LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

*This Letter of Offer is sent to you as shareholder(s) of **Duroflex Engineering Limited**. If you require any clarification about the action to be taken, you may please consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in Duroflex Engineering Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.*

OPEN OFFER BY
MS NITI N DIDWANIA

172, Kshitij, 47, Nepeansea Road, Mumbai-400036.
Tel No (022)-23648510

To

Acquire1,99,200 fully paid up equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / voting share capital of Target Company at a price of Rs. 10/- (Rupees Ten only) per fully paid equity share of Rs. 10/- each, payable in cash Pursuant to the compliance with Regulation 10 & Regulation 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

OF

DUROFLEX ENGINEERING LIMITED

Registered Office: A-2 Basement, Arcadia Building, Nariman Point Mumbai 400021
Tel No: (022)-22830471 Fax No (022) - 66352733

ATTENTION :

1. **The offer is not a conditional offer.**
2. Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course upon closure of the open offer once the basis of acceptance is determine..
3. <u>Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the offer i.e**. Wednesday, November 14, 2007**</u>
4. If there is any upward revision in the Offer Price by the Acquirer upto seven working days prior to the date of closure i.e. upto **Thursday, November 08, 2007**, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revision in the Offer Price would be payable for all the equity shares tendered anytime during the Offer Period.
5. "**There is no competitive bid:**
6. **A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal are also available on SEBI's web-site: <u>www.sebi.gov.in</u>**

PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 11TO14)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THIS LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

Manager to the Offer	Registrar to the Offer
CHARTERED CAPITAL & INVESTMENT LIMITED Contact Person **: Mr. Vimlesh Bansal** 301, Camy House, Cawasji Hormusji Street, Marine Lines, Mumbai - 400 002 Tel. : 022-22004271 / 73; Fax : 022-22004273; email : mumbai@charteredcapital.net	**MONDKAR COMPUTERS PVT. LTD** Contact Person**: *Mr. Ravindra Utekar*** 21, Shakil Niwas Opp. Satya Sai Baba Temple Mahakali Caves Road, Andheri (East), Mumbai-400093 Tel Nos. : 022 – 28207203/28257641 Fax No: 022 – 28207207 email: <u>info@mondkarcomputers.com</u>

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No.	Activity	Original Schedule Day Date	Revised Schedule Day Date
1.	**Date of Public Announcement (PA)**	**Tuesday, February 27,2007**	**Tuesday, February 27,2007**
2.	Specified Date	Tuesday, March 20,2007	Tuesday, March 20,2007
3.	**Last Date for a Competitive Bid(s)**	**Tuesday, March 20,2007**	**Tuesday, March 20,2007**
4.	Date by which Letter of Offer will be dispatched to the Shareholders	Tuesday, April 10,2007	Wednesday, October 24, 2007
5.	**Offer Opening Date**	**Friday, April 20, 2007**	**Wednesday, October 31, 2007**
6.	**Last Date for the Revision of the Offer Price / Number of Equity Shares.**	**Monday, April 30, 2007**	**Thursday, November 08, 2007**
7.	Last date to withdraw acceptance tendered by shareholders	Friday, May 04, 2007	Wednesday, November 14, 2007
8.	**Offer Closing Date**	**Wednesday, May 09, 2007**	**Monday, November 19, 2007**
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	Thursday, May 24, 2007	Tuesday, December 04, 2007

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DEFINITIONS

1.	Acquirer or The Acquirer	Ms Niti N Didwania
2.	Agreement or SPA or Share Purchase Agreement or	Share Purchase Agreement dated February 23, 2007, to acquire 4,84,570 fully paid up equity shares of Rs. 10/- each/ voting rights and Management Control of **Duroflex Engineering Acquisition Agreement Limited**, representing 48.65% of the total equity/ voting share capital by Acquirer at a price of Rs. 2.50 each per fully paid up equity share with the seller as mentioned under in table at Para 3.1.3
3.	BSE	Bombay Stock Exchange Limited, Mumbai
4.	DEL	Duroflex Engineering Limited, that is, Target Company
5.	EPS	Profit after tax / No. of Equity Shares
6.	FEMA	Foreign Exchange Management Act, 1999
7.	Form of Acceptance	Form of Acceptance cum Acknowledgement
8.	Form of Withdrawal	Form of Withdrawal cum Acknowledgement
9.	LOO, or Letter of Offer	Offer Document
10.	Manager to the Offer or, Merchant Banker	Chartered Capital and Investment Limited
11.	Negotiated Price	Rs. 2.50/- (Rupees Two and fifty paisa Only) per fully paid-up equity share/ Voting Share Capital of face value of Rs.10/- each.
12.	Net Asset Value/ Book Value per Share	(Equity Capital + Free Reserve excluding of Revaluation reserve – Debit balance of Profit & Loss A/c - Miscellaneous Expense Not written off)) / No. of Equity Shares
13.	Net worth	(Equity Capital + Free Reserve excluding of Revaluation reserve – Debit balance of Profit & Loss A/c –Miscellaneous Expense Not written off)
14.	Offer or The Offer	1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital /the voting share capital of Target Company at a price of Rs. 10/- (Rupees Ten only) per equity share payable in cash.
15.	Offer Price	Rs. 10/- (Rupees Ten Only) per fully paid-up equity share/ Voting Share Capital of Target company payable in cash.
16.	Persons eligible to participate in the Offer	Registered shareholders of Duroflex Engineering Limited, and unregistered shareholders who own the equity shares of Duroflex Engineering Limited any time prior to the Offer closure other than the Acquirer and parties to Agreement.
17.	Public Announcement or **"PA"**	Announcement of the Open Offer made by The Acquirer, which appeared in the newspapers on February 27,2007
18.	RBI	Reserve Bank of India
19.	Registrar or Registrar to the Offer	Mondkar Computers Pvt. Ltd.
20.	Return on Networth	(Profit after Tax)/(Equity Capital + Free Reserve excluding of Revaluation Reserve – Debit Balance of Profit & Loss A/c)
21.	SEBI	Securities and Exchange Board of India
22.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
23.	SEBI Act	Securities and Exchange Board of India Act, 1992
24.	Specified Date	Tuesday, March 20, 2007
25.	Target Company	Duroflex Engineering Limited

