their financial portal walletwatch.com. The company is also into development of software.

4. As on 31st March, 2004 the authorized Share Capital of NITL was Rs. 125.00 lacs divided into 2500000 equity shares of Rs. 5/- each . The issued and paid up share capital of the company is Rs. 111.51 lacs divided into 2230200 equity shares Rs. 5/- paid up.

5. NITL has complied with the required provisions of chapter II of SEBI (Substantial Acquisition of Shares and Takeovers), Regulations 1997.

6. The NITL is not a Sick Industrial Companies within the meaning of clause (o) of Sub-section (I) of section 3 of the Sick Industries Companies (Special Provision) Act, 1985.

7. NITL entered into an agreement dated 6th May, 2002(“*Acquisition Agreement*”) to acquire by private negotiations from Mr. Arvind Sanghai (the original promoters of the target company) a total of 17,000 equity shares of Rs. 10 each representing 6.93% of the voting capital of CNL (*“Target Company” formerly known as “AVON PROPERTIES LIMITED”*) for cash at a price of Rs.10/- per share. Prior to this agreement the NITL held 32,000 equity shares of Rs. 10/- each of the target company representing 13.06% of the Voting capital of the company which was acquired by it on 5th April, 2002. The agreement date 6th May, 2002 for acquisition of shares from CNL triggered off the SEBI (SAST) Regulations, 1997 and thereby the NITL came out with an open offer pursuant to the Regulation No.10 and 12 and other provisions of Chapter III of and in compliance with the Securities & Exchange Board of India, (Substantial Acquisition of Shares and Takeover) Regulation, 1997 and subsequent amendments thereof for substantial acquisition of shares.

8. BOARD OF DIRECTORS

The composition of Board of Directors as on the date of the public announcement is as follows:

Name	Residential Address	Experience	Qualifications	Date of Appointment
Mr. Kishor Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	He is a FCA and has to his credit varied, extensive knowledge, and practical experience of over 15 years in administration and general management. He is an outstanding expert in taxation and in the field of Finance and Corporate Laws.	F.C.A.	05.02.99
Mrs. Sangita Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	She has over 5 years of experience in the Software industry and her specialization is	B.Com.	05.02.99

		in designing, programming and various internet related activities.		
Mr. Deven Jhaveri	Rajashripal CHS, 905-B, 9th floor, J.M. Mehta Road Nepean Sea Road, Mumbai 400 006	Experience of around 15 years in software industry and specialization in designing, programming and various internet related activities.	B.Com	20.11.2000
Mrs. Rupa Jhaveri	Rajashripal CHS, 905-B, 9th floor, J.M. Mehta Road Nepean Sea Road, Mumbai 400 006	Experience of around 5 years in designing, programming and various internet related activities	B.Com	20.11.2000

Mr. Kishor P. Ostwal and Mrs. Sangita K Oatwal are on the Board of the target company.

9. Share holding pattern:

Sr. No.	Shareholders Category	No. of shares held	% of share capital
1.	Promoter Group	689100	30.90
2.	FII/Mutual Funds/Fis/Banks	NIL	NIL
3.	Public	1541100	69.10
	Total Paid Up Capital	**2230200**	**100**

10. FINANCIAL HIGHLIGHTS:

i. Profit & Loss Statement :-

(Rs. in Lacs)

PARTICULARS	For The Period Ended 31/12/04 (Certified)	Year Ended 31/03/2004 (Audited)	Year Ended 31/03/2003 (Audited)	Year Ended 31/03/2002 (Audited)
Income from Operations	6.25	24.00	24.25	73.58
Other Income	0.00	0.08	65.93	0.11
Total Income	6.25	24.08	90.18	73.69
Total Expenditure	1.40	17.36	88.24	76.01
PBIDT	4.85	6.72	1.94	(2.32)
Depreciation	0.65	1.45	5.60	4.78
Interest	0.00	0.00	0.00	0.00
Profit Before Tax	4.20	5.27	(3.66)	(7.10)
Provision for Tax	0.00	0.00	0.00	0.00
Profit After Tax	4.20	5.27	(3.66)	(7.10)

ii. Balance Sheet Statement :

(Rs. in Lacs)

PARTICULARS	**For The Period Ended 31/12/04 (Certified)**	**Year Ended 31/03/2004 (Audited)**	**Year Ended 31/03/2003 (Audited)**	**Year Ended 31/03/2002 (Audited)**
Sources of Funds:-				
Paid up Share Capital	111.51	111.51	111.51	111.63
Reserves & Surplus (excluding revaluation reserves)	111.40	111.40	111.40	110.23
Secured Loans	0.00	0.00	0.00	0.00
Unsecured Loan	0.00	0.00	0.08	0.06
TOTAL	**222.91**	**222.91**	**222.99**	**221.92**
Uses of Funds:-				
Net Fixed Assets	4.25	4.25	82.64	88.24
Investments	142.42	82.69	16.10	6.30
Net Current Assets	33.60	93.33	76.33	31.50
Total Miscellaneous Expenditure Not Written Off	42.64	42.64	47.92	95.88
TOTAL	**222.91**	**222.91**	**222.99**	**221.92**

(iii) Other Financial Data :-

PARTICULARS	**AS ON 31.12.04**	**YEAR ENDED 31/03/04 (AUDITED)**	**YEAR ENDED 31/03/03 (AUDITED)**	**YEAR ENDED 31/03/02 (AUDITED)**
Dividend (%)	0.00	0.00	0.00	0.00
Earning Per Share (Rs) {(PAT / No. of equity shares issued)}	0.19	0.24	(0.16)	(0.32)
Return on Net Worth (%) {(PAT/ Networth) *100}	2.33	2.92	(2.09)	(5.64)
Book Value per Share (Rs) {(Total Assets – Intangible Assets – Liabilities- Preference Share Capital) / No. of Equity Shares}	8.08	8.08	7.85	5.64

5. DISCLOSURE IN TERMS OF REGULATION 16 (ix)

1. This open offer is being voluntarily made pursuant to Regulation 11 (1) of the SEBI (SAST) Regulations, 1997.

2. The Acquirers and PAC’s do not have any intention to dispose of or otherwise encumber any assets of CNL in the next two years except in the ordinary course of business of CNL. The Acquirers and PAC’s have

undertaken not to sell, dispose of or otherwise encumber any substantial asset of CNL except with the prior approval of the shareholders.

5.1 FUTURE PLANS/ STRATEGIES OF THE ACQUIRERS/ PAC's WITH REGARD TO THE TARGET COMPANY.

The acquirers including PACs have been doing the business of providing consultancy and advisory services of financial nature and also carrying on the business of software development and is also providing investment advisory services and data on companies. Through this acquisition the Acquirers intend to expand the scope of operations of the target company by introducing new line of business with its expertise in the related field of the target company. The present activities of the target company shall continue to be carried on by the acquirers even after the proposed acquisition.

6. OPTION IN TERMS OF REGULATION 21(3)

Assuming full acceptance of the offer, the post offer voting capital with the public in the target company would not be less than 10% of the voting capital of the company and hence the option in terms of Regulation 21(3) is not applicable.

7. BACKGROUND OF THE TARGET COMPANY

CHAMATKAR.NET (INDIA) Limited (CNL)

1. **Chamatkar.net (India) Limited (CNL)** is a Public Limited Company incorporated on 12.04.82 under the name of Avon Properties Limited in the state of West Bengal. The Company obtained a fresh certificate of Registration on transfer of the registered office from one state to another state i.e. from West Bengal to Maharashtra on 19th June, 1986 The name of the company was subsequently changed to Chamatkar.net (India) Limited on 13.08.03 and a fresh certificate of incorporation was obtained from the Registrar of Companies.

2. The registered office of the company is presently situated at A/120, Gokul Arcade, Sahar Road, Vile Parle (East), Mumbai- 400 057

3. The company was incorporated with the main object of carrying on the business of contractors of land, buildings, machinery, plant, and other movable and immovable properties of any description. The Company amended its main objects by passing the special resolution by postal ballot on 21.06.03, to develop, design, search, renovate, amend, import, export, and to deal in all types of computer peripherals and to carry on the business of developing websites, solutions, electronic commerce and other value added services.

4. The Company was originally promoted by Mr. Omprakash Sanghai, Mr. Ashutosh Sanghai and Mr. Arvind Sanghai. The company was taken over by the present promoter during 2002 and all the SEBI formalities related to the takeover had been completed. SEBI has initiated adjudication proceedings against the erstwhile promoters of CNL i.e., Mr. Om Prakash Sanghai and associates for non compliance of provisions of Chapter II of SEBI (SAST) Regulations 1997. SEBI had also levied a penalty on them and the said promoters have gone to Securities and Apellate Tribunal (SAT) on appeal and the matter is pending therein. The present directors of CNL are Mr. Kishor P Ostwal , Mrs. Sangita K Ostwal, Mr Nand Kishor Chaturvedi and Mr. Mayur Shantilal Doshi.