1. RISK FACTORS

i. Risk in Associating with the Transaction

a) The parties to the agreement agree that in the event of non-compliance of any of the provisions of SEBI (SAST) Regulations the SPA shall not be acted upon by any of the parties.

ii. Risk in Associating with the Offer

a) In the event that either (a) the regulatory approvals are not received in a timely manner, (b) there is any litigation to stay the offer, or (c) SEBI instructs the Acquirer not to proceed with the offer, then the offer proceeds may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of DEL, whose shares have been accepted in the offer as well as the return of shares not accepted by the acquirers, may be delayed.

b) The acquirers intends to make an offer for 20.00% of the voting capital amounting to 1,99,200 equity shares of DEL under the SEBI (SAST) regulations, 1997. Further, the shares tendered in the offer will lie to the credit of a designated escrow account, till the completion of the offer formalities. Accordingly, the acquirers make no assurance with respect to any decision by the shareholders on whether or not to participate in the offer.

c) In the event of over-subscription to the offer, the acceptance will be on a proportionate basis.

iii. Risk in Associating with the Acquirer

a) The Acquirer makes no assurance of market price of shares of the Target Company during or after the offer.

b) The Acquirer makes no assurance with respect to financial performance of the Target Company.

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 DUROFLEX ENGINEERING LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES ARE 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 ACQUIRER 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 ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAVE SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 02, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This open offer is being made by **Ms. Niti N Didwania** (the "***Acquirer***") residing at 172, Kshitij, 47, Nepeansea Road, Mumbai - 400 036, to the equity shareholders other than the Acquirer and parties to Agreement of **Duroflex Engineering Limited,** a company incorporated and duly registered under the Companies Act, 1956, and having its registered office at A-2, Basement, Arcadia Building, Nariman Point, Mumbai - 400 021. (***"DEL"/"Target Company")*** pursuant to Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997.

3.1.2 Pursuant to in compliance with Regulation 10 & Regulation 12 of the Takeover Regulations, Acquirer is hereby making an Offer in terms of the SEBI (SAST) Regulations, 1997 to the shareholders of DEL to acquire 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / voting share capital of **"*DEL*"** at a price of Rs. 10/- (Rupees Ten only) per fully paid up equity share/ Voting Rights (hereinafter referred to as "**the Offer Price**") payable in cash (hereinafter referred as "**the Offer**"). The offer is for substantial acquisition of shares and change in control of the Target Company.

3.1.3 The Acquirer has entered into a Share Purchase Agreement with M/s. Hardeep Crefinlease Pvt. Ltd., a company registered under the Companies Act 1956 having office at G-60, 2nd Floor, Aruna Park, Shakarpur, Delhi - 110092 through its director Mr. Manoj Mishra, M/s. APD Investments Pvt. Ltd. a company registered under the Companies Act 1956 having office at G-60, 2nd Floor, Aruna Park, Shakarpur, Delhi - 110092 through its director, Mr. Vipin Agarwal and Mr. Vijay Kumar Jain S/o. Shri Jagdish Rai, Indian resident, residing at W-76, Greater kailash, Part II, New Delhi - 110048. (herein after referred to as **"Sellers")** on February 23, 2007, to acquire 4,84,570 fully paid up equity share / voting rights and Management Control of **Duroflex Engineering Limited**, a Company incorporated under the Companies Act, 1956 and having its registered office at A-2, Basement, Arcadia Building, Nariman Point, Mumbai - 400 021, which represent 48.65% of the total issued, subscribed and paid-up equity/voting share capital of DEL at a price of Rs. 2.50 (Rupees Two and Fifty Paisa only) per equity share(**Negotiated Price**) payable in cash. The total consideration payable in cash for the shares acquired as mentioned above is Rs. 12,11,425/-, which resulted in triggering of SEBI (SAST) Regulations, 1997. The sellers belong to the promoters group of the Target Company.

The details of seller are as under :

Sr. No.	Name and Address of Sellers	Relationship with Promoters of the Target company	No. of Shares under SPA	Percentage of issued capital of Target company
1	VIJAY KUMAR JAIN W-76, Greater Kailash, Part II, New Delhi	Promoter	2500	0.25
2.	APD INVESTMENTS PVT LTD G-60, II nd Floor, Aruna Park Shakarpur, Delhi-110092	PAC with Promoter	234000	23.49
3.	HARDEEP CREFINLEASE PVT. LTD. G-60, II nd Floor, Aruna Park Shakarpur, Delhi-110092	PAC with Promoter	248070	24.91
	Total		484570	48.65

3.1.3.1 **Salient Feature of SPA:** The parties to the agreement agree that in the event of non-compliance of any of the provisions of SEBI (SAST) Regulations, this agreement shall not be acted upon by any of the parties

3.1.4 Upon completion of this open offer in terms of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, the change of control of Target Company shall be effected.

3.1.5 The Acquirer, the Seller and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.6 As a date of Public Announcement the acquired do not hold any other shares of Duroflex Engineering Limited except those agreed to the acquired in terms of Agreements disclosed under point No. 3.1.3.

3.1.7 Acquirer has not acquired any shares of the Target Company after the date of Public Announcement till the date of Letter of Offer.