5. The company was earlier engaged in the business of Real Estate i.e. purchase and sale of properties, trading & investment in shares. Presently the company has acquired the running business i.e. financial portal named www.chamatkar.net (India) Ltd. from M/s Neil Information Technology Limited (NITL). Therefore, consequent upon this acquisition it has become the sole/main activity of the company. Further, this portal is well known in the name of 'Chamatkar.net' and to reflect the activity, the name of the company was changed from Avon Properties Limited to Chamatkar.net (India) Limited. Chamatkar.net is pioneer in the field of providing advisory services/contents on stock market through internet and provides SMS services. Chamatkar.net has over 20000 viewer base and is expanding vertically.

6. The Authorised Share Capital of the company is Rs. 205.00 lacs divided into 13,70,000 equity shares of Rs. 10/- each and 680000 6% Redeemable Non Cumulative Preference shares of Rs 10/- each. The issued and subscribed capital of the company is Rs. 202.11 lacs divided into 13,60,100 equity shares of Rs. 10/- each amounting to Rs. 136.01 lacs and 660980 6% Redeemable Non Cumulative Preference shares of Rs 10/- each fully paid up amounting to Rs. 66.10 lacs. There are no calls in arrears and no partly paid up shares in the company. On 07.07.03, the company had allotted 11,15,100 equity shares of Rs. 10/- each fully paid up to the shareholders of Neil Information Technology Limited (NITL) on preferential allotment basis in consideration of acquiring the business from NITL.

7. There has been no merger / demerger, spin off during the last three years involving the target company.

8. The equity shares of CNL are listed on the Mumbai Stock Exchange. The listing of 11,15,100 equity shares allotted to the shareholders of NITL on preferential allotment basis is pending before The Stock Exchange, Mumbai since August, 2003 due to non fulfillment of the SEBI (SAST) Regulations pursuant to the preferential allotment.

9. As regards compliance with Chapter II of the SEBI (SAST) Regulations by the target company, there has been a delay in the compliances of the regulations to the extent that upto 2002 the company has submitted the various reports to the stock exchanges vide the SEBI Regularisation Scheme 2002. Post 2002, the company has complied with all the regulations on time. The present promoters have complied with all regulations of Chapter II of the SEBI (SAST) Regulations within the specified time.

10. Share Capital Structure

PAID-UP EQUITY SHARES OF TARGET COMPANY	**NO. OF SHARES /VOTING RIGHTS**	**%AGE OF SHARE CAPITAL**
Fully paid up shares	13,60,100	100.00
Partly paid up shares	--	--
TOTAL	13,60,100	**100.00**

There are no outstanding convertible instruments (warrants/ FCDs /PCDs) etc.

11. Build up of capital structure of the company as per original allotments made:

Date of allotment	**No. and % of shares issued**		**Cumulative paid up capital**	**Mode of allotment**	**Identity of allottees (promoters / ex-promoters/ others)**	**Status of Compliance**
	No. of Shares	%				
Not available	245000		245000	Public issue	Public and Promoters	Complied
07-07-03	1115100		1360100	Preferential allotment	Public And Promoters	Pending Listing on the Sock Exchange, Mumbai

12. Board Of Directors

The composition of Board of Directors as on the date of Public Announcement is as follows:

Name	Residential Address	Experience	Qualifications	Date of Appointment
Mr. Kishor Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	He is a FCA and has to his credit varied, extensive knowledge, and practical experience of over 15 years in administration and general management. He is an outstanding expert in taxation and in the field of Finance and Corporate Laws.	F.C.A.	06.08.02
Mrs. Sangita Ostwal	A/120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai- 400 057	She has over 5 years of experience in the Software industry and her specialization is in designing, programming and various internet related activities.	B.Com.	06.08.02
Mr. Nand Kishor Chaturvedi	Bungalow No. 64, Green Garden Coop. Society, Mumbai- 400 064	He possesses 21 years of experience in Capital Market. He has also been associated with the Reliance group of companies. He has been actively involved in the corporate activities of Sterlite Group.	B.Com.	02.09.02
Mr. Mayur Shantilal Doshi	B-11, 4th Floor, Aditya Appts, Old Nagardas Road, Andheri (E), Mumbai- 400 069	He has over 20 years of experience in Capital market related activities.	MBA (Finance)	02.09.02

13. Compliance with listing and other statutory requirements:

As informed by the Target company as regards the status of compliance with the listing requirement, the Target Company has complied with the listing requirements as and when required and that the shares were not suspended from trading at BSE at any point of time and no punitive actions were taken against the company by the BSE except to the extent that the company has received a letter from BSE dated December 21, 2004 as regards in principal approval of the shares allotted vide preferential allotment which shall be granted only after compliance with the SEBI (SAST) Regulations.