3.2 The Offer

3.2.1 The Acquirer have made a Public Announcement in all the editions of the following newspapers, namely**, i)Business Standard (English) ii) Pratakal (Hindi) (iii)Nav Shakti (Marathi)** which appeared in the newspapers on Tuesday, February 27, 2007 in terms of Regulation 15 and pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations, 1997. **The Public Announcement is also available on the SEBI website at *www.sebi.gov.in***.

3.2.2 The Acquirer is making this Open Offer under the SEBI (SAST) Regulations, 1997, to acquire, by tender, 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital/ voting share capital of Rs. 10/- each from the shareholders of DEL, other than the Acquirer and parties of Agreement, on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 10/- (Rupees Ten only) per equity share of Rs. 10/- each fully paid up equity shares payable in cash. These equity shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 **The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.**

3.2.4 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.2.5 **This is not a competitive bid**

3.2.6 The Acquirer has not acquired any equity shares in the Target Company since the date of Public Announcement i.e**. February 27, 2007**, up to the date of Letter of Offer.

3.3 Object of the Offer

3.3.1 The Offer to the shareholders of DEL is for the purpose of acquiring 20.00 % of the total paid up capital. After the proposed Offer, the Acquirer will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

3.3.2 The object and the purpose of the Acquirer is to expand the business operations of DEL. The acquirer proposes to explore the opportunities by acquiring the agency for sale of Industrial Gas Cylinders. The Acquirer also plans to make strategic investment in companies manufacturing Industrial Gas Cylinders. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of DEL and all applicable laws, rules and regulations, the Board of Directors of DEL will take appropriate business decisions from time to time in order to improve the performance of the Target Company. The Acquirer may make changes in the management and Board of Directors of the Target Company.

4 BACKGROUND OF THE ACQUIRERS

4.1 Background of the Acquirers

4.1.1 The Open Offer is being made by Ms Niti N Didwania wife of Mr. Nitin Didwania, Aged 30 years, an Indian resident, residing at 172, Kshitij, 47, Nepeansea Road, Mumbai-400036. Tel No (022) 23648510.

4.1.2 Ms Niti N Didwania is the sole Acquirer in the present offer.

4.1.3 Ms Niti N Didwania is a Graduate by qualification and has experience of 5 years in the field of Investment and General Administration.

4.1.4 The Acquirer has not acquired shares/ voting rights of the Target Company during the 12 month period prior to the date of Public Announcement.

4.1.5 Ms. Rita S. Gala. proprietor of M/s R.S.Gala & Co. Chartered Accountants, having their office at Narayan Niwas, 63 Aaarey Road, Off S.V. Road, Goregaon (West) Mumbai – 400 062(Membership No.36976) has certified vide certificate dated February 24, 2007 that the net worth of the Acquirer, as on 31.03.2006 is Rs.46.43 lacs and that she has sufficient means to fulfill the obligations under this Open Offer. However, she has deposited Rs. 5.00 Lacs in Escrow Account, which is more than 25 % of the amount required or this open offer.

4.1.6 The compliances under Chapter II of SEBI (SAST) Regulations, 1997 are not applicable to the Acquirer.

4.1.7 The Acquirer has not held any position as Director in any listed company.

4.1.8 The Acquirer is not holding any position as full time Director in any company and has not promoted any Companies.

4.1.9 The Acquirer at present have no intention to sell, dispose of or otherwise encumber any significant assets of DEL in the succeeding two years, except in the ordinary course of business of DEL. DEL's future policy for disposal of its assets, if any, will be decided by it's Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of DEL. The Management would take appropriate decisions in these matters, as per the requirements of business and in line with opportunities or changes in economic scenario from time to time.

5 DISCLOSURE UNDER REGULATION 21(2)

Pursuant to this Offer, the Public Shareholding in the Target Company will not falls below 25 %, the level specified for continuous listing in the Listing Agreement with the stock exchanges as per clause 40A of the Listing Agreement

6 BACKGROUND OF THE TARGET COMPANY - DUROFLEX ENGINEERING LIMITED (DEL)

6.1 DEL was incorporated on March 21, 1985 with the Registrar of Companies Maharashtra, as a Limited Company and got business commencement certificate on 6th April 1985 The Target Company has its registered office at A-2, Basement, Arcadia Building, Nariman Point, Mumbai 400021 (Maharashtra). Tel no. : (022)-22830471 Fax No:

(022)- 66352733

6.2 DEL has been has been engaged in the Engineering Services and Trading in Industrial Gas Cylinders. At present main income earned is from business activity of Industrial gas cylinders.

6.3 The authorised share capital of DEL as on March 31, 2006 is Rs 100.00 lacs, comprising of 10,00,000 equity shares of Rs 10/- (Rupees Ten Only) each and the issued, subscribed and paid-up equity share capital as on March 31, 2006 stood at Rs 99.60 Lacs comprising of 9,96,000 equity shares of Rs 10/- (Rupees ten each) fully paid.