14. Financial Highlights

i. Profit & Loss Statement :-

(Rs. in Lacs)

PARTICULARS	For The Period Ended 31/12/04 (Certified)	Year Ended 31/03/2004 (Audited)	Year Ended 31/03/2003 (Audited)	Year Ended 31/03/2002 (Audited)
Income from Operations	50.10	57.40	3.50	40.10
Stock Differentials	0.00	0.00	0.00	(2.40)
Other Income	0.50	0.10	0.40	1.80
Total Income	50.60	57.60	3.90	39.50
Total Expenditure	43.90	67.40	4.90	39.40
PBDIT	24.50	(6.10)	(0.90)	0.60
Depreciation	17.80	3.70	0.00	0.40
Profit Before Tax	6.70	(9.80)	(0.90)	0.10
Provision for Tax	0.00	0.00	0.00	0.00
Profit After Tax	6.70	(9.80)	(0.90)	0.10

ii. Balance Sheet Statement :

(Rs. in Lacs)

PARTICULARS	For The Period Ended 31/12/04 (Certified)	Year Ended 31/03/2004 (Audited)	Year Ended 31/03/2003 (Audited)	Year Ended 31/03/2002 (Audited)
Sources of Funds:-				
Paid up Share Capital	202.10	202.10	24.50	24.50
Reserves & Surplus (excluding revaluation reserves)	0.00	0.00	2.40	3.40
Secured Loan	0.00	0.00	0.00	0.00
Unsecured Loan	0.00	0.30	0.00	20.00
TOTAL	**202.10**	**202.40**	**26.90**	**47.90**
Uses of Funds:-				
Net Fixed Assets	137.10	154.00	0.00	1.40
Investments	0.00	0.00	0.00	0.00
Net Current Assets	64.30	37.70	26.90	46.50
Total Miscellaneous Expenditure Not Written Off	0.70	10.70	0.00	0.00
TOTAL	**202.10**	**202.40**	**26.90**	**47.90**

iii. Other Financial Data :-

PARTICULARS	AS ON 30.09.2004	YEAR ENDED 31/03/04 (AUDITED)	YEAR ENDED 31/03/03 (AUDITED)	YEAR ENDED 31/03/02 (AUDITED)
Dividend (%)	0.00	0.00	0.00	0.00
Earning Per Share (Rs) {(Net Profit / No. of equity shares issued)}	0.49	(0.72)	(0.36)	0.04
Return on Net Worth (%) {(Net Profit / Networth) *100}	3.32	Not applicable	Not applicable	4.08
Book Value per Share (Rs) (Face Value:Rs. 10) {(Networth / No. of Shares)}	9.95	9.22	10.97	11.38

[Networth = Total Assets – Intangible Assets - Liabilities]

15. Reasons for Fall/rise in total income and PAT for the financial year 2002-2003 and 2003-2004.

The total income and the Profit after tax figure of Chamatkar.net (India) Limited declined in the year 2002-2003 as company suspended all its investments and allied activities and also stopped its earlier activity of real estates However during the year 2003-2004 after the takeover of portal, the income of the company showed an increase as the company entered into the foray of running web portal, offering corporate data, investment consultancy and other value added service.

16. Pre and Post offer shareholding pattern of the Target Company is as follows: -

Shareholders Category	**Shareholding & Voting rights prior to the preferential allotment (A)**		**Shareholding & Voting Rights post preferential allotment (B)**		**Shares & Voting Rights to be acquired in open offer (assuming full acceptances). (C)**		**Shareholding & Voting Rights after the Preferential allotment and offer (D)**	
			No.	%	No.	%	No.	%
1) Promoter Group								
(a) Promoter (NITL hereinafter the PAC)	98000	40.00	98000	7.21	--	--	98000	7.21
(b) Acquirer	--	--	344550	25.33	272020	20.00	616570	45.33
(c) Other Persons Acting in concert	6750	2.76	9750*	0.72*	--	--	9750	0.72
Total 1(a+b+c)	104750	42.76	107750	33.26	272020	20.00	724320	53.26
2) Public (other than parties to agreement, Acquirers)								
a.Fis/MFs/FIIs/Banks, SFIs	--	--	500	0.03	}	}	}	}
					} (272020)	}20.00)	} 635780	}46.74
b. Others	140250	57.24	907300*	66.71*	}	}	}	}
Total 2 (a+b)	140250	57.24	907800	66.74	(272020)	(20.00)	645530	46.74
Total (1+2)	**245000**	**100.00**	**1360100**	**100.00**	**--**	**--**	**1360100**	**100.00**

*It includes shares acquired in the Preferential allotment by persons other than the Acquirers and the PAC's
In column no. B , Point no. 1 (c) the 9750 equity shares denote the shareholding of erstwhile promoters and further preferential allotment that has been made to them.

Note: Percentage shareholding in column B, C and D is based on the post preferential allotment equity capital of the company.

The Acquirers and PAC's have not acquired any shares of the target company after the Public Announcement till the date of Letter of offer. The Target Company is not a sick Industrial company within the meaning of clause (o) of Sub-Section (I) of Section 3 of the Sick Industries Companies (Special Provision) Act, 1985. The total number of shareholders of the company post preferential allotment is 179 and the total number of shareholders in the public category are 171.

17. Details of changes in the shareholding of the promoters

The Company was originally promoted by Mr. Omprakash Sanghai, Mr. Ashutosh Sanghai and Mr. Arvind Sanghai. The company was taken over by Neil Information Technology Limited during 2002 and all the SEBI formalities related to the takeover had been completed.

18. Status Of Corporate Governance

The provisions of clause 49 of the listing agreement regarding Corporate Governance are applicable to the listed companies whose paid up capital is Rs. 3.00 crores or more, therefore the provisions of Clause 49 are not applicable to the Company. There are no pending litigations of CNL

19. Compliance Officer

Mr. Gajesh Abani
A- 120, Gokul Arcade,
Sahar Road,
Vile Parle (E),
Mumbai 400 057.
Tel No. (022) 28220323 / 28383889
Cell No. 9819316150
Fax. No. (022) 28242220

8. OFFER PRICE AND FINANCIAL ARRANGEMENTS

8.1. JUSTIFICATION OF OFFER PRICE

1. The equity shares of the Target Company are listed on The Stock Exchange, Mumbai.

2. The Shares of the Company are infrequently traded in terms of Explanation (i) to Regulation 20(5) of the Regulations. The number of shares traded during the preceding 6 calender months prior to the month in which this Public announcement was made was 100 shares.

3. The details of shares traded during the 6 calendar months prior to the month in which the Public announcement was made (i.e. on 17.03.05) (i.e. from September 2004 to February 2005)

NAME OF THE STOCK EXCHANGE	TOTAL NO. OF SHARES TRADED DURING THE 6 CALENDAR MONTHS PRIOR TO THE MONTH IN WHICH PA WAS MADE	TOTAL NO. OF LISTED SHARES	ANNUALIZED TRADING TURNOVER (IN TERMS OF % TO TOTAL LISTED SHARES)
BSE	100	245000	0.08

4. The offer price of Rs. 12/- per share has been arrived at as per the Regulation 20 (5) of the SEBI Takeover Regulations taking into account the following:

   (i) The negotiated price under the agreement, which in this case is not applicable. (Regulation20 (5)(a)).
   (ii) The Acquirers and PAC's have not acquired any Equity shares of the Target Company during the 26 weeks prior to the date of the Public Announcement including by way of allotment in a public or rights or preferential issue except for the shares to be acquired by way of the SPA. (Regulation 20(5)(b))
   (iii) Other financial parameters based on the audited results of the company as on 31.03.2004 such as: Book Value of Rs. 9.22 EPS Rs. (0.72) and Return on net worth of is nil (Regulation 20(5)

5. There is no non-compete agreement.

6. In view of the above, the Offer Price payable under this Offer is in compliance with the Takeover Regulations. All other parameters suggest that the price of Rs. 12/- per equity share is just and reasonable in terms of the regulation 20(11) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

7. The offer price shall not be less than the highest price paid by the Acquirers and PAC's for any acquisition of the shares of the Target Company from the date of PA up to 7 working days prior to the closure of the offer (i.e. upto 28-05-2005)

8.2 FINANCIAL ARRANGEMENTS

1. The Acquirers and PAC's have adequate and firm financial resources to meet the financial requirements of the offer in terms of Regulation 16(xiv). The sources of funds shall be through internal resources of the Acquirers and PAC's. No borrowing from Bank/ Financial Institution is being made for the purpose. All the funds will be domestic and no foreign funds will be utilized.

2. .The maximum purchase consideration payable by the Acquirers and PAC's in the case of full acceptance of the offer i.e. 272020 equity shares @ Rs. 12 each is Rs. 32.65 lacs (Rupees Thirty two lacs Sixty Five thouand only). In accordance with the Regulation 28 of the SEBI (SAST) Regulations, 1997 the Acquirer has deposited an amount of Rs. 8.17 lacs (increased from Rs. 7.83 lacs)towards escrow amount with Corporation Bank, Vile Parle (East) Branch, Mumbai-57 i.e. in excess of 25% of the total consideration payable. The Manager to the offer has been duly authorized by the Acquirers and PAC's to realize the value of escrow account in terms of the regulation.