Paid up Equity Shares of MFSL	**No. of Equity Shares / voting rights**	**% of Shares / voting rights**
Fully paid-up equity shares	9,96,000	100.00
Partly paid-up equity shares	Nil	Nil
Total paid-up equity shares	9,96,000	100.00
Total voting rights in the Target Company	9,96,000	100.00

6.4 **There are no partly paid up shares in the company.**

6.5 **There are no outstanding convertible instruments / warrants.**

6.6 The current capital structure of the Target Company has been build up since inception as under:

Date of allotment	**No. of equity shares**	**% of shares issued**	**Cumulative Equity paid up capital in Rs.**	**Mode of allotment**	**Identity of allotees (promoters/ ex-promoters/ others)**	**Status of compliance**
Subscribers to the Memorandum	70	0.01	700	Cash	Promoters	Done
14.08.85	98,930	9.93	9,90,000	Cash	Promoters & Associates	Done
24.08.85	1,50,000	15.00	24,90,000	Cash	Public Issue	Done
17.03.88	1,62,300	16.30	41,13,000	Cash	Right Issue	Done
18.03.88	1,13,200	11.36	52,45,000	Cash	Right Issue	Done
21.03.88	1,77,000	17.77	70,15,000	Cash	Right Issue	Done
23.03.88	1,09,930	11.03	81,14,300	Cash	Right Issue	Done
24.03.88	1,03,360	10.37	91,47,900	Cash	Right Issue	Done
29.03.88	210	0.02	91,50,000	Cash	Right Issue	Done
30.03.88	81,000	8.01	99,60,000	Cash	Right Issue	Done
Total	**9,96,000**	**100.00**				

6.7 The trading in the shares of Company are suspension by BSE and the entire subscribed capital is listed.

6.8 The Target Company is under suspension due to non compliance of Listing Agreement laid down by the Exchange. The Company has taken all the necessary steps to revoke the suspension by filling all the pending compliances of Listing Agreement to the BSE.

6.9 The shares of "DEL" are listed only on the Bombay Stock Exchange Limited, Mumbai but are currently under suspension.

6.10 The sellers, promoters and other major shareholders of the Target Company have complied with the reporting requirements under applicable provisions of the Chapter II of SEBI (SAST) Regulation 1997. There has been delay by DEL (Target Company) with the reporting requirements under Chapter II of the SEBI (SAST) Regulations, 1997 for the financial year ended 1997 to financial year ended 2006DEL has not regularly complied with requirements of the Listing Agreement and shares of the company are suspended for trading by BSE.

6.11 The composition of the Board of Directors of DEL as on February 27, 2007, being the date of PA is as follows:

Sr. No.	Name of the Director	Designation	Qualification	Experience	Residential Address	Date of Appointment
1	Shri. Suresh V Puralkar	Director	B.Com (32 Years)	Accounts Taxation, Finance and Banking	36-B/002B R.M.M.S Sector Gokuldham Goregaon(W)	02-01-1990
2	Shri.Ajay Paralkar	Director	B.A (25 Years)	Human Resources, General administration and Computers	Flat No. 11, 3rd Road New Aakansha CHS, Ranchoddas Road Dahisar (West)	31.08.2002
3	Mrs. Alpa M. Parekh	Director	B.A.(5 Years)	Marketing and software consultancy	103-104, Ankur-A, TPS III, 7th lane, Borivali (W) Mumbai 92	15.01.2007

6.12 There are no representatives of the acquirer on the Board of Directors of the Target Company till date.

6.13 There has been no merger / de-merger, spin-off during the past three years in DEL.

6.14 Audited financial information of DEL for the financial year ended on March 31, 2004, 2005 and 2006 and Unaudited Financial information for Nine months ended 31st December 2006 is given below

PROFIT & LOSS STATEMENT **(Rs. in Lacs)**

Sr No.	Profit & Loss Statement	Year Ended 31.3.2004 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Audited)	9 months Ended 31.12.2006 *
1	Income from Operations	-	-	0.782	11.132
2	Other Income	-	-	-	-
3	Total Income	-	-	0.782	11.132
4	Total Expenditure #	10.693	0.539	0.458	9.304
5	Profit / (Loss) before Depreciation, Interest and Tax	(10.693)	(0.539)	0.324	1.828
6	Depreciation	-	-	-	-
7	Interest	-	-	-	-
8	Profit/(Loss) before Tax	(10.693)	(0.539)	0.324	1.828
9	Provision for Tax	-	-	0.025	0.150
10	Profit/(Loss) after Tax	(10.693)	(0.539)	0.299	1.678

During the financial year 2004, the expenditure included a loss of Rs. 10.32 lacs due to sale of investment by the Target Company and there is no major charges in expenses incurred by the company during the financial year from 2004 to 2006.

BALANCE SHEET STATEMENT

(Rs. in Lacs)

Sr No.	Balance Sheet Statement	Year Ended 31.3.2003 (Audited)	Year Ended 31.03.2004 (Audited)	Year Ended 31.03.2005 (Audited)	9 months Ended 31.12.2006 *
1	**Sources of Funds**				
2	Paid up Share Capital	99.600	99.600	99.600	99.600
3	Reserves & Surplus (Excluding Revaluation Reserve)	5.370	4.831	5.130	6.808
4	Networth	**104.97**	**104.431**	**104.730**	**106.408**
5	Secured loans	-	-	-	-
6	Unsecured loans	11.560	11.560	11.560	11.560
7	Currrent Liabilities	18.969	19.200	19.337	27.511
8	Deferred Tax Liability	-	-	-	-
	Total	**135.499**	**135.191**	**135.627**	**145.479**
	Uses of Funds				
9	Net Fixed Assets	-	-	-	-
10	Investments	30.998	30.998	30.998	30.998
11	Current Assets	104.501	104.193	104.629	114.481
12	Miscellaneous Expenses not written off	-	-	-	-
	Total	**135.499**	**135.191**	**135.627**	**145.479**

OTHER FINANCIAL DATA

Sr No.	Balance Sheet Statement	Year Ended 31.3.2004 (Audited)	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Audited)	9 months Ended 31.12.2006 *
1	Dividend (%)	-	-	-	-
2	Earning Per Share (Rs. in)	Negative	Negative	0.030	0.168
3	Return on Networth (%)	Negative	Negative	0.285	1.577
4	Book Value Per Share	10.539	10.485	10.515	10.684

* As certified by Statutory Auditors of the company

During the current financial year the Company has started trading in Industrial Gas cylinders due to which the turnover has increased from 0.782 Lacs to 11.132 Lacs and profitability of the Company has increased from 0.299 Lacs to 1.678 Lacs.

6.13 The Company is not a Sick Industrial Company.

6.16 Pre- and Post-Offer shareholding pattern of the Target Company is as per the following table:

Sr No	Shareholder category	Shareholding & voting rights prior to the acquisition and offer (A)		Shares/voting rights acquired which triggered off the Regulations (B)		Shares/Voting rights to be acquired in the open offer (assuming full acceptance) (C)		Shareholding/voting rights after the acquisition and Offer i.e. A+B+C	
		No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
1.	Promoter Group								
	a. Seller	484570	48.65	484570	48.65	Nil	Nil	Nil	Nil
	b. Promoters other than (a) above	479430	48.14	Nil	Nil	Nil	Nil	Nil*	Nil*
	Total (a+b)	**964000**	**96.79**	**484570**	**48.65**	Nil	Nil	Nil*	Nil*
2.	Acquirer								
	Ms Niti N Didwania,	Nil	Nil	484750	48.65	199200	20.00	683950	68.65
	Total (1+2)	**964000**	**96.79**	**484570**	**48.65**	**199200**	**20.00**	**683770**	**68.65**
3.	Seller other than 1(a) and 2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4.	Public (other than 1 to 3)	32000	3.21	Nil	Nil	(199200)*	(20.00)*	**312230***	**31.35***
5.	FIs / MFs / FIIs / Banks	Nil	Nil	Nil	Nil				
	Total	**996000**	**100.00**					**996000**	**100.00**

Note: The data within bracket indicates sale of equity shares.

** the promoter mentioned under 1(a) can not participate in the offer, hence the reduction in there share holding is shown under the public catergory and also, even if they hold any shares after the offer there holding will be part of Public holding and shown under public holding.*

6.17 *The* number of shareholders in DEL is 58 as on date of P.A other than acquirer & seller, and there are no NRI shareholders.

6.18 There is no change in the shareholding of the promoters since 20.02.1997 i.e. the date on which SEBI (SAST) Regulations 1997 came into effect till Date of PA except 990000 equity shares of Rs. 10/- each which has been transferred on 27-03-2002 as inter se promoters transfer for which exemption application has been filled with SEBI u/r 3 (1) (e) on 12-10-2006 and 14000 shares has been sold on 31-03-2006 & 18000 shares has been sold on 29-06-2006 by the promoters for which no reporting requirement under chapter II of SEBI(SAST) Regulation 1997 is required.

6.19 After the date of PA M/s *Bharatpuria Finance and Investment Limited* who was one of the Promoters of the Company (but not the parties to the agreement of SPA) has sold 2,46,000 shares constituting 24.70% of total capital of *Target Comapny* on 28.06.2007 as off Market deal and was intimated same under Regulation 7 (1A) of SEBI (SAST) Regulations,1997 to the Company. The buyer of these shares are neither related nor PAC with acquire or with *Bharatpuria Finance and Investment Limited.*

6.20 The Corporate Governance clause (Clause 49 of listing Agreement) is not applicable to the company.

6.21 No litigation is pending against the Company.

6.22 Mrs. Alpa Parekh is the compliance officer of the company, her address is A-2 Basement, Arcadia Building, Nariman Point, Mumbai - 400 021. Tel.No.: (022)-22830471

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The equity shares of DEL are only listed on the Bombay Stock Exchange Limited, Mumbai and are currently under suspension.

7.1.2 The annualised trading turnover during the preceding six Calendar months ending January, 2007 in the Stock Exchanges is detailed below:

Sr. No.	Name of the Stock Exchange	Total no. of equity shares during the 6 calendar months prior to January, 2007	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
1.	BSE	Nil	9,96,000	Nil
As per official website of Stock Exchanges, Mumbai (www.bseindia.com)				

7.1.3 The shares of **"*DEL*"** are listed on The Stock Exchange, Mumbai. The shares are infrequently traded as per the data available with BSE within the meaning of explanation (i) to Regulation 20(5) of the SEBI as mentioned in Para 7.1.2 above.

7.1.4 The annualised trading turnover is less than 5% (by number of equity shares) of the total number of listed equity shares. Accordingly, the equity shares of the Target Company are deemed to be infrequently traded at the BSE. The Offer Price of Rs. 10/- (Rupees Ten only) per fully paid-up equity share of face value of Rs. 10/- each, is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations, 1997 since the same has been determined after considering the following facts:

a.	Negotiated Price under the Acquisition		Rs. 2.50
b.	Highest Price paid by the Acquirer or PAC's for acquisition including Public or Rights Issue in 26 weeks		Not applicable
c.	Price paid under preferential allotment made to the Acquirer any time during 12 months period upto date of closure of the Offer		Not applicable
d.	Highest average Price calculated as per Regulation 20(4)(c) during the 26 weeks preceding the date of PA or the 2 weeks preceding the date of PA		Not applicable
e.	Other parameters		
	I	***Based on audited results as on March 31, 2006***	
	i.	Return on Networth (%)	0.29
	ii.	Book Value (Rs.)	10.52
	iii.	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	0.03
	iv.	Price to Earnings ratio (Since the Companies shares are suspended)	N. A.
	v.	Fair value per share of DEL based on CCI Guidelines named as 'GUIDELINES FOR VALUATION OF EQUITY SHARES OF COMPANIES AND THE BUSINESS AND NET ASSETS OF BRANCHES', issued by the erstwhile Controller of Capital Issues, Department Of Economic Affairs, Ministry of Finance, Government of India ***(Certificate for Fair Value from G.R. Modi (Membership No.-15240) partner of G.R.Modi & Co., Chartered Accountants , Independent Chartered Accountants dated 23.02.07)***	Rs.5.26/-

7.1.5 **Hence, based on the above facts, the Offer Price of Rs. 10/- is justifiable in terms of Regulation 20.**

7.1.6 There is no non-compete agreement.

7.1.7 If the Acquirer acquire equity shares after the date of Public Announcement upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 The Acquirer has adequate resources to meet the financial requirements of the Offer. Ms. Rita S. Gala. proprietor of M/s R.S.Gala & Co. Chartered Accountants, having their office at Narayan Niwas, 63 Aaarey Road, Off S.V. Road, Goregaon (West) Mumbai – 400 062(Membership No.36976) has certified vide certificate dated February 24, 2007 that the net worth of the Acquirer, as on 31.03.2006 is Rs.46.43 lacs and that she has sufficient means to fulfill the obligations under this Open Offer, no borrowing from any Bank/ Financial Institution is being made for this purpose.

7.2.2 Assuming full acceptance, the total requirement of funds for the open Offer would be Rs. 19,92,000/- (Rupees Ninteen Lacs Ninty Thousand Only). The Acquirer has already made firm arrangements for the financial resources required to implement the Open Offer in full. As per Regulation 28 of SEBI (SAST) Regulations, 1997. Acquirer has **opened an Escrow Account in form of Fixed Deposit with ORIENTAL BANK OF COMMERCE, Kandivali (East) Branch, 16/16-A, Row House, Thakur Complex, Kandivali (E), Mumbai-400101 and have deposited Rs 5,00,000/-(Rs. Five Lacs only), being more than 25% of the amount required for the Open Offer.**

7.2.3 The Acquirer has duly empowered M/s Chartered Capital and Investment Limited, Manager to the Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997 and lien has been marked in favour of Chartered Capital & Investment Limited on the said Escrow a/c.

7.2.4 The Manager to the Offer, M/s Chartered Capital and Investment Limited, hereby confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligation under the SEBI (SAST) Regulations, 1997.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered shareholders of DEL and unregistered shareholders who own the equity shares of DEL any time prior to the date of Closure of the Offer, other than the Acquirer and parties to Agreement.

8.2 Regarding acceptance of Lock-in Shares, whether acquired pursuant to the agreement or the offer, the same can be acquired to the Acquirer subject to continuation of the residual lock-in period in the hands of the Acquirer and there shall be no discrimination in the acceptance of locked in and not locked in shares.

8.3 Statutory Approvals

8.3.1 Approval for transfer of shares of a company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.

8.3.2 No approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.

8.3.3 As on the date of Public Announcement, to the best knowledge of the Acquirer, no other statutory approvals are required to be obtained for the purpose of this Offer.

8.3.4 In case of delay in receipt of any statutory approval, Regulation 22(12) of SEBI (SAST) Regulations, 1997, will be adhered to, i.e. SEBI has power to grant extension of time to Acquirer for payment of consideration to shareholders subject to Acquirer agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

8.4 Others

8.4.1 Accidental omission to despatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

8.4.2 This Letter of Offer has been mailed to all the shareholders of DEL, whose names appeared on the Register of Members of DEL as on **March 20, 2007 being the Specified Date.**

8.4.3 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

8.4.4 Consideration for equity shares accepted would be paid by crossed account payee cheques /demand drafts / pay orders and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

8.4.5 Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

9.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to the Registrar to the Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 9.15 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.2 The Registrar to the Offer is **M/s Mondkar Computers Pvt. Limited**,

9.3 Shareholders of DEL to whom this Offer is being made, are free to offer his / her / their equity shares of DEL for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in this Offer.

9.4 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 1700 hours upto the date of closure of the offer i.e. **Monday, November 19, 2007.**

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with DEL.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of DEL or on the Share Certificate issued by DEL) as per the specimen signature(s) lodged with DEL and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognised stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.
- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

9.5 A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/FIIs).

9.6 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

9.7 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in DEL.

9.8 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarised copy of the legal representation obtained from a Competent Court.

9.9 **No document should be sent to the Acquirer or to DEL or to the Manager to the Offer**.

9.10 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper** stating the **name, address, PAN No, banks details, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), Details and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **1700 hours** upto the date of closure of the offer i.e. **Monday, November 19, 2007.**

9.11 Persons who own equity shares of DEL any time prior to the date of Offer Closure, but are not registered holders, can tender their equity shares for purchase by the Acquirers, by communicating his / her / their desire to tender, in writing to the Registrar to the Offer and obtain from them a copy of the Letter of Offer, the Application Form and Transfer Deed(s) and lodge the same along with the relevant Share Certificate(s) and other documents, as mentioned hereinabove together with the Original Contract Note issued by a registered Stock Broker of a recognised Stock Exchange, only at the address of Registrar to the Offer as mentioned hereinabove:

9.12 *An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a* ***plain paper*** *stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them* ***on or before 1700 hours on*** **Monday, November 19, 2007.**

9.13 No indemnity is required from the unregistered shareholders.

9.14 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with DEL, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by DEL by individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by DEL. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by DEL.

9.15 The following collection centre would be accepting the documents as specified above, both in case of shares in physical and dematerialised form.

Sr. No.	Address	Business Hours	Mode of Delivery
1.	**Mondkar Computers Pvt. Limited** **Contact Person: *Mr.Ravendra Utekar*** 21, Shakil Niwas Opp. Satya Sai Baba Temple Mahakali Caves Road, Andheri (East), Mumbai-400093 Tel No. : 022 – 28207203/28257641 Fax No : 022 – 28207207 E-mail : info@mondkarcomputers.com	**Monday to Friday** 1000 hours to 1700 hours **Saturday** 1030 hours to 1330 hours	Hand Delivery / Courier/ Registered Post

Holidays: Sundays and Bank Holidays

9.16 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 DEL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

9.17 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e**. Wednesday,November 14, 2007** The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e**. Wednesday, November 14, 2007**

9.18 The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum-Acknowledgement / Plain paper application submitted and the Acknowledgement slip. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:

9.18.1 In case of physical shares: name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares

9.18.2 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.

9.19 The intimation of returned shares to the Shareholders will be sent at the address as per the records of DEL.

9.20 Acquirer will acquire all the 1,99,200 fully paid-up equity shares of Rs 10/- each tendered in the Offer with valid applications.

9.21 Method of Settlement

9.21.1 Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by Acquirers, Acquirers will accept the offers received from the share holders on a proportionate basis, 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 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. The marketable lot of DEL is 100{Hundred}.

9.21.2 The Form of Acceptance, relevant Original Share Certificate(s), valid Share Transfer Deed(s) and other documents, tendered by the shareholders of DEL under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirers only upon the fulfilment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

9.21.3 On fulfilment of all the conditions herein mentioned, the Letter of Offer and Form of Acceptance, the Acquirers will pay the Offer Price by a crossed and “Account Payee Only” cheque(s) or demand draft(s) or pay order(s) drawn in favour of the sole shareholder or first named shareholder in case of joint holding. The payment consideration will be sent by Registered Post to the sole / first named shareholder of DEL whose equity shares are accepted by the Acquirers at his address registered with DEL. **It is desirable that shareholders**

holding Shares in physical mode provide bank details of the first/ sole shareholder in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/demand draft.

9.21.4 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.

9.21.5 The Acquirers shall endeavour to complete all procedures relating to the Offer within Fifteen Days from the date of Closure of the Offer (i.e**. Tuesday, December 04, 2007**), including payment of consideration to the shareholders of DEL whose equity shares are accepted for purchase by the Acquirers.

9.21.6 While tendering the Shares under the Offer, the NRIs/OCBs/FIIs will be required to submit the No Objection Certificate/ Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration, from the Income Tax Authorities under Income Tax Act, 1961. In case the aforesaid No Objection Certificate/Tax Clearance Certificate is not submitted, the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.

9.21.7 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirers will pay interest for the delayed payment beyond Fifteen days of the closure of the Offer, at such rate as may be prescribed by SEBI.

9.22 General

9.22.1 **T**he Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

9.22.2 Neither the Acquirers nor the Manager nor the Registrar nor the Target company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s) or other documents.

9.22.3 The Offer Price is denominated and payable in Indian Rupees only.

9.22.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

9.22.5 If there is any upward revision in the Offer Price (Regulation 26) by the Acquirers till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where Public Announcement had appeared. Such revised Offer would be payable for all the shares tendered anytime during the Offer.

9.22.6 There is no competitive bid.

9.22.7 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 1700 hours upto three working days prior to the date of Closure of the Offer, i.e. Wednesday, November 14, 2007, as mentioned in Para 9.17.

9.22.8 Alternatively, a copy of ***Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement*** can be obtained from SEBI's **web-site: www.sebi.gov.in**.

10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 301, Camy House, Cawasji Hormusji Street, Marine Lines, Mumbai-400 002 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

10.1 Undertaking from the Acquirer, stating full responsibility for all information contained in the PA and the Letter of Offer.

10.2 Copy of MOU between Chartered Capital and Investments Limited. Manager to the Offer and Acquirers.

10.3 Copy of Share Purchase Agreement Dated February 23, 2007 between Acquirer and sellern.

10.4 Certificate from Ms. Rita S. Gala. Proprietor of M/s R.S.Gala & Co. Chartered Accountants (Membership No.36976) dated February 24, 2007 that the net worth of the Acquirer has sufficient means to fulfil the obligations under this Open Offer.

10.5 Annual Reports of DEL for years ended on March 31, 2004, 2005 and 2006.

10.6 Certificate from Shabbir S. Bagasrawala Proprietor of M/s Shabbir S. Bagasrawala for the financial information for the year ended March 31,2004,2005 and 2006 and 9 months financial information for December 31,2006

10.7 Certificate from G.R.Modi,Partner of G.R.Modi & Co., Chartered Accountants dated 23.02.07 for Fair value of the shares of Target Company.

10.8 Certificate from Oriental Bank of Commerce confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 1997 dated February 26, 2007.

10.9 Published copy of the PA, which appeared in the newspapers on February 27, 2007

10.10 Observation letter noCFD/DCR/TO/AK/105933/2007 dated October 11, 2007 on the draft Letter of Offer filed with the Securities and Exchange Board of India.

11. DECLARATION BY THE ACQUIRER

11.1 The Acquirer, Ms Niti N Didwania accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 1997.

11.2 The Acquirer, Ms Niti N Didwania is responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

11.3 All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Ms. Niti N Didwania

Sd/-
(Acquirer)

Place : MUMBAI

Date : October 22, 2007

12. ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

OFFER OPENS ON	**: Wednesday, October 31, 2007**
OFFER CLOSES ON	**: Monday, November 19, 2007**

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this Form of Acceptance with enclosures to the Registrar to the Offer)

From :

FOR OFFICE USE ONLY
Acceptance Number
Number of equity shares offered
Number of equity shares accepted
Purchase consideration (Rs.)
Cheque/Demand Draft/Pay Order No.

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

To,
Ms. Niti N Didwania
C/o Monkar Computers Pvt. Limited
21, Shakil Niwas, Opp. Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (E), Mumbai - 93.

Dear Sirs,

***Sub: Open** Offer to acquire 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs. 10.00 (Rupees Ten only) per fully paid equity shares.*

I / We, refer to the Letter of Offer dated October 22, 2007 for acquiring the equity shares held by me / us in **Duroflex Engineering Limited.**

1. I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
2. I / We, unconditionally offer to sell to **Ms. Niti N Dadwania**, (hereinafter referred to as the "Acquirer") the following equity shares in Duroflex Engineering Limited(hereinafter referred to as "DEL"), held by me / us, at price of Rs.10.00 per fully paid-up equity share.

SHARES HELD IN PHYSICAL FORM

3. I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No……………………………… Number of share certificates attached………………..

Representing ……………………….. equity shares

Number of equity shares held in DEL		**Number of equity shares offered**	
In figures	**In words**	**In figures**	**In words**

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
		Total no. of Equity Shares		

---TEAR HERE---

ACKNOWLEDGEMENT SLIP

Open Offer to acquire 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs. 10.00 (Rupees Ten only) per fully paid equity shares by Ms. Niti N Didwania

Received from Mr. / Ms. / Mrs. ………………………………………………………………………… Ledger Folio No ………………… ……………………………DP ID………………………………………Number of certificates enclosed ……………………………… under the Letter of Offer Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
		Total no. of Equity Shares		

Authorised Signatory Stamp
Date

A

Tear Here

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

5. I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

6. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

7. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.

8. I/We note and understand that the Shares would lie with of Registrar to the offer until the time the Acquirers makes payment of purchase consideration as mentioned in the Letter of Offer.

9. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

10. I / We irrevocably authorise the Acquirers to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with DEL

Name and complete address of the Sole/First holder (in case of member(s), address as registered with Target Company) :

____

____

Place: ______________ **Date:** ______________ **Tel. No(s).:** ______________ **Fax No.:** ______________

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

Bank Account No.: ______________________ Type of Account: ______________

(Savings / Current / Other (please specify))

Name of the Bank: ______________________________

Name of the Branch and Address: ______________________________

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.		

Yours faithfully,
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

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

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.

2 The Form of Acceptance should be filled-up in English only.

3 Signature(s) other than in English, Hindi, Marathi, and thumb impressions must be attested by a Notary Public under his Official Seal.

4 Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of DEL.

II. Shareholders of DEL to whom this Offer is being made, are free to offer his / her / their shareholding in DEL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

5. Business Hours : Mondays to Friday : 1030 hours to 1700 hours
: Saturday : 1030 hours to 1330 hours
: Holidays : Sundays and Bank Holidays

Note : All future correspondence, if any, should be addressed to **Registrar to the Offer**
MONDKAR COMPUTERS PVT. LTD
Contact Person**: *Mr. Ravindra Utekar***
21, Shakil Niwas Opp. Satya Sai Baba Temple
Mahakali Caves Road, Andheri (East), Mumbai-400093
Tel No.: 022 – 28207203/28257641
Fax No.: 022 – 28207207

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FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON	: Wednesday, October 31, 2007
LAST DATE OF WITHDRAWAL	**: Wednesday, November 14, 2007**
OFFER CLOSES ON	: Monday, November 19, 2007

Please read the Instruction in Letter of Offer and overleaf before filling-in this Form of Withdrawal

From:

FOR OFFICE USE ONLY
Withdrawal Number
Number of equity shares offered
Number of equity shares withdrawn

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

To,
Ms. Niti N Didwania
C/o Monkar Computers Pvt. Limited
21, Shakil Niwas, Opp. Satya Sai Baba Temple,
Mahakali Caves Road, Andheri (E), Mumbai - 93.

Dear Sirs,

Sub: Open *Offer to acquire 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / the voting share capital of Rs. 10/- each of Target Company at a price of Rs. 10.00 (Rupees Ten only) per fully paid equity shares by Ms. Niti N Didwania.*

I/We refer to the Letter of Offer dated 22 October, 2007 for acquiring the equity shares held by me/us in **Duroflex Engineering Limited.**

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.	Share Certificate No.	Distinctive Nos.		No. of equity shares
		From	To	
1				
2				
3				
		Total no. of Equity Shares		

-----TEAR HERE-----

Folio No.\DP ID Client ID: Serial No.:

(Acknowledgement Slip)

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**

Note : All future correspondence, if any, should be addressed to **Registrar to the Offer**
MONDKAR COMPUTERS PVT. LTD Contact Person**: *Mr. Ravindra Utekar*,** 21, Shakil Niwas Opp. Satya Sai Baba Temple Mahakali Caves Road, Andheri (East), Mumbai-400093 • Tel No.: 022 – 28207203/28257641 • Fax No.: 022 – 28207207

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 confirm that the particulars given above are true and correct.

Yours faithfully,
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

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

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. **Wednesday, November 14, 2007**
2. Shareholders should enclose the following:-
   a. **For Equity Shares held in physical form:**

      Registered Shareholders should enclose:

      i. Duly signed and completed Form of Withdrawal.

      ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.

      iii. In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

      Unregistered owners should enclose:

      i. Duly signed and completed Form of Withdrawal.

      ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company as the case may be.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from DEL. The facility of partial withdrawal is available only on to Registered shareholders.

Note : All future correspondence, if any, should be addressed to **Registrar to the Offer**
MONDKAR COMPUTERS PVT. LTD
Contact Person**: *Mr. Ravindra Utekar***
21, Shakil Niwas Opp. Satya Sai Baba Temple
Mahakali Caves Road, Andheri (East), Mumbai-400093
Tel No.: 022 – 28207203/28257641
Fax No.: 022 – 28207207

BOOK - POST

UNDER CERTIFICATE OF POSTING

If undelivered please return to :

MONDKAR COMPUTERS PVT. LTD
Contact Person**:** ***Mr. Ravindra Utekar***
21, Shakil Niwas Opp. Satya Sai Baba Temple
Mahakali Caves Road, Andheri (East), Mumbai-400093
Tel No.: 022 – 28207203/28257641
Fax No.: 022 – 28207207