3. M/s. Arun S. Jain & Co, Chartered Accountants, (Membership no. 43161 of Mr. Arun Jain), having their office at Mezzanine Floor, Kothari Mansion, 357, SVP Road, Prarthna Samaj, Mumbai-4, Tel. No. 23877431, have confirmed vide their certificate dated 25.04.05, that sufficient resources are available with the Acquirers to fulfill its obligations under the offer.

4. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers and PAC's to implement the offer in accordance with the Regulations.

5. The Manager to the offer confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill offer obligations.

9. TERMS AND CONDITIONS OF THE OFFER

A. Eligibility for accepting the offer

1. This offer is made to all the equity shareholders [except the Acquirers/PAC's] whose names appear in the register of shareholders on 28-03- 2005 (the Specified Date) and also to those persons who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s).

2. The Acquirers and PAC's will acquire for cash, Equity Shares of the Target Company to the extent of valid acceptances received under this offer.

3. The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgement constitute part of the terms of the offer.

4. In case of non-receipt of the Letter of Offer or in case of owners of shares who have sent them for transfer, eligible persons may send their acceptance to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of shares held, Distinctive Nos., Folio No., No. of shares offered, along with the relevant documents, so as to reach the Registrar to the Offer on or before the close of the Offer, i.e 28-05-2005. Accidental omission to dispatch this document to any person to whom this offer is made or non-receipt of this offer shall not invalidate the offer in any way.

5. Acquirers and PAC's are confident of completing all the formalities pertaining to the Acquisition of the said shares, within 15 days from the date of closure of this offer including payment of consideration to the shareholders whose have accepted the offer and for the purpose shall open a special account as provided under Regulation 29 of the SEBI (SAST) Regulation. Provided that where the Acquirers and PAC's are unable to make payment to the shareholders who have accepted the offer before the said period of 15 days due to non-receipt of requisite statutory approvals, the Board may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirers and PAC's or failure of the Acquirers and PAC's to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirers and PAC's agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by the Board from time to time.

6. Each Shareholder of CNL to whom this offer is being made, is free to offer his shareholding in whole or in part while accepting this offer.

7. Subject to the conditions governing this offer as mentioned in this offer document, the acceptance of this offer by the shareholder(s) must be absolute and unqualified. Any acceptance to the offer, which is conditional or incomplete, is liable to be rejected without assigning any reason whatsoever.

8. The Acquirers and PAC's would be responsible for ensuring compliance with the regulations.

9. The market lot of the shares of the company is 50 shares

B. Locked in Shares

The shares issued by Chamatkar.net (India) Limited, by way of preferential allotment to the Acquirers are subject to lock in for the specified period of 3 years from the date of allotment i.e., July 7, 2003 as per SEBI guidelines on Preferential Issue of Shares.

C. Statutory approvals

1. To the knowledge of the Acquirers and PAC's no statutory approvals are required to acquire the shares that may be tendered pursuant to the Offer**.** If any other statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals. In case the statutory approvals are not obtained, the Acquirer s and PAC's will not proceed with the Offer.

2. Subject to the receipt of statutory approvals, the Acquirers and PAC's shall complete all procedures relating to the Offer including payment of consideration within a period of 15 days from the Offer Closing Date to those shareholders whose share certificates and / or other documents are found valid and in order and are approved for acquisition by the Acquirers and PAC's. In case of delay in receipt of any statutory approval, if any, SEBI has the power to grant extension of time to Acquirers and PAC's for payment of consideration to the shareholders subject to Acquirers and PAC's agreeing to pay interest as directed by SEBI under Regulation 22(12). If the delay occurs due to the willful default of the Acquirers and PAC's in obtaining the requisite approvals, Regulation 22(13) will become applicable

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

1. The Marketable lot for the shares is 50 Shares.

2. Shareholders who wish to tender the shares will be required to send the Form of Acceptance cum Acknowledgement duly completed and signed by all the shareholders, Original Share Certificate (s) and Transfer Deed (s) duly signed in case of Joint Holdings in the same order as per the specimen signatures lodged with CNL and witnessed (if possible by a Notary Public or Bank Manager or Member of Stock Exchange with membership number) to the Registrar to the Offer, either by hand delivery during normal business hours or by Registered Post on or before the close of the offer i.e.. in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. In case the shares stand in the name of a sole shareholder who is deceased, notarized copy of the legal representative obtained from a competent court.

3. The address of the collection center of the Registrar to the Offer, for the purpose of the offer is as follows: -

Name & Address	Mode of Delivery	Business Hours
REGISTRAR TO THE OFFER **Mondkar Computers Private Limited** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai-400 093 Tel: 022-28257641/ 28366620 Telefax: 022-28211996 Email: mcplrt@bom7.vsnl.net.in Contact Person: Mr. Ravi	Registered Post and / or Hand delivery	Monday to Friday 9.30 a.m. to 5.30 p.m. (excluding Bank Holidays) Saturday 9.30 a.m. to 1.30 p.m.

4. All owners of shares, registered or unregistered (except the Acquirers and PAC's, parties to the agreement), who own the shares at any time prior to the closure of the offer are eligible to participate in the offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Number of Shares Offered, Distinctive Numbers, Folio No., together with the Original Share Certificate(s), valid transfer deed(s) and a copy of the contract note issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

5. The Registrar to the Offer will hold in trust the shares/ share certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of CNL who have accepted the offer, until the cheques / drafts for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.

6. 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.

7. In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers and PAC's, the Acquirers and PAC's shall accept all valid applications received from the shareholders of the company on a Proportionate basis ensuring that it does not result in odd lots.

8. The shareholders desirous of withdrawing their acceptances tendered in the offer can do so up to three working days prior to the date of the closure of the offer, i.e. on or before 24-05-2005, in terms of Regulation 22(5A).

9. The withdrawal option can be exercised by submitting the Form of withdrawal so as to reach the Registrar to the offer before 24-05-2005. 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:

   Name, address, distinctive numbers, folio nos., number of shares tendered / withdrawn.

10. Shares, if any, that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the offer. The Letter of Offer in some of these cases, wherever possible, would be forwarded to the concerned statutory authorities for further action at their end.

THE DOCUMENTS SHOULD NOT BE SENT TO THE ACQUIRERS / PAC'S OR TO CNL.

The shareholders also have an option to download the form of acceptance from SEBI's website (www.sebi.gov.in) and apply in the same.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at A- 120, Gokul Arcade, Sahar Road, Vile Parle (E), Mumbai 400 057 between 11.00 a.m. and 3.00 p.m. during the Offer Period.

1. Memorandum of Association & Articles of Association (including Certificate of Incorporation) of Chamatkar.net (India) Limited.

2. Copy of the Public Announcement.

3. Copies of Audited Annual Reports of CNL as at 31.03.2002, 31.03.2003 and 31.03.2004

4. Copies of certificate from Arun S. Jain & Co, Chartered Accountants dated 04.03.2005, certifying the adequacy of financial resources of the Acquirer and PACs to fulfill the offer obligations and the net worth of the Acquirer and PACs.

5. Copies of certificate from Chartered Accountant Arun S. Jain & Co, Chartered Accountants 04.03.2005 and 09.03.2005, and 25.04.05 certifying the net worth of the Acquirers and PAC's.

6. Fixed Deposit Receipt from Corporation Bank, Vile Parle (East) Branch, Mumbai-57 towards money kept in the Escrow account and a lien in favor of the Merchant Banker i.e. Aryaman Financial Services Ltd.

7. A copy of the Board resolution dated July 7, 2003 and August 16, 2003 and copy of resolution passed in the Extraordinary General Meeting of the shareholders dated June 21, 2003 and September 16, 2003

8. Copy of SEBI letter no. CFD/DCR/TO/MM/38751/ 05 dated April 20, 2005.

12. DECLARATION

1. The Acquirers and PAC's having made all reasonable inquiries, accept responsibility for, and confirm that this letter of offer contains all information with regard to the offer, which is material in the context of the issue, that the information contained in this letter of offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

2. Each of the Acquirers and PAC's would be severally and jointly responsible for ensuring compliance with the Regulations.

3. We hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997 have been complied with and no statements in the offer document is contrary to the provisions of Companies Act, 1956 and SEBI Substantial Acquisition of Shares and Takeover) Regulations 1997.

Signed by :

Kishor P. Ostwal
On behalf of M/s Shreenath Finstock Pvt. Ltd.,
M/s Neil Information Technology Limited
M/s K P Ostwal (HUF) and himself

Mrs. Sangita K. Ostwal
sd/-

Date: 28.04.05
Place: Mumbai

Enclosures: (1) Form of Acceptance cum Acknowledgement
(2) Form of Withdrawal

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE- CUM -ACKNOWLEDGEMENT

OFFER OPENS ON : 09.05.2005	
OFFER CLOSES ON: 28.05.2005	

From :-
Folio No.: Sr.No.: No of Shares Held

Tel No: Fax No: E-Mail:

To,

Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai-400 093

Sub.: Open offer for purchase of 2,72,020 equity shares of CNL representing 20% of the equity share capital at a price of Rs. 12 per share by M/s Shreenath Finstock Pvt. Ltd., Mr. Kishor P. Ostwal, Mrs. Sangita K. Ostwal and M/s K P Ostwal (HUF) (hereinafter referred to as 'Acquirers') and M/s Neil Information Technology Limited (hereinafter referred to as 'PAC's')

Dear Sir,

I/We refer to the Letter of Offer dated 28.04.05 for acquiring the equity shares held by me/us in CNL.

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

FOR SHARES HELD IN PHYSICAL FORM :

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

Sr. No.	**Certificate**	**Distinctive Nos**		**No of Shares**
		From	**To**	
Total number of equity shares.				

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

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer (including PACs) pays the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers and PAC's will pay the purchase consideration only after verification of the documents and signatures.

I/We note and understand that the Shares would lie in the Escrow Account until the time the Acquirers and PAC's makes payment of purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the equity shares of CNL which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirers and PAC's to accept the shares so offered which it may decide to accept in consultation with the Registrar to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirers and PAC's to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorize the Acquirers or the Registrar to the Offer to send by registered post (under UCP if less than Rs. 1,500/-) the draft/cheque in settlement of the amount to the sole/first holder at the address mentioned below:

Yours faithfully,

Signed and Delivered:

	FULL NAME(S)	**SIGNATURE(S)**
First / Sole Shareholder		
Second Shareholder		
Third Shareholder		

Note : In case of joint holdings, all holders must sign. A corporation must affix its common seal.

Address of First/Sole Shareholder ____

____

____

Place : Date:

So as to avoid fraudulent encashment in transit, shareholder(s) may provide details of bank account of the first / sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank ____ Branch ________________

Account Number ____ Savings/Current/Others

(Please Specify)_________________________

Business Hours : Mondays to Friday : 9.30 a.m. to 5.30 p.m.
Holidays : Sundays and Bank Holidays

All queries in this regard to be addressed to the Registrar to the Offer quoting your Folio No.

- Tear along this line - - - - - - -

Folio No..: Serial No. Acknowledgement Slip

Received from Mr./Ms. ____

Address____

Number of certificate(s) enclosed ______ Certificate Number(s) ______________

Total number of share(s) enclosed ____________________

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer

Note : All future correspondence, if any should be addressed to Registrar to the offer at the address mentioned behind in this form. The documents referred to above should be sent to any of the collection centers mentioned overleaf.

FORM OF WITHDRAWAL

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this offer any time upto three working days prior to the date of closure of offer. In case you wish to withdraw your acceptance please use this form.	**OFFER SCHEDULE** **OFFER OPENS ON : 09.05.2005** **LAST DATE OF WITHDRAWAL : 24.05.2005** **OFFER CLOSES ON : 28.05.2005**

From:

Tel No. Fax No.: E-mail:

To,
Mondkar Computers Private Limited
21, Shakil Niwas, Opp. Satya Saibaba Temple,
Mahakali Caves Road, Andheri (East),
Mumbai-400 093

Sub.: Open offer for purchase of 2,72,020 equity shares of CNL representing 20% of the equity share capital at a price of Rs. 10 per share by M/s Shreenath Finstock Pvt. Ltd., Mr. Kishor P. Ostwal, Mrs. Sangita K. Ostwal and M/s K P Ostwal (HUF) (hereinafter referred to as 'Acquirers') and M/s Neil Information Technology Limited (hereinafter referred to as 'PAC's')

Dear Sir,

I/We refer to the Letter of Offer dated 28.04.05 for acquiring the equity shares held by me/us in CNL.

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

I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on __________ alongwith original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	**Certificate No.**	**Distinctive No(s)**		No. of Shares
		From	To	

	Total number of equity shares			

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed will be held in trust for me/us by you and authorize you not to remit the consideration as mentioned in the Letter of Offer.
I/We authorise the Acquirers and PAC's to reject the shares so offered which it may decide in consultation with Registrar to the Offer and in terms of the Letter of Offer.

Yours faithfully,

Signed

	FULL NAME(S)	**SIGNATURE(S)**
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder

____

____

____

Place:
Date:

Note: Incase of joint holdings, all holders must sign. A corporation must affix its common seal.

---TEAR HERE--

Folio No.: Serial No.: **(Acknowledgement Slip)**

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Received from Mr./Ms. ___________________________________

Address

____

Form of withdrawal in respect of ___________ Number of Share

Certificates representing _________ number of shares.

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer