LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder of **DISA India Limited**. If you require any clarifications about the action to be taken, you should consult your stockbroker or investment consultant or the Manager/ Registrar to the Offer. In case you have sold your equity shares in DISA India Limited, please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was effected. Please refer to the section on 'Definitions' for the definition of the capitalized terms used herein.

Hamlet Holding II ApS

Registered Office: c/o Henrik Rossing Lonberg, Bredgade 38, 1260 Copenhagen, Denmark, Tel: (+45) 3347 8864, Fax: (+45) 3347 8964.
(hereinafter referred to as the "Acquirer" or "Hamlet") and

DISA Holding II A/S	DISA Holding A/S	DISA Holding AG
Registered Office: Herlev Hovedgade 17, 2730 Herlev, Denmark, Tel: (+45) 44 505050, Fax: (+45) 44 941578. (hereinafter referred to as "DISA II A/S") and	Registered Office: Herlev Hovedgade 17, 2730 Herlev, Denmark, Tel: (+45) 44 505050, Fax: (+45) 44 941578. (hereinafter referred to as "DISA A/S") and	Registered Office: Kasernenstrasse 1, 8184 Bachenbulach, Switzerland, Tel: (+41) 44 8154000, Fax: (+41) 44 8154001 (hereinafter referred to as "DISA AG")

DISA II A/S, DISA A/S and DISA AG are acting in concert with the Acquirer for the purpose of the Offer (hereinafter collectively referred to as the "Persons Acting in Concert" or "PACs" and individually referred to as the "Person Acting in Concert" or "PAC")

MAKE A CASH OFFER AT Rs.1,657/- (RUPEES ONE THOUSAND SIX HUNDRED AND FIFTY SEVEN ONLY) AND AN ADDITIONAL INTEREST COMPONENT OF Rs 11.35/- (RUPEES ELEVEN AND PAISE THIRTY FIVE ONLY) PER FULLY PAID-UP EQUITY SHARE OF FACE VALUE OF RUPEES TEN EACH

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto upto the Public Announcement (the "SEBI Takeover Code")

TO ACQUIRE 3,02,041 FULLY PAID-UP EQUITY SHARES

representing 20% of the paid-up and voting equity share capital of

DISA India Limited

Registered Office: 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, 2nd Phase, Bangalore – 560 058
Tel: (+91) 80 40201403/04; Fax: (+91) 80 28391661

Please Note:

1) The Offer is being made pursuant to and in compliance with Regulation 10 [read with explanation (b) to Regulation 11] and Regulation 12 and other applicable provisions of the SEBI Takeover Code.
2) The Offer is subject to the receipt of certain statutory approvals. For a detailed status of the statutory approvals please refer to paragraph 8 of this Letter of Offer.
3) This Offer is not conditional upon any minimum level of acceptance. If the aggregate of the valid response exceeds 3,02,041 Shares, then the Acquirer and PACs shall accept Shares equal to 3,02,041 Shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.
4) If there is any upward revision in the Offer Price till the last date of revision i.e. Tuesday, September 22, 2009 or withdrawal of the Offer in terms of the SEBI Takeover Code, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated December 17, 2008 and the subsequent Corrigenda to the Public Announcement have appeared. Such revised Offer Price would be payable for all the Shares, tendered anytime during the Offer and accepted under the Offer.
5) The interest of Rs 11.35/- per Share is payable, in respect of Shares which would be accepted under the Offer, on account of delay in dispatch of this Letter of Offer. Please see paragraph 3.1.8 for further details.
6) The procedure for acceptance is set out in paragraph 9 of this Letter of Offer. A Form of Acceptance-cum-Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.
7) This Offer is not a competitive bid. There has been no competitive bid within the time frame specified under the SEBI Takeover Code.
8) The Public Announcement, Corrigenda to the Public Announcement, Letter of Offer, Form of Acceptance-cum-Acknowledgement and Form of Withdrawal would also be available on the website of Securities and Exchange Board of India http://www.sebi.gov.in.
9) **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 Offer Closing Date. Requests for such withdrawals should reach the designated collection centres before the close of business hours on Tuesday, September 29, 2009.**
10) **If there is a competitive bid:·**
    - **The public offers under all the subsisting bids shall close on the same date.**
    - **As the Offer Price cannot be revised during the period after Tuesday, September 22, 2009, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**

All future correspondence, if any, should be addressed to the Registrar to the Offer at the address mentioned below:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
AMBIT Acumen at work **Ambit Corporate Finance Private Limited** Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013 Contact Person: Sundeep Parate Tel: (022) 39821819, Fax: (022) 39823020 Email : disaopenoffer@ambitpte.com	α Systems **Alpha Systems Private Limited** No 30, Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003, Contact Person: S Vijayagopal Tel. No. (080) 23460815-18; Fax No. (080) 23460819; Email: alfint@vsnl.com
OFFER OPENS ON: WEDNESDAY, SEPTEMBER 16, 2009	**OFFER CLOSES ON: MONDAY, OCTOBER 5, 2009**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER:

	Original Schedule		**Revised Schedule**	
Activity	**Date**	**Day**	**Date**	**Day**
Date of publication of Public Announcement	December 17, 2008	Wednesday	December 17, 2008	Wednesday
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be dispatched)^	January 9, 2009	Friday	January 9, 2009	Friday
Last date for a competitive bid	January 7, 2009	Wednesday	January 7, 2009	Wednesday
Date of Corrigendum to the Public Announcement	-	-	February 2, 2009	Monday
Date of Second Corrigendum to the Public Announcement	-	-	February 18, 2009	Wednesday
Date of Third Corrigendum to the Public Announcement	-	-	April 14, 2009	Tuesday
Date of Fourth Corrigendum to the Public Announcement	-	-	May 28, 2009	Thursday
Date of Fifth Corrigendum to the Public Announcement	-	-	July 2, 2009	Thursday
Date of Sixth Corrigendum to the Public Announcement	-	-	September 10, 2009	Thursday
Date by which Letters of Offer to be dispatched to shareholders	January 28, 2009	Wednesday	September 11, 2009	Friday
Offer Opening Date	February 5, 2009	Thursday	September 16, 2009	Wednesday
Last date for revising the Offer Price / Offer Size	February 12, 2009	Thursday	September 22, 2009	Tuesday
Last date for withdrawing acceptance from the Offer	February 18, 2009	Wednesday	September 29, 2009	Tuesday
Offer Closing Date	February 24, 2009	Tuesday	October 5, 2009	Monday
Last date of communicating acceptance / rejection and payment of consideration for accepted tenders / return of unaccepted Shares	March 11, 2009	Wednesday	October 20, 2009	Tuesday

^ *All shareholders (registered or unregistered), including the beneficial owners of Shares (other than the Acquirer and PACs) are eligible to participate in the Offer anytime before the closure of the Offer.*

RISK FACTORS

RISK RELATED TO THE OFFER

i. The Offer involves an offer to acquire up to 20% of the present issued and voting equity share capital of DISA India Ltd. from the Eligible Persons for the Offer. In case of oversubscription in the Offer, acceptance would be determined on a proportionate basis in accordance with Regulation 21(6) of the Regulations and hence there is no certainty that all the Shares tendered by the shareholders in the Offer will be accepted.

ii. Acceptance of Shares tendered in the Offer is subject to receipt of the statutory approvals, as mentioned in paragraph 8 of this Letter of Offer. In the event, any of the required statutory approvals is refused, the Offer would stand withdrawn in terms of the SEBI Takeover Code. For further details, please refer paragraph 8 of this Letter of Offer.

iii. In the event that either (a) a regulatory approval is not received in time, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing the Acquirer and the PACs 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 of DISA India Limited whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirer and the PACs may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI Takeover Code, SEBI may, if satisfied that the non receipt of approvals was not due to any willful default or negligence on the part of the Acquirer and the PACs, grant an extension for the purpose of completion of the Offer subject to the Acquirer and the PACs paying interest to the shareholders, as may be specified by SEBI.

iv. Shareholders should note that after the last date of withdrawal i.e. Tuesday, September 29, 2009 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered Shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

v. The Shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities. The Acquirer and the PACs make no assurance with respect to the market price of the Shares of DISA India Limited, both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer.

vi. SEBI, vide its observation letter no. CFD/DCR/TO/SKM/153465/09 dated February 6, 2009 (the "SEBI Observation Letter") had directed in paragraph 5(a) of the SEBI Observation Letter that the Offer Price may be calculated in terms of Regulation 20(4) read with 20(12) of the SEBI Takeover Code and the date of public announcement for the parent company may be treated as date of Share Sale and Purchase Agreement i.e., March 9, 2008. Accordingly the consequential changes should be made. This direction from SEBI would have resulted in increasing the Offer Price. The Acquirer and the PACs, aggrieved by this direction, preferred an appeal before the Hon'ble Securities Appellate Tribunal (the "SAT"). The Hon'ble SAT admitted the appeal vide its interim order dated February 16, 2009 and also directed that in the meantime, the Acquirer and the PACs shall not come out with the Offer in pursuance of the Public Announcement already made. Further, vide its final order dated August 5, 2009 (the "Final Order"), the Hon'ble SAT allowed the appeal and set aside the said direction contained in paragraph 5(a) of the SEBI Observation Letter. The Offer Price would be subject to outcome of appeals, if preferred by SEBI.

vii. The Acquirer and the PACs have made firm arrangements for funding the financial obligations under the Offer by having procured an additional bank guarantee issued by Deutsche Bank AG, Mumbai Branch, Mumbai in favour of the Manager to the Offer, for an amount of Rs. 39,00,00,000/- (Rupees Thirty Nine Crores Only) (the "Additional Guarantee") in addition to the escrow arrangements created in terms of Regulation 28 of the SEBI Takeover Code. Please refer to paragraph 7.2 of this Letter of Offer for details of the arrangements. The said bank guarantee along with the escrow arrangements created in terms of Regulation 28 of the SEBI Takeover Code aggregates to more than the maximum consideration payable under this Offer along with the interest as detailed in paragraph 7.2.1 herein. Shareholders should note that the Additional Guarantee is valid upto March 15, 2010 only and can be invoked by the Manager to the Offer only after the Offer closes to fund the Special Account opened by the Acquirer / PACs for the purpose of this Offer. As such if the closure of the Offer is delayed beyond March 15, 2010, there is no assurance that the Additional Guarantee will be renewed and alternate firm funding arrangements may not be available for meeting the financial obligations under the Offer. The Acquirer and the PACs have undertaken to renew the Additional Guarantee on the same terms and conditions including the amount thereof or provide any other alternative means of funding as may be available, incase the Offer is further delayed beyond March 15, 2010, due to any reason. Please refer to paragraph 7.2.5 for further details.

RISKS INVOLVED IN ASSOCIATING WITH THE ACQUIRER AND THE PACs

viii. The Acquirer and the PACs make no assurance with respect to the financial performance of DISA India Limited. The Acquirer and the PACs make no assurance with respect to their investment / divestment decisions relating to their proposed shareholding in DISA India Limited.

ix. The global financial crisis, economic slowdown and related economic factors have negatively affected the financial position of the Acquirer and the PACs. Due to this, post receipt of the final order dated August 5, 2009 from the Hon'ble SAT, the Acquirer and PACs required additional time to establish firm funding arrangements for payment of consideration to shareholders under the Offer, as required in compliance with the SEBI Observation Letter, resulting in delay in dispatch of this Letter of Offer. The Acquirer and the PACs have subsequently arranged for firm funding for the purposes of the Offer, which is currently available up to March 15, 2010. The ability of the Acquirer and the PACs to renew the funding arrangement beyond March 15, 2010 will be a function of the financial position at that time.

The risk factors set forth above pertain to the acquisition and the Offer and not in relation to the present or future business, business prospects or operations of DISA India Limited or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of DISA India Limited are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

CURRENCY OF PRESENTATION

In this Letter of Offer, all references to “Euro” is to the Euro(s), “CHF” is to Swiss Franc(s) and “DKK” is to the Danish Kroner(s). Certain financial details contained herein are denominated in Euro(s), CHF(s) and DKK(s) except where otherwise indicated, the Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rate for Euro and the price quoted on Bloomberg for CHF and DKK on as on December 15, 2008 namely Euro 1 = Rs. 64.70, CHF 1 = Rs. 41.211 and DKK 1 = Rs. 8.7537.

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1 DEFINITIONS

AoA / Articles	Articles of Association
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
CHF	Swiss Franc(s)
Combined Public Announcements	Together, the Public Announcement, the Corrigendum to the Public Announcement, the Second Corrigendum to the Public Announcement, Third Corrigendum to the Public Announcement, Fourth Corrigendum to the Public Announcement, Fifth Corrigendum to the Public Announcement and Sixth Corrigendum to the Public Announcement
Corrigendum to the Public Announcement	Corrigendum to the Public Announcement published on February 2, 2009
Depositories	Collectively NSDL and CDSL
DIN	Director Identification Number
DISA A/S	DISA Holding A/S
DISA AG	DISA Holding AG
DISA II A/S	DISA Holding II A/S
DISA India / the Target Company	DISA India Limited
DKK	Danish Kroner(s)
DP	Depository Participant
Eligible Person(s) for the Offer	All owners (registered or unregistered), including the beneficial owners, of equity shares of DISA India Limited (other than the Acquirer and the PACs) anytime before the closure of the Offer
Euro(s)	Euro(s)
FEMA	Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder
FII(s)	Foreign Institutional Investor(s)
Fifth Corrigendum to the Public Announcement	the Fifth Corrigendum to the Public Announcement published on July 2, 2009
Form of Acceptance / FOA	Form of Acceptance-cum-Acknowledgement
Fourth Corrigendum to the Public Announcement	the Fourth Corrigendum to the Public Announcement published on May 28, 2009
FOW	Form of Withdrawal
FY	Financial Year ending on December 31 or March 31 as may be applicable
Hamlet / the Acquirer	Hamlet Holding II ApS
Letter of Offer	this Letter of Offer
Listing Agreement (s)	The listing agreement entered into by the Target Company with the stock exchanges on which its shares are listed
Ltd.	Limited
Manager/ Manager to the Offer / Merchant Banker	Ambit Corporate Finance Private Limited
Mn. / mn.	Million
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
OCBs	Overseas Corporate Bodies
Offer	This open offer for acquisition of 3,02,041 fully paid-up equity shares of face value of Rs.10/- each, representing 20% of the paid-up and voting equity share capital of the

	Target Company at the Offer Price and an additional interest component of Rs 11.35/- (Rupees Eleven and Paise Thirty Five Only).
Offer Closing Date	Monday, October 05, 2009
Offer Opening Date	Wednesday, September 16, 2009
Offer Price	Rs.1,657/- (Rupees One Thousand Six Hundred and Fifty Seven only) per Share payable in cash
Offer Size	3,02,041 Shares
PAC(s) / Person(s) Acting in Concert	Collectively DISA II A/S, DISA A/S and DISA AG acting in concert with the Acquirer for the purpose of the Offer
Promoters	DISA AG and DISA A/S holding 11,21,651 Shares aggregating 74.27% of the present paid-up and voting equity share capital of the Target Company
Public Announcement / PA	Announcement of the Offer published on December 17, 2008
RBI	Reserve Bank of India
Registrar to the Offer / Registrar	Alpha Systems Private Limited
Rs./ Re.	Indian National Rupee
Second Corrigendum to the Public Announcement	the Second Corrigendum to the Public Announcement published on February 18, 2009
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
Share(s)	Fully paid-up equity shares of face value of Rs.10/- each of DISA India Limited
Sixth Corrigendum to the Public Announcement	the Sixth Corrigendum to the Public Announcement scheduled to be published on September 10, 2009
Specified Date	January 9, 2009
Third Corrigendum to the Public Announcement	the Third Corrigendum to the Public Announcement published on April 14, 2009
USD	US Dollar

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF DISA INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT, WHILE THE ACQUIRER AND THE PERSONS ACTING IN CONCERT 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 THE ACQUIRER AND THE PERSONS ACTING IN CONCERT DULY DISCHARGES THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, AMBIT CORPORATE FINANCE PRIVATE LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 31, 2008 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER AND THE PERSONS ACTING IN CONCERT FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Offer is being made by the Acquirer and the PACs to the equity shareholders of DISA India pursuant to and in compliance with Regulation 10 [read with explanation (b) to Regulation 11] and Regulation 12 and other applicable provisions of the SEBI Takeover Code. DISA II A/S, DISA A/S and DISA AG are persons acting in concert with the Acquirer within the meaning of Regulation 2(1)(e)(1) of the SEBI Takeover Code. Due to the operation of Regulation 2(1)(e)(2) of the SEBI Takeover Code, there could be persons who could be deemed to be acting in concert with the Acquirer and the PACs. However, such persons are not acting in concert for the purposes of this Offer.

3.1.2 The Offer is a result of indirect acquisition and control of the Target Company by the Acquirer. DISA II A/S is the holding company of DISA group of companies worldwide, with subsidiaries in Switzerland, China, Czech Republic, Denmark, France, Germany, United Kingdom, Japan, United States of America, Italy and India. DISA is an important player in the global moulding and metal surface preparation markets, with production units in Denmark, the Czech Republic, India and China. DISA II A/S indirectly owns 74.27% of the paid-up and voting equity share capital of the Target Company in the manner explained below. DISA II A/S was owned by Procuritas Capital Investors III A LP, Procuritas Capital Investors III B LP (both private equity funds focused on mid-sized companies in the Nordic region) and certain management shareholders, who together agreed to transfer the full ownership of DISA II A/S, to the Acquirer by way of a Share Sale and Purchase Agreement dated March 9, 2008 (the "Global Acquisition"). The Acquirer is indirectly owned by a fund managed by Mid Europa Partners, an independent private equity investment firm focused on Central and Eastern Europe. The Global

Transaction was completed on September 4, 2008 whereby the Acquirer was registered as the sole shareholder of DISA II A/S. Therefore, there was an indirect acquisition of 74.27% shareholding in the Target Company by the Acquirer, pursuant to which this Offer is being made.

3.1.3 The Acquirer does not directly own any Shares of the Target Company, as on the date of the Public Announcement or the date of filing of the Letter of Offer. DISA II A/S is owned 100% by the Acquirer. DISA II A/S owns 100% shares of DISA A/S, which in turn owns 100% shares of DISA AG. DISA A/S holds 3,02,749 Shares and DISA AG holds 8,18,902 Shares in the Target Company representing 20.05% and 54.22% of the paid-up and voting equity share capital of the Target Company.

3.1.4 As the Global Acquisition has resulted in the Acquirer indirectly acquiring 74.27% of the paid-up and voting equity share capital of the Target Company, this Offer is being made in compliance with Regulation 10 [read with explanation (b) to Regulation 11] and Regulation 12 of the SEBI Takeover Code. The Acquirer through STCI Capital Markets Limited (a merchant banker), had approached SEBI under the Securities and Exchange Board of India (Informal Guidance) Scheme, 2003 seeking an interpretation regarding the ‘date of consummation’ as defined in the SEBI Takeover Code considering the facts of the Global Acquisition. SEBI vide its letter dated December 15, 2008 has clarified to the effect that September 4, 2008 would be treated as the ‘date of consummation’ for the purposes of Regulation 14(4) of the SEBI Takeover Code which deals with timing of public announcement in case of indirect acquisition. Further, SEBI vide another letter dated December 15, 2008 has condoned the delay in making the public announcement and has advised that the public announcement be made within 15 days of the letter.

3.1.5 The Offer is for acquisition of upto 3,02,041 Shares (the “Offer Size”) from the existing shareholders of the Target Company (other than the PACs which hold Shares) representing 20% of the paid-up and voting equity share capital of the Target Company, at a price of Rs. 1,657/- (Rupees One Thousand Six Hundred and Fifty Seven only) per Share, payable in cash (the “Offer Price”) and an additional interest component of Rs. 11.35/- (Rupees Eleven and Paise Thirty Five Only) . The Offer is not subject to any minimum level of acceptance.

3.1.6 The Offer Price was the subject matter of proceedings before the Hon’ble SAT. While issuing SEBI Observation Letter, SEBI had directed as follows in paragraph 5(a):

> "The Offer Price may be calculated in terms of regulation 20(4) read with 20(12) and the date of PA for the parent company may be treated as date of Share Sale and Purchase Agreement i.e., March 9, 2008. Accordingly the consequential changes be made in the revised offer document"

This direction from SEBI would have resulted in increase in the Offer Price. The Acquirer and the PACs, not being in agreement with SEBI's view, and being aggrieved by this direction, had preferred an appeal before the Hon'ble SAT. Vide its interim order dated February 16, 2009, the Hon'ble SAT admitted the appeal. The Hon'ble SAT also directed that in the meantime, the Acquirer and the PACs shall not come out with the Open Offer in pursuance of the Public Announcement already made. Further, vide its final order dated August 5, 2009, the Hon’ble SAT allowed the appeal and set aside the direction contained in paragraph 5(a) of the SEBI Observation Letter.

3.1.7 In terms of the SEBI letter dated February 11, 2009, the Letter of Offer was required to be dispatched to the shareholders within 10 days of the date of the said letter. Since the Offer process was stayed by Hon’ble SAT vide interim order dated February 16, 2009, the Letter of Offer was not dispatched as required under the SEBI Observation Letter. Since the stay on the Offer process was set aside by a final order of the Hon’ble SAT dated August 5, 2009, the Letter of Offer was required to be dispatched to the shareholders within 10 days from the date of the said SAT order to comply with the requirements of the SEBI Observation Letter i.e., by August 17, 2009.

3.1.8 One of the requirements under the SEBI Observation Letter related to confirmation of the financial ability of the Acquirer and the PACs to implement the Offer in full and to provide source & break-up of funding of Offer consideration. To satisfy this requirement and to mitigate the factors highlighted in paragraph 7.2.4 of the Letter of Offer, the Acquirers and the PACs were required to procure a bank guarantee for an amount of Rs. 39,00,00,000/- in addition to the bank guarantee for an amount of Rs. 12,83,75,000/- which has already been issued on behalf of the Acquirers and PACs in terms of Regulation 28 of the SEBI Takeover Code. The said additional bank guarantee for Rs. 39,00,00,000/- was issued on September 3, 2009. Consequently, there is a delay of 25 days in dispatch of the Letter of Offer. The Acquirer and the PACs would pay interest @ 10% p.a. to the Shareholders for this delay, in respect of Shares to be accepted under the offer. This interest amount works out to Rs. 11.35/- per Share.

3.1.9 Neither the Acquirer and the PACs nor their directors have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B of the SEBI Act or any regulations made under the SEBI Act. The applicable provisions of Chapter II of the SEBI Takeover Code, vis-à-vis the Target Company is not applicable to the Acquirer and DISA II A/S. However, DISA A/S and DISA AG have complied with the filing requirements under Chapter II of the SEBI Takeover Code except for some instances of non-compliances. Please refer to paragraph 6.12 and 6.13 for details.

3.2 Details of the Offer

3.2.1 This Offer is to acquire upto 3,02,041 Shares, which is 20% of the paid-up and voting equity share capital of the Target Company. The Offer is being made at a price of Rs. 1,657/- (Rupees One Thousand Six Hundred and Fifty Seven only) and an additional interest component of Rs. 11.35/- (Rupees Eleven and Paise Thirty Five Only) per Share to be paid in cash in accordance with SEBI Takeover Code and subject to the terms and conditions mentioned in this Letter of Offer. The Shares are fully paid up and there are no partly paid up shares in the Target Company.

3.2.2 The Public Announcement dated December 17, 2008 was published in the following newspapers on December 17, 2008, in accordance with Regulation 15 of the SEBI Takeover Code:

Publication	Language	Editions
Financial Express	English	All editions
Jansatta	Hindi	All editions
Navshakti	Marathi	Mumbai
Samyukta Karnataka	Kannada	Bengaluru

Subsequently a Corrigendum to the Public Announcement appeared on February 2, 2009, the Second Corrigendum to the Public Announcement appeared on February 18, 2009, the Third Corrigendum to the Public Announcement appeared on April 14, 2009, the Fourth Corrigendum to the Public Announcement appeared on May 28, 2009, the Fifth Corrigendum to the Public Announcement appeared on July 2, 2009 and the Sixth Corrigendum to the Public Announcement is scheduled to appear on September 10, 2009 in the same publications.

(The Public Announcement and the Corrigenda to the Public Announcement are available on the SEBI website at http://www.sebi.gov.in)

3.2.3 Neither the Acquirer and the PACs nor any of their directors have acquired any Shares since the date of the Public Announcement upto the date of this Letter of Offer. Other than the indirect acquisition through the Global Acquisition, the Acquirer and the PACs have neither acquired nor have been allotted any Share of the Target Company in the last 12 months period prior to the date of the Public Announcement.

3.2.4 The Acquirer does not directly own any Shares of the Target Company, as on the date of the Public

Announcement and this Letter of Offer. DISA II A/S is owned 100% by the Acquirer. DISA II A/S owns 100% shares of DISA A/S, which in turn owns 100% shares of DISA AG. DISA A/S holds 3,02,749 Shares and DISA AG holds 8,18,902 Shares in the Target Company representing 20.05% and 54.22% of the paid-up and voting equity share capital of the Target Company.

3.2.5 The Offer is not conditional upon any minimum level of acceptance and all Shares validly tendered in terms of the Offer shall be acquired subject to a maximum of 3,02,041 Shares at the Offer Price. If the number of Shares offered by the shareholders are more than 3,02,041 Shares, then the acquisition from each shareholder will be as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The minimum marketable lot for the purposes of acceptance, for both physical and demat shares would be one Share. To the extent of the Offer Size and in accordance with the Public Announcement and the Letter of Offer, the Shares of the Target Company that are validly tendered & accepted pursuant to this Offer are proposed to be acquired by DISA A/S.

3.2.6 This is not a competitive bid. There has been no competitive bid within the time frame specified under the SEBI Takeover Code.

3.3 Object of the Offer and Future Plans for DISA India Limited

3.3.1 This Offer is being made pursuant to the Global Acquisition, as explained above. The Global Acquisition has resulted in an indirect acquisition of the Target Company and this Offer is being made, in compliance with, among other applicable provisions, Regulation 10 [read with explanation (b) to Regulation 11] and Regulation 12 of the SEBI Takeover Code. After completion of the Offer, the Acquirer and the PACs may evaluate options for further consolidation of their shareholding in the Target Company subject to applicable laws. The Acquirer and the PACs may evaluate options to delist the Target Company in the next three years. However, as on date of the Letter of Offer, the Acquirer and PACs have not made any decision to make an offer for delisting of the equity shares of the Target Company in the next three years.

3.3.2 The Acquirer and the PACs reserve the right to seek reconstitution of the Board of Directors of the Target Company after/upon completion of the Offer, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956. However, as on the date of the Letter of Offer, the Acquirer and PACs have not made any decision on the reconstitution of the Board of Directors of the Target Company and no persons have been identified for such nomination.

3.3.3 Post the Offer, the Acquirer and the PACs plan to continue the present business of the Target Company and do not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company or as described hereinafter. Some assets may be used to provide security cover for the global debt facilities of DISA. Mid Europa Partners is a private equity advisory firm and the acquisition of DISA business is part of their investment strategy. In line with the usual practices of the private equity business wherein investments, after an appropriate period of time, are reviewed from an exit perspective, Mid Europa Partners / Hamlet may evaluate options to exit DISA business upon an opportune time. There are no specific plans for disposal or encumbrance of the assets of the Target Company in the next two years, and such decisions, if taken due to business considerations, will be governed by the provisions of applicable laws.

3.3.4 The Acquirer and the PACs undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

4 BACKGROUND OF THE ACQUIRER AND THE PACS

4.1 Details of the Acquirer – Hamlet Holding II A/S (Hamlet)

4.1.1 Hamlet is a Danish limited liability company, incorporated on March 7, 2008 under the laws of Kingdom of Denmark, with the object to engage in trade, industry and other related business. It is registered in Denmark with Danish Commerce and Companies Agency under CVR number 31286042. The registered office of Hamlet is situated at c/o Henrik Rossing Lonberg, Bredgade 38, 1260 Copenhagen, Denmark, Tel: (+45) 3347 8864, Fax: (+45) 3347 8964. Hamlet is an investment holding company.

4.1.2 The fully subscribed and paid up share capital of Hamlet is Euros 7,12,199 comprising of 3 classes of share capital. Hamlet has issued 1,60,640 Class A shares of Euro 1 each, 39,361 Class B shares of Euro 1 each and 5,12,198 preference shares of Euro 1 each.

4.1.3 Hamlet is an unlisted company. The entire share capital is held by Hamlet Holding I ApS. The ultimate controlling ownership of Hamlet Holding ApS is with Emerging Europe Convergence Fund II LP, a limited liability partnership, which is advised and managed by Mid Europa Partners and their affiliates. Mid Europa Partners is an independent private equity investment firm focused on investing in Central and Eastern Europe with committed capital of approximately Euros 3 billion. Mid Europa Partners have offices in London (United Kingdom), Budapest (Hungary) and Warsaw (Poland). Mid Europa Partners have made investments in about twenty three companies located in fourteen countries of Central and Eastern Europe.

4.1.4 The Board of Directors of Hamlet, as on the date of the Public Announcement and this Letter of Offer, comprised of Mr. Robert Eugene Joyce Jr., Mr. Ian Bruce Bird and Mr. Andrew James Matsuyama. None of the Directors of Hamlet are on the Board of the Target Company. Brief particulars of the directors are as follows:

Name	Appointment Date	Experience	Qualification	Residential Address
Mr. Robert Eugene Joyce Jr.	September 22, 2008	He is on the board of Wheelabrator Group since 2007 and has been the President of Wheelabrator Group since 2003. Prior to this he was the Chief Operating Officer of USFilter. He has also served at management positions with Deloitte & Touche (Consulting), Black & Decker and Merck. He has also served in the United States Marine Corps.	▪ MBA, The Wharton School, University of Pennsylvania, ▪ BSE, Aerospace Engineering, University of Michigan	2317 Keystone Drive Evergreen Colorado 80439 USA
Mr. Ian Bruce Bird	September 22, 2008	He is a Senior Vice President, General Counsel and Secretary of the Wheelabrator Group. He is responsible for managing the legal affairs at the Wheelabrator Group. Formerly, he had served as Vice President & General Counsel-International and Corporate Development with Coors Brewing Company.	▪ JD, Sturm College of Law, University of Denver, ▪ M.A, International Studies, Korbel Graduate School of International Studies, University of Denver, ▪ B.A. History,	6327 South Jamaica Court Englewood Colorado 80111 USA

Name	Appointment Date	Experience	Qualification	Residential Address
			Michigan State University	
Mr. Andrew James Matsuyama	September 22, 2008	He is the Chief Financial Officer of the Wheelabrator Group and has been working with them since 2003. Formerly, he had worked with Protiviti and Arthur Andersen in senior management roles.	▪ Certified Public Accountant, Colorado U.S.A, ▪ B.S.B.A. Colorado State University	2652 S. Nelson Ct. Denver Colorado 80227 USA

4.1.5 Key audited financials of Hamlet since incorporation upto December 31, 2008 on a standalone-basis are as follows:

INCOME STATEMENT FOR THE PERIOD MARCH 7, 2008 TO DECEMBER 31, 2008

Particulars	(in Euros mn.)	(in Rs. lakhs)
Income from operations	0.16	102.54
Other Income	-	-
Total Income	**0.16**	**102.54**
Total Expenses	(0.22)	(145.57)
Profit before Depreciation, Interest and Taxes	**(0.07)**	**(43.03)**
Depreciation & Amortisation	-	-
Interest	(60.75)	(39,307.53)
Extraordinary Items	-	-
Profit before Tax	**(60.82)**	**(39,350.56)**
Provision for Tax	2.06	1,335.37
Profit after Tax	**(58.76)**	**(38,015.19)**

BALANCE SHEET AS ON DECEMBER 31, 2008

Particulars	(in Euros mn.)	(in Rs. lakhs)
SOURCE OF FUNDS		
Equity Share Capital	0.20	129.40
Preference share capital	0.51	331.39
Reserves and Surplus (excluding revaluation reserves)	79.12	51,189.54
Net worth	**79.83**	**51,650.33**
Loans	159.89	1,03,448.01
Total	**239.72**	**1,55,098.34**
APPLICATION OF FUNDS		
Fixed Assets	-	-
Investments	243.04	1,57,248.10
Net Current Assets	(3.32)	(2,149.76)
Total	**239.72**	**1,55,098.34**

OTHER FINANCIAL DATA

Particulars	(in Euros)	(in Rs.)
Dividend (%)	NA	

Particulars	(in Euros)	(in Rs.)
Earnings per share	(293.78)	(1,90,074.97)
Return on Networth (%)	(73.61)%	
Book Value per equity share	396.59	2,56,593.40

NOTE:

(1) Dividend (%) = Dividend paid per equity share / Par value per equity share
(2) Earnings per share = Profit after tax / No. of equity shares outstanding at year-end
(3) Return on Networth = Profit after tax / Networth at year-end
(4) Book Value per equity share = Networth (excluding preference capital) at the end of period / No. of equity shares outstanding at year-end
(5) NA - Not Announced / Not Applicable
(6) 1 Euro = Rs.64.70 as on December 15, 2008 (Source: www.rbi.org.in)

4.1.6 The significant accounting policies of Hamlet, as per the annual report for the period ended December 31, 2008, are as follows:

ACCOUNTING POLICIES

The annual report of Hamlet for 2008 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B.

General about recognition or measurement

Income is recognised in the income statement as and when it is earned, including recognition of value adjustments of financial assets and liabilities. Any costs, including depreciation, amortisation and write-down, are also recognised in the income statement.

Assets are recognised in the balance sheet when it is likely that future economic benefits will accrue to the company and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is likely that future economic benefits will not accrue to the company and the value of the liability can be measured reliably.

The initial recognition measures assets and liabilities at cost. Subsequently, assets and liabilities are measured as described in the following for each item.

Certain financial assets and liabilities are measured at amortised cost, recognising a constant yield to maturity. Amortised cost is stated at initial cost less any deductions and with addition/deduction of the accumulated amortisation on the difference between cost and nominal amount.

The recognition or measurement takes into account predictable losses and risks arising before the year-end reporting and which confirm or disconfirm matters that existed at the balance sheet date.

The carrying amount of intangible and tangible assets should be estimated annually to determine if there is any indication of impairment in excess of the amount reflected by normal amortisation or depreciation. If this is the case, write-down should be made to the lower recoverable amount.

Other External Costs

Other external costs include costs relating to administration and similar expenses.

Financial income and expenses

Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year. Financial income and expenses include interest income and expenses, financial expenses of finance leases, realised and unrealised gains and losses arising from current asset investments, debt and transactions in foreign currencies, amortisation of loans as well as charges and allowances under the tax-an-account scheme etc.

Dividends from investments are recognised in the financial year where the dividend is declared.

Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that can be attributed to the profit for the year, and is recognised directly in the equity by the portion that can be attributed to entries directly to the equity.

Non-current asset investments

Investments in subsidiary enterprises are measured at cost. If the cost exceeds the net realisable value, write-down is provided to the lower value.

Accruals

Accruals recognised as assets include costs incurred relating to the subsequent financial year.

Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future revenues or by set-off against deferred tax liabilities within the same legal tax unit.

Deferred tax is measured on the basis of the tax rules and tax rates that would be applicable under the legislation in force on the balance sheet date when the deferred tax is expected to crystallise as current tax. The tax rate applied for the current year is 25 %.

Liabilities

Financial liabilities are recognised at the time of borrowing by the amount of proceeds received less borrowing costs. In subsequent periods, the financial liabilities are measured at amortised cost equal to the capitalised value when using effective yield, the difference between the proceeds and the nominal value being recognised in the income statement over the term of loan.

Other liabilities are measured at amortised cost equal to nominal value.

Foreign currency translation

Transactions in foreign currencies are translated at the rate of exchange on the transaction date. Exchange differences arising between the rate at the transaction date and the rate on the payment date are recognised in the income statement as a financial income or expense.

Accounts receivable, payable and other monetary items in foreign currencies that are not settled on the balance sheet date are measured at the exchange rate on the balance sheet date. The difference between the exchange rate on the balance sheet date and the exchange rate at the time of occurrence of the receivable or payable is recognised in the income statement as financial income or expenses.

4.1.7 As per the Annual Report for period since incorporation to December 31, 2008, the contingent liabilities and provision for securities of Hamlet, on a standalone-basis, are as follows:

Particulars	As on December 31, 2008	
	(in Euro mn)	(in Rs. lakhs)
Contingent Liability	-	-
Provision of security	243.00	157,221.00

(One Euro = Rs. 64.70 as on December 15, 2008; Source: www.bloomberg.com)

4.1.8 2008 being the first year of operation of Hamlet, a comparison of results cannot be done.

4.1.9 The provisions of Chapter II of the SEBI Takeover Code are not applicable to the Acquirer.

4.1.10 There are no mergers / demergers / spin offs involving Hamlet since its incorporation. The details of major acquisitions made by Hamlet since incorporation up to the date of the Letter of Offer are as follows:

Calendar Year 2008

- Acquisition of DISA Holding II A/S
- Acquisition of WGH Holding Corp. (BVI)

4.1.11 There are no companies that have been directly promoted by Hamlet in India.

4.2 Details of the PACS – DISA Holding II A/S (DISA II A/S)

4.2.1 DISA II A/S is a Danish limited liability company, incorporated on December 12, 2006 under the laws of Kingdom of Denmark, with the object to carry out trading, craftsmanship and industrial activities, directly or indirectly through subsidiaries, as well as any related activities. It is registered in Denmark with Danish Commerce and Companies Agency under CVR number 30085590. The registered office of DISA II A/S is situated at Herlev Hovedgade 17, 2730 Herlev, Denmark, Tel: (+45) 44 505050, Fax: (+45) 44 941578. DISA II A/S is an investment holding company.

4.2.2 The fully subscribed and paid up share capital of DISA II A/S comprises of 1,16,01,428 shares of Danish Kroner (“DKK”) 1 each.

4.2.3 DISA II A/S is an unlisted company. The entire share capital is held by Hamlet. DISA II A/S is the holding company of DISA A/S.

4.2.4 The Board of Directors of DISA II A/S, as on the date of the Public Announcement, comprised of Mr. Henrik Rossing Lonberg, Mr. Kent Arentoft, Mr. Anders Dommerby Kristensen, Mr. Jan Arnold Johansen, Mr. Peter Holm Larsen, Mr. Erik Andersen, Mr. Per Lofstrom Sorensen and Mr. Rene Stegger. As on the date of the Public Announcement, Mr. Kent Arentoft and Mr. Jan Arnold Johansen were also on the Board of the Target Company. Brief particulars of the directors are as follows:

Name	Appointment Date	Experience	Qualification	Residential Address
Mr. Henrik Rossing Lonberg	October 9, 2008	He is a partner and member of the management board at Jonas Bruun, a Copenhagen based law firm, which advises industrial and commercial businesses, organisations and public authorities on commercial law and public law. He is co-head of the M&A department of the firm. Prior to joining Jonas Bruun, he was a senior associate with the M&A group of White & Case in New York.	▪ LL.M, Harvard Law School ▪ Candidatus Juris, University of Copenhagen	Gothersgade 160, 4.th.1123, Copenhagen, Denmark
Mr. Kent Arentoft	October 9, 2008	He has been with DISA group since 2005 as CEO of DISA Holding A/S. Prior to joining DISA group he was with Unicon Group in various positions. He started his career in Unicon in 1987 as an accountant and ended in the position as CEO from 2000-2005. During 1989-91 he was stationed in the US, and during 1993-96 he was stationed in Spain.	▪ Business Administration, Management and Stategy Seminar, UNC Business School, 1990 ▪ Decision Strategies Seminar, UnC 1990, ▪ Advanced Development Programme, London Business School, 1995, ▪ INSEAD, France - 1999-2000	Dronning Sofies Vej 1, 4000 Roskilde, Copenhagen, Denmark
Mr. Anders Dommerby Kristensen	October 9, 2008	He is CFO of DISA Holding A/S since 1998. During 1968-87 he was employed with DISA as chief accountant. In the years 1987-89 he was employed as manager in the company EDB Gruppen, and during 1989-98 he was employed as chief accountant in the company Superfos.	▪ HD Economics, Master of Laws, PMD (Harvard)	Kildevaeldets alle 2, 1.2., 26000 Glostrup, Copenhagen, Denmark
Mr. Jan Arnold Johansen	October 9, 2008	He is EVP of DISA Holding A/S and has been working with the company since 1968 when employed as an engineer, and he has since then worked within	▪ Mechanical Engineer, Technical College, Horsens, Denmark	Regnar Lodbrogsvej 5, 3600 Frederikssund,

Name	Appointment Date	Experience	Qualification	Residential Address
		service, marketing and sales. In 1983-90 he was stationed in Japan and Germany.		Denmark
Mr. Peter Holm Larsen	October 9, 2008	He has been working with DISA since February 1, 2007 when he was employed as EVP, Global Operations for BU Moulding. Prior to joining DISA he has been with the Unicon Group from 1998-2007, starting as production manager and ending up in the position as Business Unit Executive. From 1986-1998 he was in various positions in the company NKT General Cables.	▪ Mechanical Engineer B.Sc. , Danmarks Ingeniørakademi (DIA), Lyngby, Denmark	Egebjerg Mark 10, 4500, Nykobing Sj., Denmark
Mr. Erik Andersen	December 12, 2006	He has been with DISA since 1967, when he was employed as a mechanic, and is now working as a test technician in the Assembly dept.	▪ Educated metal worker and mechanic of automatics	Astershaven 225, Smorumnedre, 2765 Smorum, Copenhagen, Denmark
Mr. Per Lofstrom Sorensen	December 12, 2006	He has been with DISA since 1990 when he was employed as a technical assistant in which capacity he has been working at DISA ever since.	▪ Educated technical assistant, Roskilde Technical School, Denmark	Tjomegardsvej 12, 4000 Roskilde, Copenhagen, Denmark
Mr. Rene Stegger	October 9, 2008	He has been with DISA since 1984 when employed as a fitter, and is now working as a fitter in the Machining department.	▪ Educated metal worker at Valby Maskinfabrik – F.L. Smith, Valby, Denmark	Poppellunden 44, 2635 Ishøj, Denmark

However, Mr. Kent Arentoft and Mr. Henrik Rossing Lonberg have resigned from the Board of Directors of DISA II A/S on March 31, 2009 and May 6, 2009, respectively. Subsequently, Mr. Robert Eugene Joyce Jr. was appointed to the Board of Directors on May 6, 2009. For a profile of Mr. Robert Eugene Joyce Jr. please refer to paragraph 4.1.4 of this Letter of Offer. Mr. Kent Arentoft had also resigned from the Board of the Target Company on March 26, 2009.

4.2.5 Key audited financials of DISA II A/S on a standalone-basis are as follows:

INCOME STATEMENT

Particulars	For the year ended December 31, 2008		For the year ended December 31, 2007	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)
Income from operations	-	-	-	-
Other Income	60.5	5,296.0	186.7	16,343.2

Particulars	For the year ended December 31, 2008		For the year ended December 31, 2007	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)
Total Income	**60.5**	**5,296.0**	**186.7**	**16,343.2**
Total Expenses	(0.3)	(26.3)	(0.2)	(17.5)
Profit before Depreciation, Interest and Taxes	**60.2**	**5,269.7**	**186.5**	**16,325.7**
Depreciation & Amortisation	-	-	(20.6)	(1,803.3)
Interest	(47.6)	(4,166.8)	(23.9)	(2,092.1)
Profit before Tax	**12.6**	**1,103.0**	**142.0**	**12,430.3**
Provision for Tax	2.3	201.3	(33.7)	(2,950.0)
Profit after Tax	**14.9**	**1,304.3**	**108.3**	**9,480.3**

BALANCE SHEET

Particulars	As on December 31, 2008		As on December 31, 2007	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. Lakhs)
SOURCE OF FUNDS				
Equity Share Capital	11.6	1,015.4	11.6	1,015.4
Reserves and Surplus (excluding revaluation reserves)	228.0	19,958.4	279.7	24,484.1
Net worth	**239.6**	**20,973.9**	**291.3**	**25,499.5**
Loans	311.3	27,250.3	310.1	27,145.2
Total	**550.9**	**48,224.1**	**601.4**	**52,644.8**
APPLICATION OF FUNDS				
Fixed Assets	-	-	-	-
Investments	574.6	50,298.8	631.4	55,270.9
Net Current Assets	(23.7)	(2,074.6)	(30.0)	(2,626.1)
Total	**550.9**	**48,224.1**	**601.4**	**52,644.8**

OTHER FINANCIAL DATA

Particulars	As on December 31, 2008		As on December 31, 2007	
	(in DKK)	(in Rs.)	(in DKK)	(in Rs.)
Dividend (%)	NA		NA	
Earnings per share	1.28	11.24	9.34	81.72
Return on Networth (%)	6.22%		37.18%	
Book Value per shares	20.65	180.79	25.11	219.80

NOTE

(1) Dividend (%) = Dividend paid per equity share / Par value per equity share

(2) Earnings per share = Profit after tax (net of minority interest) / No. of equity shares outstanding at year-end

(3) Return on Networth = Profit after tax (net of minority interest) / Networth at year-end

(4) Book Value per share = Networth at year-end (net of minority interest) / No. of equity shares outstanding at year-end

(5) NA - Not Announced / Not Applicable

(6) One DKK = Rs. 8.7537 as on December 15, 2008 (Source: www.bloomberg.com)

(Source: Annual Report, company data)

4.2.6 The significant accounting policies of DISA II A/S, as per the financial statements for the year ended

December 31, 2008 are as follows:

Accounting policies

The annual report is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

Referring to section 112(1) and section 86(4) of the Danish Financial Statements Act, DISA Holding II A/S has not prepared consolidated financial statements and cash flow statement.

Change of accounting policy

In 2008, the Company introduced a change in principle for recognising investments in group enterprises, which was changed from equity method to cost.

The comparative figures for 2007 have been restated to the new principle as follows:

Particulars	Year ended December 31, 2007	
	(in DKK mn.)	(in Rs. lakhs)
Profit after tax as per audited financial statements	**108.3**	**9,480.3**
Amortisation	20.6	1,803.3
Profit/loss in group enterprises	(144.1)	(12,614.1)
Dividend received	60.0	5,252.2
Re-stated Profit based on uniform accounting policy	**44.8**	**3,921.7**
Re-stated Reserves due to change in the accounting policy	**279.7**	**24,484.1**

Particulars	Year ended December 31, 2007	
	(in DKK)	(in Rs.)
Earnings per share consequent to the above adjustments	3.86	33.80
Return on Net worth (%) consequent to the above adjustments	19.10%	
Book Value per equity share consequent to the above adjustments	20.21	176.94

Note: *One DKK = Rs. 8.7537 as on December 15, 2008 (Source: www.bloomberg.com)*

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date.

Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging of the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. If the future transaction results in income or expenses, amounts which were deferred in equity will be taken to the income statement in the period when the hedged transaction affects the income statement. Other value adjustments deferred under equity are recognised as part of the cost of the asset or the liability, respectively.

For any derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Other operating income and expenses
Other operating income and expenses comprise income and expenses of a secondary nature as viewed in relation to the Company's primary activities as well as profit and loss from sale of property, plant and equipment.

Financial income and expenses
These items comprise interest income and expenses, realised and unrealised gains and losses relating to items in foreign currency, fair value adjustment of securities and amortisation of financial liabilities.

Income taxes and deferred tax
DISA Holding II A/S is jointly taxed with DISA Holding A/S and DISA Industries A/S in the period 1 January to 31 August 2008 as well as with Hamlet Holding I Aps and Hamlet Holding II Aps in the period 1 September to 31 December 2008. The current Danish income tax is allocated among the jointly taxed enterprises proportionally to their taxable in-come (full allocation with a refund concerning tax losses). The jointly taxed companies are subject to the tax prepayment scheme.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and classified directly as equity by the portion attributable to entries directly in equity.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Investments in group enterprises
Investments in group enterprises are recognised and measured at cost.

Dividend received is recognised in the income statement to the extent that it does not exceed the accumulated profits in the group enterprises during the period of ownership.

The carrying amount is assessed on a yearly basis to determine any indication of impairment. When such indication exists, the recoverable value is determined, and write-down is made to the lower of recoverable value and carrying amount. Impairment losses are recognised in the income statement.

Receivables
Receivables are measured at amortised cost usually equalling nominal value less write-downs for bad debts.

Dividends
Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item under equity.

Financial liabilities
Financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

4.2.7 As per the report issued by the statutory auditors, the contingent liabilities and provision of security as on December 31, 2008 of DISA II A/S on a standalone basis are as follows:

Particulars	As on December 31, 2008	
	(in DKK mn)	(in Rs. lakhs)
Provision of security	574.6	50,298.8

(One DKK = Rs. 8.7537 as on December 15, 2008; Source: www.bloomberg.com)

4.2.8 Comparison of results: *(Figures mentioned in the following comparison are standalone figures, as adjusted for changes in accounting policy and therefore these may be different from the figures appearing in summarised key audited financials mentioned in 4.2.5 above)*

Comparison of income and profit for the year ended December 31, 2008 over the previous year ended December 31, 2007

DISA II A/S' standalone total income for the year ended December 31, 2008 was DKK 60.5 mn, compared to DKK 64.4 mn in the previous year due to general recession in the industry. DISA II A/S recorded a profit after tax of DKK 14.9 mn in the year ended December 31, 2008 as against DKK 44.8 mn in the year ended December 31, 2007, which is due to increase in the finance cost and currency losses.

4.2.9 The provisions of Chapter II of the SEBI Takeover Code are not applicable to DISA II A/S.

4.2.10 There are no mergers / demergers / spin offs involving DISA II A/S since its incorporation. The details of major acquisitions made by DISA II A/S since its incorporation and upto the date of the Letter of Offer are as follows:

Calendar Year 2007
Acquisition of DISA Holding A/S

4.2.11 There are no companies that have been directly promoted by DISA II A/S in India.

4.3 Details of the PACS – DISA Holding A/S (DISA A/S)

4.3.1 DISA A/S is a Danish limited liability company, incorporated on December 15, 2004 under the laws of Kingdom of Denmark under the name KR 416 A/S, with the object to carry out trading, craftsmanship and industrial activities, directly or indirectly through subsidiaries, as well as any related activities. Subsequently, on May 24, 2005 the name was changed to the present name. DISA A/S is registered in Denmark with Danish Commerce and Companies Agency under the CVR number 28301901. The registered office of DISA A/S is situated at Herlev Hovedgade 17, 2730 Herlev, Denmark, Tel: (+45) 44 505050, Fax: (+45) 44 941578. DISA A/S is an investment holding company.

4.3.2 The fully subscribed and paid up share capital of DISA A/S comprises of 1,16,01,428 shares of DKK 1 each.

4.3.3 DISA A/S is an unlisted company. The entire share capital is held by DISA II A/S. DISA A/S is the holding company of DISA AG.

4.3.4 The Board of Directors of DISA A/S, as on the date of the Public Announcement, comprised of Mr. Henrik Rossing Lonberg, Mr. Kent Arentoft, Mr. Anders Dommerby Kristensen, Mr. Jan Arnold Johansen, Mr. Peter Holm Larsen, Mr. Erik Andersen, Mr. Per Lofstrom Sorensen and Mr. Rene Stegger. Mr. Kent Arentoft and Mr. Jan Arnold Johansen were also on the Board of the Target Company, as on the date of the Public Announcement . Brief particulars of the directors are as follows:

Name	Appointment Date	Experience	Qualification	Residential Address
Mr. Henrik Rossing Lonberg	October 9, 2008	He is a partner and member of the management board at Jonas Bruun, a Copenhagen based law firm, which advises industrial and commercial businesses, organisations and public authorities on commercial law and public law. He is co-head of the M&A	▪ LL.M, Harvard Law School ▪ Candidatus Juris, University of Copenhagen	Gothersgade 160, 4.th.1123, Copenhagen, Denmark

Name	Appointment Date	Experience	Qualification	Residential Address
		department of the firm. Prior to joining Jonas Bruun, he was a senior associate with the M&A group of White & Case in New York.		
Mr. Kent Arentoft	October 9, 2008	He has been with DISA group since 2005 as CEO of DISA Holding A/S. Prior to joining DISA group he was with Unicon Group in various positions. He started his career in Unicon in 1987 as an accountant and ended in the position as CEO from 2000-2005. During 1989-91 he was stationed in the US, and during 1993-96 he was stationed in Spain.	▪ Business Administration, Management and Stategy Seminar, UNC Business School, 1990 ▪ Decision Strategies Seminar, UnC 1990, ▪ Advanced Development Programme, London Business School, 1995, ▪ INSEAD, France - 1999-2000	Dronning Sofies Vej 1, 4000 Roskilde, Copenhagen, Denmark
Mr. Anders Dommerby Kristensen	October 9, 2008	He is CFO of DISA Holding A/S since 1998. During 1968-87 he was employed with DISA as chief accountant. In the years 1987-89 he was employed as manager in the company EDB Gruppen, and during 1989-98 he was employed as chief accountant in the company Superfos.	▪ HD Economics, Master of Laws, PMD (Harvard)	Kildevaeldets alle 2, 1.2., 26000 Glostrup, Copenhagen, Denmark
Mr. Jan Arnold Johansen	October 9, 2008	He is EVP of DISA Holding A/S and has been working with the company since 1968 when employed as an engineer, and he has since then worked within service, marketing and sales. In 1983-90 he was stationed in Japan and Germany.	▪ Mechanical Engineer, Technical College, Horsens, Denmark	Regnar Lodbrogsvej 5, 3600 Frederikssund, Denmark
Mr. Peter Holm Larsen	October 9, 2008	He has been working with DISA since February 1, 2007 when he was employed as EVP, Global Operations for BU Moulding. Prior to joining DISA he has been with the Unicon Group from 1998-2007, starting as production manager and ending up in the position as Business Unit Executive. From 1986-1998 he was in various positions in the company NKT General Cables.	▪ Mechanical Engineer B.Sc. , Danmarks Ingeniørakademi (DIA), Lyngby, Denmark	Egebjerg Mark 10, 4500, Nykobing Sj., Denmark

Name	Appointment Date	Experience	Qualification	Residential Address
Mr. Erik Andersen	May 20, 2005	He has been with DISA since 1967, when he was employed as a mechanic, and is now working as a test technician in the Assembly dept.	▪ Educated metal worker and mechanic of automatics	Astershaven 225, Smorumnedre, 2765 Smorum, Copenhagen, Denmark
Mr. Per Lofstrom Sorensen	May 20, 2005	He has been with DISA since 1990 when he was employed as a technical assistant in which capacity he has been working at DISA ever since.	▪ Educated tech-nical assistant, Roskilde Tech-nical School, Denmark	Tjomegardsvej 12, 4000 Roskilde, Copenhagen, Denmark
Mr. Rene Stegger	October 9, 2008	He has been with DISA since 1984 when employed as a fitter, and is now working as a fitter in the Machining department.	▪ Educated metal worker at Valby Maskinfabrik – F.L. Smith, Valby, Denmark	Poppellunden 44, 2635 Ishøj, Denmark

However, Mr. Kent Arentoft and Mr. Henrik Rossing Lonberg have resigned from the Board of Directors of DISA A/S on March 31, 2009 and May 6, 2009 respectively. Subsequently, Mr. Robert Eugene Joyce Jr. was appointed to the Board of Directors on May 6, 2009. For a profile of Mr. Robert Eugene Joyce Jr. please refer to paragraph 4.1.4 of this Letter of Offer. Mr. Kent Arentoft had also resigned from the Board of the Target Company on March 26, 2009.

4.3.5 Key audited financials of DISA A/S for the last three years on a stand-alone basis are as follows:

INCOME STATEMENT

Particulars	Year ended December 31, 2008		Year ended December 31, 2007		Year ended December 31, 2006	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)
Income from operations	-	-	-	-	-	-
Other Income	146.4	12,815.4	249.0	21,796.7	150.1	13,139.3
Total Income	**146.4**	**12,815.4**	**249.0**	**21,796.7**	**150.1**	**13,139.3**
Total Expenses	(36.2)	(3,168.8)	(21.6)	(1,890.8)	(27.8)	(2,433.5)
Profit before Depreciation, Interest and Taxes	**110.2**	**9,646.6**	**227.4**	**19,905.9**	**122.3**	**10,705.8**
Depreciation & Amortisation	(8.1)	(709.0)	(7.5)	(656.5)	(3.4)	(297.6)
Interest	(50.8)	(4,446.9)	(17.4)	(1,523.1)	(12.8)	(1,120.5)
Extraordinary Items	(16.7)	(1,461.9)	(1.7)	(148.8)	(2.0)	(175.1)
Profit before Tax	**34.6**	**3,028.8**	**200.8**	**17,577.4**	**104.1**	**9,112.6**
Provision for Tax	8.5	744.1	(38.2)	(3,343.9)	(33.8)	(2,958.8)
Profit after Tax	**43.1**	**3,772.8**	**162.6**	**14,233.5**	**70.3**	**6,153.9**

BALANCE SHEET

Particulars	As on December 31, 2008		As on December 31, 2007		As on December 31, 2006	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)
SOURCE OF FUNDS						
Equity Share Capital	11.6	1,015.4	11.6	1,015.4	10.0	875.4
Reserves and Surplus (excluding revaluation reserves)	51.4	4,499.4	234.4	20,518.7	111.6	9,769.1
Net worth	**63.0**	**5,514.8**	**246.0**	**21,534.1**	**121.6**	**10,644.5**
Loans	66.9	5,856.2	63.6	5,567.4	88.8	7,773.3
Total	**129.9**	**11,371.1**	**309.6**	**27,101.5**	**210.4**	**18,417.8**
APPLICATION OF FUNDS						
Fixed Assets	23.4	2,048.4	25.3	2,214.7	14.5	1,269.3
Investments	257.9	22,575.8	480.8	42,087.8	322.1	28,195.7
Net Current Assets	(151.4)	(13,253.1)	(196.5)	(17,201.0)	(126.2)	(11,047.2)
Total	**129.9**	**11,371.1**	**309.6**	**27,101.5**	**210.4**	**18,417.8**

OTHER FINANCIAL DATA

Particulars	Year ended December 31, 2008		Year ended December 31, 2007		Year ended December 31, 2006	
	(in DKK)	(in Rs.)	(in DKK)	(in Rs.)	(in DKK)	(in Rs.)
Dividend (%)	NA		356%		517%	
Earnings per share	3.72	32.52	14.02	122.69	7.03	61.54
Return on Networth (%)	68.41%		66.10%		57.81%	
Book Value per share	5.43	47.54	21.20	185.62	12.16	106.44

NOTE - I

(1) Dividend (%) = Dividend paid per equity share / Par value per equity share
(2) Earnings per share = Profit after tax / No. of equity shares outstanding at year-end
(3) Return on Networth = Profit after tax / Networth at year-end
(4) Book Value per share = Networth at year-end/ No. of equity shares outstanding at year-end
(5) NA - Not Announced / Not Applicable
(6) One DKK = Rs. 8.7537 as on December 15, 2008 (Source: www.bloomberg.com)
(Source: Annual Report, company data)

NOTE - II

Changes in accounting policies during last three financial years ended on December 31, 2008:

- In 2008, the DISA A/S changed its policy for recognising investments in group enterprises from the equity method to the cost method.

Impact on profits due to restatement and other material adjustments made to the audited financial statements:

Since there has been a change in accounting policy during the last three years, the profits or losses of these years have been re-computed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years:

Particulars	Year ended December 31, 2007		Year ended December 31, 2006	
	(in DKK mn.)	(in Rs. lakhs)	(in DKK mn.)	(in Rs. lakhs)
Profit after tax as per audited financial statements	**162.6**	**14,233.52**	**70.3**	**6,153.85**
Result in affiliated companies	(184.8)	(16,176.84)	(85.1)	(7,449.40)
Amortization on goodwill	3.6	315.13	1.4	122.55
Dividend received	38.5	3,370.17	70.2	6,145.10
Re-stated Profit based on uniform accounting policy	**19.9**	**1,741.99**	**56.8**	**4,972.10**
Re-stated Reserves due to change in the accounting policy	**11.0**	**962.78**	**7.7**	**674.03**

Particulars	Year ended December 31, 2007		Year ended December 31, 2006	
	(in DKK)	(in Rs.)	(in DKK)	(in Rs.)
Earnings per share consequent to the above adjustments	1.72	15.02	5.68	49.72
Return on Net worth (%) consequent to the above adjustments	88.06%		320.90%	
Book Value per equity share consequent to the above adjustments	1.95	17.05	1.77	15.49

Note: One DKK = Rs. 8.7537 as on December 15, 2008 (Source: www.bloomberg.com)

4.3.6 The significant accounting policies of DISA A/S, as per the financial statements for the year ended December 31, 2008 are as follows:

Accounting policies

The annual report of DISA Holding A/S is presented in accordance with the provisions of the Danish Financial Statements Act governing reporting class B enterprises.

Referring to section 112(1) and section 86(4) of the Danish Financial Statements Act, DISA Holding A/S has not prepared any consolidated financial statements or cash flow statement.

Change of accounting policy

In 2008, the Company changed its policy for recognising investments in group enterprises from the equity method to the cost method.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Company has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Foreign currency translation

On initial recognition, foreign currency transactions are translated applying the exchange rate at the transaction date.

Receivables, payables and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date, are translated using the exchange rate at the balance sheet date.

Exchange rate differences that arise between the rate at the transaction date and the one in effect at the payment date, or the balance sheet date, are recognised in the income statement as financial income or financial expenses. Property, plant and equipment, intangible assets, inventories and other non-monetary assets that have been purchased in foreign currencies are translated using historical rates.

Derivative financial instruments

On initial recognition in the balance sheet, derivative financial instruments are measured at cost and subsequently at fair value. Positive and negative fair values of derivative financial instruments are recognised under other receivables or other payables.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging of the fair value of a recognised asset or a recognised liability are recorded in the income statement together with changes in the value of the hedged asset or the hedged liability.

Changes in the fair value of derivative financial instruments classified as and complying with the requirements for hedging future transactions are recognised directly in equity. If the future transaction results in income or expenses, amounts which were deferred in equity will be taken to the income statement in the period when the hedged transaction affects the income statement. Other value adjustments deferred under equity are recognised in cost of the asset or the liability, respectively.

For any derivative financial instruments that do not comply with the requirements for being treated as hedging instruments, changes in fair value are recognised currently in the income statement as financial income or financial expenses.

Income statement

Other operating income and operating expenses
Other operating income and expenses comprise income and expenses of a secondary nature as viewed in relation to the Company's primary activities as well as profit and loss from sale of property, plant and equipment.

Financial income and expenses

These items comprise interest income and expenses, realised and unrealised capital gains and losses relating to items in foreign currency, fair value adjustment of securities and amortisation of financial liabilities.

Income taxes and deferred tax
DISA Holding A/S is jointly taxed with DISA Holding II A/S and DISA Industries A/S in the period 1 January to 31 August 2008 and in addition also with Hamlet Holding I ApS and Hamlet Holding II ApS in the period 1 September to 31 December 2008. The current Danish income tax is allocated among the jointly taxed enterprises proportionally to their taxable income (full allocation with a refund concerning tax losses). The jointly taxed companies are subject to the tax prepayment scheme.

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit/loss for the year and classified directly as equity by the portion attributable to entries directly in equity.

The current tax payable or receivable is recognised in the balance sheet, stated as tax calculated on this year's taxable income, adjusted for prepaid tax.

Deferred tax is recognised on all temporary differences between the carrying amount and tax-based value of assets and liabilities, for which the tax-based value of assets is calculated based on the planned use of each asset.

Deferred tax assets, including the tax base of tax loss carry forwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Balance sheet

Property, plant and equipment
Fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition, and preparation costs of the asset until the time when it is ready to be put into operation. For self-constructed assets, cost comprises direct and indirect costs of materials, components, sub-suppliers and labour costs. For assets held under finance leases, cost is the lower of the asset's fair value and present value of future lease payments. Assets held under finance leases are then accounted for as other property, plant and equipment.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

Fixtures and fittings, tools and equipment	4-8 years
Leasehold improvements, maximum lease term	10 years

Property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Profits and losses from the sale of property, plant and equipment are calculated as the difference between selling price less selling costs and the carrying amount at the time of sale. Gains or losses are recognized in income as other operating income / expenses.

Investments in group enterprises

Investments in group enterprises are recognised and measured at cost.

Dividend received is recognised in the income statement to the extent that it does not exceed the accumulated results in the group enterprises in the period of ownership.

The carrying amount is assessed on a yearly basis to determine any indication of impairment. When such indication exists, the recoverable value is determined, and write-down is made to the lower of recoverable value and carrying amount. Impairment losses are recognised in the income statement.

Receivables
Receivables are measured at amortised cost usually equalling nominal value less write-downs for bad debts.

Dividend
Dividend is recognised as a liability at the time of adoption at the general meeting. The proposed dividend for the financial year is disclosed as a separate item under equity.

Financial liabilities
Financial liabilities are recognised at amortised cost which usually corresponds to nominal value.

4.3.7 As per the report issued by the statutory auditors, the contingent liabilities and provision for security as on December 31, 2008 of DISA A/S on a standalone basis are as follows:

Particulars	**As on December 31, 2008**	
	(in DKK mn)	**(in Rs. lakhs)**
Operating lease liabilities	8.9	779.08
Provision of security	257.9	22,575.79

(*One DKK = Rs. 8.7537 as on December 15, 2008; Source: www.bloomberg.com)*

4.3.8 Comparison of results: *(Figures mentioned in the following comparison are standalone figures, as adjusted for changes in accounting policy and therefore these may be different from the figures appearing in summarised key audited financials mentioned in 4.3.5 above)*

Comparison of income and profit for the year ended December 31, 2008 over the previous year ended December 31, 2007

DISA A/S' standalone total income for the year ended December 31, 2008 was DKK 106.7 mn, compared to DKK 51.6 mn in the previous year due to higher dividend received from the subsidiaries. DISA A/S recorded a profit after tax of DKK 43.1 mn in the year ended December 31, 2008 as against DKK 19.9 mn in the year ended December 31, 2007, which is in-line with the increase in total income.

Comparison of income and profit for the year ended December 31, 2007 over the previous year ended December 31, 2006

DISA A/S' standalone total income for the year ended December 31, 2007 was DKK 51.6 mn, compared to DKK 91.2 mn in the previous year due to less dividend received from the subsidiaries. DISA A/S recorded a profit after tax of DKK 19.9 mn in the year ended December 31, 2007 as against DKK 56.8 mn in the year ended December 31, 2006, which is in-line with the increase in total income.

4.3.9 DISA A/S holds 3,02,749 Shares representing 20.05% of the total share capital of the Target Company. For details regarding the acquisition of these Shares and compliance with the filing requirements under

Chapter II of the SEBI Takeover Code, refer to paragraph 6.12 and 6.13 of the Letter of Offer.

4.3.10 There are no mergers / demergers / spin offs involving DISA A/S during the last 3 years. The details of major acquisitions made by DISA A/S during the last 3 years and upto the date of the Letter of Offer are as follows:

Calendar Year 2007

- Promoted DISA Technologies Private Limited
- Promoted DISA Trading (Shanghai) co. Limited
- Acquired additional shares of DISA India Limited from DISA Holding AG through inter-se promoter transfer

Calendar Year 2006

- Acquired shares under an open offer of DISA India Limited

4.3.11 Details of companies promoted in India: Other than the Target Company, DISA A/S has promoted DISA Technologies Private Limited in India. The details are given below:

- Date of Incorporation: January 8, 2007
- Nature of Business: Research & Development – Engineering services
- DISA Technologies Private Limited is not listed on any stock exchange

Key Audited Financials

Particulars	Year ended December 31, 2008 (Rs. In lakhs)	From January 8, 2007 to December 31, 2007 (Rs. In lakhs)
Sales and Other Income	427.35	108.63
Profit after Tax	38.38	4.45
Equity Capital	50.00	50.00
Reserves and Surplus (excluding revaluation reserve and adjusted for miscellaneous expenditure, debit balance in profit and loss account)	42.83	4.45
Earning per equity share (Rs.)	7.68	0.89
Net Asset Value per equity share (Rs.)	18.57	10.89

Sick Industrial Companies (Special Provisions) Act, 1985 is not applicable to DISA Technologies Private Limited.

4.4 Details of the PACS – DISA Holding AG (DISA AG)

4.4.1 DISA AG is a Swiss limited liability company, limited by shares and originally incorporated on November 20, 1995 as Georg Fischer DISA Holding AG under the laws of Switzerland, with the object to hold shares in other companies that are active in the field of development, construction, production and sale of equipments, machines and systems for the industry and particularly the foundry industry; to acquire, manage and apply patents, trademarks and technical know-how as well as acquire, manage and sell plots. The name was subsequently changed to DISA Holding AG on January 25, 2001. It is registered in Switzerland with Trade Register of the canton of Schaffhausen under number CH-020.3.006.680-3. Previously, the registered office was registered with Trade Register of the canton of Zurich which was changed to canton of Schaffhausen on June 14, 2002. The registered office is situated at Kasernenstrasse 1, 8184 Bachenbulach, Switzerland, Tel: (+41) 44 8154000, Fax: (+41) 44 8154001.

DISA AG is an investment holding company.

4.4.2 The fully subscribed and paid up share capital of DISA AG comprises of 15,500 shares of Swiss Francs ("CHF") 1,000 each aggregating to a share capital of CHF 1,55,00,000.

4.4.3 DISA AG is an unlisted company. The entire share capital is held by DISA A/S.

4.4.4 The Board of Directors of DISA AG, as on the date of the Public Announcement, comprised of Mr. Kent Arentoft, Mr. Anders Dommerby Kristensen and Mr. Erich Brunner are the directors of the DISA AG. Mr. Kent Arentoft was also on the Board of the Target Company, as on the date of the Public Announcement. Brief particulars of the directors are as follows:

Name / Designation	Appointment Date	Experience	Qualification	Residential Address
Mr. Kent Arentoft	June 21, 2006	He has been with DISA group since 2005 as CEO of DISA Holding A/S. Prior to joining DISA group he was with Unicon Group in various positions. He started his career in Unicon in 1987 as an accountant and ended in the position as CEO from 2000-2005. During 1989-91 he was stationed in the US, and during 1993-96 he was stationed in Spain.	▪ Business Administration, Management and Stategy Seminar, UNC Business School, 1990 ▪ Decision Strategies Seminar, UnC 1990, ▪ Advanced Development Programme, London Business School, 1995, ▪ INSEAD, France - 1999-2000	Dronning Sofies Vej 1, 4000 Roskilde, Copenhagen, Denmark
Mr. Anders Dommerby Kristensen	June 21, 2006	He is CFO of DISA Holding A/S since 1998. During 1968-87 he was employed with DISA as chief accountant. In the years 1987-89 he was employed as manager in the company EDB Gruppen, and during 1989-98 he was employed as chief accountant in the company Superfos.	▪ HD Economics, Master of Laws, PMD (Harvard)	Kildevaeldets alle 2, 1.2., 26000 Glostrup, Copenhagen, Denmark
Mr. Erich Brunner	May 24, 2005	He has been with the company since 1998 when he started in a position as CFO and deputy for the Managing Director. In 2002 he took over the full responsibility for all sales companies within the DISA group. In 2005 he became a member of Group Management with responsibility for all sales companies within the DISA Group. Today he has dual management responsibility of one of the business units in the DISA Group	▪ Master of Economics, University of Applied Science, Winterthur, Switzerland ▪ Courses at London Business School Development in 2007	80, rue de la Combe de l'Eau, F-01220 Divonne, France

Name / Designation	Appointment Date	Experience	Qualification	Residential Address
		with global responsibility for Sales and R&D. Prior to joining DISA he was employed with the company Wärtsila.		

However, Mr. Kent Arentoft has resigned from the Board of Directors of DISA AG on March 31, 2009 and also from the Board of the Target Company on March 26, 2009.

4.4.5 Key audited financials of DISA AG for the last three years on a standalone basis are as follows:

INCOME STATEMENT

Particulars	Year ended December 31, 2008		Year ended December 31, 2007		Year ended December 31, 2006	
	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)
Income from operations	-	-	-	-	-	-
Other Income	21.8	8,999.1	9.5	3,910.4	17.5	7,198.5
Total Income	**21.8**	**8,999.1**	**9.5**	**3,910.4**	**17.5**	**7,198.5**
Total Expenses	(0.0)	(19.7)	(0.2)	(78.7)	(0.6)	(264.0)
Profit before Depreciation, Interest and Taxes	**21.8**	**8,979.4**	**9.3**	**3,831.8**	**16.8**	**6,934.5**
Depreciation & Amortisation	-	-	-	-	-	-
Interest	(2.5)	(1,031.1)	(1.0)	(427.9)	(2.3)	(947.9)
Extraordinary Items	127.9	52,725.7	5.8	2,378.8	(7.3)	(3,010.1)
Profit before Tax	**147.2**	**60,674.0**	**14.0**	**5,782.6**	**7.2**	**2,976.5**
Provision for Tax	(0.5)	(197.2)	(0.0)	(1.1)	(0.0)	(1.2)
Profit after Tax	**146.7**	**60,476.8**	**14.0**	**5,781.5**	**7.2**	**2,975.3**

BALANCE SHEET

Particulars	As on December 31, 2008		As on December 31, 2007		As on December 31, 2006	
	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)
SOURCE OF FUNDS						
Equity Share Capital	15.5	6,387.7	15.5	6,387.7	15.5	6,387.7
Reserves and Surplus (excluding revaluation reserves)	162.3	66,903.3	29.6	12,196.0	22.6	9,299.3
Net worth	**177.8**	**73,291.0**	**45.1**	**18,583.7**	**38.1**	**15,687.0**
Long term loans from						
Affiliated companies	3.3	1,380.1	10.5	4,327.2	13.7	5,651.7
Banks	2.7	1,124.6	4.2	1,711.0	11.5	4,758.6
Provisions						
Investments	5.2	2,143.0	5.2	2,143.0	5.2	2,143.0
Other	-	-	-	-	0.5	211.4
Total	**189.1**	**77,938.6**	**64.9**	**26,764.8**	**69.0**	**28,451.7**
APPLICATION OF FUNDS						

Particulars	As on December 31, 2008		As on December 31, 2007		As on December 31, 2006	
	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)	(in CHF mn.)	(in Rs. lakhs)
Investments	24.4	10,075.8	54.1	22,306.9	54.4	22,425.0
Loans to affiliated companies	161.6	66,579.2	13.2	5,459.4	20.9	8,595.7
Net Current Assets	3.1	1,284.9	(2.4)	(1,001.6)	(6.2)	(2,569.0)
Total	**189.1**	**77,938.6**	**64.9**	**26,764.8**	**69.0**	**28,451.7**

OTHER FINANCIAL DATA

Particulars	As on December 31, 2008		As on December 31, 2007		As on December 31, 2006	
	(in CHF)	(in Rs.)	(in CHF)	(in Rs.)	(in CHF)	(in Rs.)
Dividend (%)	NA		90%		45%	
Earnings per shares	9,467.7	390,173.04	905.1	37,299.99	465.8	19,195.75
Return on Networth (%)	82.52%		31.11%		18.97%	
Book Value per shares	11,473.8	472,845.05	2,909.3	119,894.85	2,455.8	101,206.28

NOTE

(1) Dividend (%) = Dividend paid per equity share / Par value per equity share
(2) Earnings per share = Profit after tax / No. of equity shares outstanding at year-end
(3) Return on Networth = Profit after tax / Networth at year-end
(4) Book Value per share = Networth at year-end/ No. of equity shares outstanding at year-end
(5) NA - Not Announced / Not Applicable
(6) One CHF = Rs. 41.211 as on December 15, 2008 (Source: www.bloomberg.com)
(Source: Annual Report, company data)

4.4.6 The significant accounting policies of DISA AG, as per the financial statements for the year ended December 31, 2008, are as follows:

Applied accounting policies

The annual report for DISA AG has been prepared in accordance with the legal requirements of the Swiss Law.

General remarks on inclusion and measurement

Assets are recognized in the balance sheet when it is likely that as a result of a previous event the company will enjoy future financial benefits, and when the value of the asset can be reliably measured.

Liabilities are recognized in the balance sheet when the company as a consequence of an earlier event is subject to a legal or actual liability, and it is likely that future financial benefits will be withdrawn from the company, and when the value of the liability can be reliably measured.

When recognizing and measuring items, due regard is paid to predictable risks and losses that may occur before the presentation of the annual report, and which might confirm or invalidate conditions existing on the balance sheet date.

Income is recognized in the income statement as it arises, whilst costs are recognized at the sum relative to the financial year

Translation of foreign currency

On initial recognition, transactions denominated in foreign currencies are translated at the rates at the transaction date.

Receivables, liabilities and other monetary items denominated in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date.

Exchange differences arising between the rate on the transaction date and the rate at the date of payment or the balance sheet date, respectively, are recognised in the income statement as financials. Property and other non-monetary assets acquired in foreign currency are translated at historical rates.

The income statement

Other income

Other income consists mainly of income from investments in affiliated companies and financial income.

Expenses

Expenses consist mainly of personal and general expenses.

Company tax and deferred tax

Tax for the year, which consists of actual tax plus changes in deferred tax, is recognized in the income statement with the part attributable to earnings/loss for the year, and directly in equity capital with the part attributable to items recognized directly in the equity.

Actual tax liabilities and receivables respectively are recognized in the balance sheet as computed tax on taxable earnings for the year adjusted for tax paid on account.

Deferred tax of all temporary differences between accounting and taxable values of assets and liabilities is included in the balance sheet and where the taxable value of assets is calculated based on the planned use of the individual asset.

Deferred tax assets, including the tax value of tax loss carry-forwards are recognized in the balance sheet at the value at which it is expected the asset could be realized, either by deducting it from the deferred tax liability or as a net tax asset.

The balance sheet

Tangible fixed assets

Land and buildings, plant and machinery, fixtures and fittings are measured at cost less accumulated depreciation.

Cost price refers to the acquisition price, costs directly associated with the acquisition and costs for the preparation of the asset until the time when the asset is ready for use. In the case of assets produced by the company, the cost price refers to the direct and indirect cost of materials, components, suppliers and labour costs. For financially leased assets, the cost price constitutes the lowest of market value of the asset and the net present value of future leasing payments. Financially leased assets are subsequently treated in the same way as the Group's other tangible fixed assets.

The basis for depreciation is the cost price with a deduction of the expected residual value after the completed useful life. Straightline depreciation is carried out based on the following evaluation of the expected useful life of assets:

Land and buildings, plant and machinery, fixtures and fittings	4-8 yrs.
Furnishing of leased premises, leasing period however max.	10 yrs.

Tangible fixed assets are written down to recoverable value if this is lower than the book value.

Gains and losses stemming from the sale of fixed assets are computed as the difference between the sales price minus sales costs and the book value at the time of sale. Gains or losses are included in the earnings and loss account as other operating income/costs.

Receivables

Receivables are measured at amortised cost, which is usually equivalent to nominal value less write-down for impairment to counter expected losses.

Dividend

Dividend is included as a liability at the time it is adopted by the Annual General Meeting. The proposed dividend for the financial year is shown separately under the equity capital.

Financial liabilities

Financial liabilities are recognised at amortised cost, which is normally equivalent to nominal value.

4.4.7 As per the report issued by the statutory auditors, the contingent liabilities as on December 31, 2008 of DISA AG, on standalone basis, are as follows:

Particulars	**As on December 31, 2008**	
	(in CHF mn.)	**(in Rs. lakhs)**
Guarantees to group companies	1.09	449.43

(One CHF = Rs. 41.211 as on December 15, 2008; Source: www.bloomberg.com)

4.4.8 Comparison of results:

Comparison of income and profit for the year ended December 31, 2008 over the previous year ended December 31, 2007

DISA AG's standalone total income for the year ended December 31, 2008 was CHF 21.8 mn, compared to CHF 9.5 mn in the previous year due to profit on divestments from DISA Industrie AG, DISA Industries A/S and DISA Industrieanlagen GmbH. DISA AG recorded a profit after tax of CHF 146.7 mn in the year ended December 31, 2008 as against CHF 14.0 mn in the year ended December 31, 2007 which is inline with the increase in total income.

Comparison of income and profit for the year ended December 31, 2007 over the previous year ended December 31, 2006

DISA AG's standalone total income for the year ended December 31, 2007 was CHF 9.5 mn, compared to CHF 17.5 mn in the previous year due to lower dividend received from affiliated companies. DISA AG recorded a profit after tax of CHF 14.0 mn in the year ended December 31, 2007 as against CHF 7.2 mn in the year ended December 31, 2006 due to profit from partly selling a company to DISA Holding A/S.

4.4.9 DISA AG holds 8,18,902 Shares representing 54.22% of the total share capital of the Target Company. For details regarding the acquisition of these Shares and compliance with the filing requirements under Chapter II of the SEBI Takeover Code by DISA AG, refer to paragraph 6.12 and 6.13 of the Letter of Offer.

4.4.10 There are no mergers / demergers / spin offs involving DISA AG during the last 3 years. The details of major acquisitions and divestments made by DISA AG during the last 3 years and upto the date of the Letter of Offer are as follows:

Calendar Year 2008
- Liquidation of DISA Italia Srl.
- Liquidation of DISA France SAS
- Divestment of DISA Industrie AG
- Divestment of DISA Industries A/S
- Divestment of DISA Industrieanlagen GmbH

Calendar Year 2007
- Sold shares of DISA India Limited to DISA Holding A/S through inter-se promoter transfer

Calendar Year 2006
- Divestment of DISA SERF SAS

4.4.11 Other than the Target Company, there are no companies that are presently promoted by DISA AG in India.

4.5 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code and further plans/ strategies of the Acquirer with regard to the Target Company

Please refer to paragraph 3.3 of the Letter of Offer.

4.6 Companies promoted, by the Acquirer or the PACs

The Acquirer was incorporated on March 7, 2008 and had not promoted any new companies in the last three years. The PACs have business presence in various countries through the subsidiaries mentioned below.

Company Name	Year and Country of Incorporation, Local Currency	Financial Year	Net Sales (in Thousand units of Local Currency)	Profit after Tax (in Thousand units of Local Currency)	Equity Capital and Reserves (in Thousand units of Local Currency)
DISA Industries s.r.o.	1994, Czech Republic, Czech Koruna	2006	782,159	14,522	214,817
		2007	915,387	627	215,108
		2008	1,204,019	(17,389)	181,500
DISA Limited Hong Kong	1996, Hong Kong,	2006	5,386	2,290	(15,900)

Company Name	Year and Country of Incorporation, Local Currency	Financial Year	Net Sales (in Thousand units of Local Currency)	Profit after Tax (in Thousand units of Local Currency)	Equity Capital and Reserves (in Thousand units of Local Currency)
	Hong Kong Dollar	2007	10,194	9,395	(7,822)
		2008	9,398	7,051	(1,965)
GF DISA eng. Ltd. Macclesfield	1989, England and Wales, Great British Pound	2006	-	-	75
		2007	-	-	75
		2008	-	-	75
DISA Holding Corp.	1995, USA, United States Dollar	2006	-	1,417	13,619
		2007	-	2,821	16,440
		2008	-	311	11,070
DISA Industries Inc.	1998, USA, United States Dollar	2006	23,997	1,193	7,538
		2007	25,648	2,171	9,709
		2008	22,707	1,616	11,325
DISA K.K.	1958, Japan, Japanese Yen	2006	1,617,811	50,905	180,341
		2007	2,390,089	94,495	235,141
		2008	2,057,782	41,935	211,843
DISA Industries UK Ltd	1995, England and Wales, Great British Pound	2006	-	-	(218)
		2007	-	-	(218)
		2008	-	-	(218)
DISA Machinery Ltd.	1997, China, Chinese Yuan	2006	112,746	3,500	19,028
		2007	108,639	8,219	25,655
		2008	115,834	9,670	32,167
DISA India Limited	1984, India, Indian Rupee	Refer to paragraph 6.17 for further details			
DISA Technologies Private Ltd.	2007, India, Indian Rupee	Refer to paragraph 4.3.11 for further details			
DISA Trading (Shanghai) Co. Ltd.	2007, China, Chinese Yuan	2007	-	(6,706)	(6,545)
		2008	3,904	(13,774)	(19,480)

The above list does not include companies of the Wheelabrator Group, which were acquired by the Acquirer in 2008, pursuant to its acquisition of WGH Holding Corp., a BVI corporation and parent of the Wheelabrator Group, from EECF Delta Sàrl.. The financials above have been audited and restated as per the accounting policy of the group for the purposes of consolidation with the DISA group accounts.

5 DISCLOSURE IN TERMS OF REGULATION 21(2)

If, pursuant to this Offer, the public shareholding is found to be reduced below the minimum level required as per the listing agreement entered into by the Target Company with the stock exchange on which its shares are listed (the "Listing Agreement"), the Acquirer and the PACs shall take necessary steps to facilitate compliance of the Target Company with the relevant provisions thereof, within the time period mentioned therein. The Acquirer and the PACs may evaluate options to delist the Target Company. No firm decision regarding any delisting proposal, after the closure of the Offer, has been taken at this time and factors like the financial position of the Acquirer & the PACs, the regulatory framework for delisting, the post offer shareholding etc would be taken into account for arriving at any decision in this regard.

6 BACKGROUND OF DISA INDIA LIMITED

(Information in this section is sourced from DISA India Limited)

6.1 DISA India is a public limited company, incorporated under the Companies Act, 1956 and having its registered and corporate office at 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, 2nd Phase, Bangalore - 560058, Tel: (+91) 80 40201403 / 04, Fax: (+91) 80 28391661. The Target Company was originally incorporated as BMD Foundry Machinery Limited on May 25, 1984. Further, the name was changed to BMD Industries Limited on April 29, 1992. Subsequently the name was changed to Georg Fischer DISA Limited on May 15, 1996, which was further changed to the present name on April 4, 2001.

6.2 The Target Company is engaged in the business of manufacture of moulding, shot blast and fettling equipment for foundry and related metal machinery industries and air filtration applications to Indian and world market. It has primarily two divisions - Foundry Machinery Division and Clean Air Division. The Foundry Machinery Division is located at 28-32, Satyamangala Industrial Area, Tumkur – 572 104 and the Clean Air Division is located at Plot No.50, KIADB Industrial Area, Hosakote – 562 114. The sales offices are located at Pune, Kolkata and New Delhi and the customer support is located at Bangalore.

6.3 The Target Company was promoted by Mr. B. P. Vaidya, Badische Maschinenfabrik Durlach GmbH (BMD Germany), Deutsche Finanzierungsgesellscharft fur Beteiligungen in Entwicklungslandern GmbH (DEG Germany), Vulcan Laval Limited and Karnataka State Industrial Investment & Development Corporation Limited (KSIIDC). The Target Company made an Initial Public Offering in May 1986 and consequently got listed on the Bangalore Stock Exchange on July 10, 1986; on Delhi Stock Exchange on July 15, 1986 and on Bombay Stock Exchange on July 18, 1986. The Shares were voluntarily delisted from Delhi Stock Exchange on March 13, 1995 and from Bangalore Stock Exchange on March 30, 2006.

6.4 Following are some of the key events in the history of DISA India:

Year		Key Events
1984	:	Target Company was incorporated as BMD Foundry Machinery Ltd.
1985	:	Tumkur Foundry Machinery Division started
1986	:	The Target Company made an Initial Public Offering
1992	:	Name changed to BMD Industries Limited
1994	:	DISA Denmark buys BMD Germany; Air Pollution Control Division started in Hosakote
1995	:	DISA group increased its stake to 51% stake in BMD Industries Limited with preferential issue of 5,10,205 shares. Joint venture formed between DISA group and Georg Fischer of Switzerland. 51% holding transferred to DISA Holding AG, Switzerland
1996	:	Name changed from BMD Industries Limited to Georg Fischer Disa Limited
2001	:	Name changed from Georg Fischer Disa Limited to the present name
2005	:	Procuritas, a Scandinavian private equity firm took over as the new owner of DISA group and made an open offer
2006	:	DISA India issued Bonus Debentures to eligible Shareholders
2007	:	DISA A/S made a delisting offer through the reverse book building process as per the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003 to the non-promoter shareholders of DISA India. The discovered price was rejected by DISA A/S.
2008	:	Hamlet Holding II ApS acquires DISA worldwide

6.5 The present paid-up equity and voting capital of the Target Company consists of 15,10,205 Shares. The Shares are fully paid up and there are no partly paid up shares in the Target Company. As on date of this Letter of Offer, there are no Shares that are locked-in. The existing promoter holding consists of 11,21,651 Shares, representing 74.27% of the paid-up and voting equity share capital of the Target

Company, out of which 3,02,749 Shares representing 20.05% of the total share capital are held by DISA A/S and 8,18,902 Shares, representing 54.22% are held by DISA AG. There are no outstanding convertible instruments of DISA India as on the date of the Public Announcement.

6.6 The Shares of the Target Company are listed on the BSE.

6.7 The share capital structure of DISA India, as on the date of the Public Announcement, was as follows:

Particulars	**No. of shares / Voting rights**	**% of shares / Voting rights**
Authorised Equity Share Capital - Equity Shares of Rs.10/- each	50,00,000	-
Issued Equity Shares	15,10,205	-
Subscribed and fully paid up Equity Shares	15,10,205	100.0%
Partly paid up equity shares	-	-
Total fully paid up equity shares / Voting rights	15,10,205	100.0%

6.8 Details of the changes in share capital of the Target Company since incorporation and status of compliance with applicable SEBI regulations / other statutory requirements, are as follows:

Date / Year of Allotment	**No of equity shares issued**	**% of shares issued**	**Cumulative paid up Equity Share Capital**		**Mode of Allotment**	**Identity of Allottees (Promoters Ex-Promoters/ Others)**	**Status of Compliances**
	(Face Value Rs.10)		**No. of equity shares**	**Rs.**			
1984	7	0.00%	7	70	Cash (Subscription to Memorandum of Association)	Ex-promoters	
1986	2,00,000	13.24%	2,00,007	20,00,070	Cash (Firm Allotment: Initial Public Offer)	Ex-promoters - BMD Germany	Complied
1986	2,00,000	13.24%	4,00,007	40,00,070	Cash (Firm Allotment: Initial Public Offer)	Ex-promoters - DEG, Germany	Complied
1986	1,10,000	7.28%	5,10,007	51,00,070	Cash (Firm Allotment: Initial Public Offer)	Ex-promoters – KSIIDC	Complied
1986	1,00,000	6.62%	6,10,007	61,00,070	Cash (Firm Allotment: Initial Public Offer)	Ex-promoters - Vulcan Laval Ltd.	Complied
1986	39,993	6.62%	6,50,000	65,00,000	Cash (Firm Allotment: Initial Public Offer)	Directors, friends, relatives and associates	Complied
1986	3,50,000	25.82%	10,00,000	1,00,00,000	Cash (Initial Public Offer)	General Public (including reservation for employees)	Complied
Total	10,00,000	66.22%					
19-Jan-95	5,10,205	33.78%	15,10,205	1,51,02,050	Preferential Allotment	DISA group company	Complied
Total	**15,10,205**	**100%**					

6.9 DISA A/S, DISA AG and DISA India have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, or any other regulations framed there under. DISA India has confirmed that no action has been taken against them by SEBI under SEBI Act or any other SEBI regulations.

6.10 The Board of Directors of DISA India as on the date of the Public Announcement was as under:

Sr No	Name and Residential Address	Date of Appointment	Designation	Qualification	Experience
1	Mr.Kent Arentoft Dronning Sofies Vej 1, 4000 Roskilde, Copenhagen, Denmark DIN - 01812045	March 2, 2006	Chairman	▪ Business Administration, Management and Stategy Seminar, UNC Business School, 1990 ▪ Decision Strategies Seminar, UnC 1990, ▪ Advanced Development Programme, London Business School, 1995, ▪ INSEAD, France – 1999	He has been with DISA group since 2005 as CEO of DISA Holding A/S. Prior to joining DISA group he was with Unicon Group in various positions. He started his career in Unicon in 1987 as an accountant and ended in the position as CEO from 2000-2005. During 1989-91 he was stationed in the US, and during 1993-96 he was stationed in Spain.
2	Mr. Jan Arnold Johansen Regnar Lodbrogsvej 5, 3600 Frederikssund, Denmark DIN - 01811958	May 10, 2000	Director	▪ Mechanical Engineer, Technical College, Horsens, Denmark	He is EVP of DISA Holding A/S and has been working with the company since 1968 when employed as an engineer, and he has since then worked within service, marketing and sales. In 1983-90 he was stationed in Japan and Germany.
3	Mr. Lars Oest Christensen Fenrisvej 18, 4300, Holbaek, Denmark DIN - 01811747	March 3, 2005	Director	▪ B.E	He is at present the Executive Vice President, Operations Shot Blast in DISA, Czech Republic and has been with DISA group since 2002. Formerly he had served with Denka Lift as Managing Director.
4	Mr. Sanjay N Arte 501, Ashoka-1, 15th Road, Khar West Mumbai - 400 052	November 2, 2006	Independent Director	▪ Master of Management Studies, University of Mumbai ▪ B.Tech – IIT,	He is partner with India Value Fund Advisors, a private equity fund focused on investments in India. Formerly, he was the Managing Director of Franke

Sr No	Name and Residential Address	Date of Appointment	Designation	Qualification	Experience
	DIN - 01000716			Kanpur	India Private Limited and Saint-Gobain Sekurit India Limited. He also held various management positions at Johnson & Johnson India Limited and Grindwell Norton Limited.
5	Ms. Deepa Hingorani 05-01, The Anchorage, 370 E Alexandra Road, Singapore 159962 DIN - 00206310	August 15, 2006	Independent Director	▪ Masters in Finance & Control, Delhi University ▪ Executive MBA, Scandinavian International Management Institute - Copenhagen	She is the Resident Representative of IFU (a Danish Investment Fund) and responsible of IFU's activities in Indian subcontinent, Thailand and Malaysia. Formerly, she had worked with Ballarpur Industries Limited.
6	Mr. Viraj Naidu Flat No.104, Alps Block Unitech Heritage Estate Doddabellapur Road Yelahanka Bangalore -560 064 DIN - 01284452	February 6, 2007	President & Whole Time Director	▪ B.Tech – IIT, Kharagpur	He is the President and Whole Time Director of DISA India Limited. Formerly, he was the Chief Operating Officer of TATA Autocomp Systems Limited and also held various management positions at Caparo Fastners, Lakshmi Precision Screws Limited and Siemens VDO Automotive Limited and other corporates.

6.11 As on the date of the Public Announcement, Mr. Kent Arentoft was on the Board of all the PACs and Mr. Jan Arnold Johansen was on the Board of DISA II A/S and DISA A/S. Mr. Kent Arentoft and Mr. Jan Arnold Johansen have recused themselves and have not participated in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer. However, Mr. Kent Arentoft has resigned from the Board of DISA India with effect from March 26, 2009 and from the Board of Directors of all the PACs as mentioned in paragraph 4.2.4, 4.3.4 and 4.4.4.

6.12 Build-up of Promoter shareholding:

DISA Holding AG:

Date of acquisition	No. of shares (as a percentage of total shares)	Mode of acquisition	Cumulative holding - no. of shares (as a percentage of total shares)	Compliance with Takeover Code
29-Aug-96	5,10,205 (33.78%)	Consolidation within DISA group company	5,10,205 (33.78%)	Not Applicable
11-Feb-02	66,600	Acquisition from other	5,76,805	Complied

Date of acquisition	No. of shares (as a percentage of total shares)	Mode of acquisition	Cumulative holding - no. of shares (as a percentage of total shares)	Compliance with Takeover Code
	(4.41%)	shareholders	(38.19%)	
23-Oct-02	10,000 (0.66%)	Acquisition from other shareholders	5,86,805 (38.86%)	Complied
7-Mar-03	15,000 (0.99%)	Acquisition from other shareholders	6,01,805 (39.85%)	Complied
5-Mar-04	16,060 (1.06%)	Acquisition from other shareholders	6,17,865 (40.91%)	Complied
27-Apr-04	25,537 (1.69%)	Acquisition from other shareholders	6,43,402 (42.60%)	Complied
29-Jun-04	15,000 (0.99%)	Acquisition from other shareholders	6,58,402 (43.60%)	Complied
1-Jul-04	10,000 (0.66%)	Acquisition from other shareholders	6,68,402 (44.26%)	Complied
5-Jul-04	8,000 (0.53%)	Acquisition from other shareholders	6,76,402 (44.79%)	Complied
20-Oct-04	2,60,000 (17.22%)	Consolidation within DISA group companies	9,36,402 (62.00%)	Note 1
28-Jan-05	8,500 (0.56%)	Acquisition from other shareholders	9,44,902 (62.57%)	Note 2
27-Apr-07	(1,26,000) (-8.34%)	Inter-se Promoter Transfer	8,18,902 (54.22%)	Complied

Note 1: DISA AG and DISA India have filed suo moto applications with SEBI on June 8, 2009 and June 4, 2009, respectively, for obtaining a consent order under the SEBI Circular No. EFD/ED/Cir-1/207 dated April 7, 2007, in respect of this acquisition of shares by DISA AG from DISA KK, Japan and DISA Industrieanlagen GmbH, Germany for possible non-compliance of the SEBI Takeover Code.

Note 2: DISA AG has filed a suo moto application with SEBI on February 13, 2009, for obtaining a consent order under the SEBI Circular No. EFD/ED/Cir-1/207 dated April 7, 2007, in respect of this acquisition of shares for non-compliance of Regulation 11(2) of the SEBI Takeover Code. Further, in respect of this acquisition there was a delay of 51 days for compliance under Regulation 7(1A) by DISA AG and 92 days by the Target Company for reporting under Regulation 7(3).

SEBI may initiate suitable action at a later date for the above mentioned non-compliances.

DISA Holding A/S:

Date of acquisition	No. of shares (as a percentage of total shares)	Mode of acquisition	Cumulative holding - no. of shares (as a percentage of total shares)	Compliance with Takeover Code
1-Feb-06	1,76,749 (11.70%)	Acquisition under the Open Offer	176,749 (11.70%)	Complied
27-Apr-07	1,26,000 (8.34%)	Inter-se Promoter Transfer	302,749 (20.05%)	Complied

Note 3: DISA A/S was acquired by DISA II A/S on January 5, 2007. The acquisition was pursuant to a global restructuring process of DISA Group of companies. DISA A/S and DISA II A/S had filed a suo moto 'application for Consent Order' with SEBI, for obtaining a consent order under the SEBI Circular No. EFD/ED/Cir-1/207 dated April 7, 2007 on February 10, 2009 in respect of the said acquisition of shares for possible non-compliance of the SEBI Takeover Code.

6.13 The Promoters (DISA AG, DISA A/S) have complied with all other applicable provisions of Chapter II of SEBI Takeover Code except the following:

- In respect of compliance under Regulation 7(1A) of the SEBI Takeover Code by DISA AG, there are two instance of non compliance as mentioned above in Note 1 in paragraph 6.12 and another instance of a delay of 51 days as mentioned above at Note 2 in paragraph 6.12.

SEBI may initiate suitable action at a later date for the above non-compliances.

DISA India has complied with the applicable provisions of Chapter II of SEBI Takeover Code except the following:

- In respect of compliance under Regulation 6 (two instances) and compliances under Regulation 8(3) (six instances) during the period 1997 to October 2000, the relevant disclosures were filed on May 18, 2007 in response to BSE's letter dated May 11, 2007.

- There are five instances of delayed compliances (September 2001 to July 2005) under Regulation 8(3) for disclosure regarding shareholding as on the record date, the relevant disclosures for which were filed alongwith the disclosures under Regulation 8(3) as on March 31.

- There was a delay of 9 days (March 2001) for compliance under Regulation 8(3), a delay of 92 days for reporting under Regulation 7(3) (June 2005), a delay of one day for compliance under Regulation 7(3) (May 2007) and non compliance under Regulation 7(3) (October 2004) as mentioned in Note 1 in paragraph 6.12.

SEBI may initiate suitable action at a later date for the above mentioned non-compliances.

6.14 DISA India did not have any merger / acquisition / de-merger / spin-off in the last 3 years. DISA India does not have any subsidiary.

6.15 Compliance with Corporate Governance: K. J. Dandekar, Partner, M. K. Dandekar & Co., Chartered Accountants (Membership No. 18533), has issued a certificate dated February 24, 2009 regarding compliance with the Corporate Governance requirements under clause 49 of the Listing Agreement which has been included in the Annual Report for 2008. The certificate, inter-alia, states as follows: "*In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.*".

Other compliances: DISA India has been complying in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement(s). DISA India has in place three committees viz: Audit Committee, Remuneration Committee and Shareholders Committee as required under the provisions of clause 49 of the Listing Agreement.

DISA India has confirmed that it has complied with the applicable clauses of the Listing Agreement and that no penal action has been initiated for any of the compliance matters by BSE and none of the securities of DISA India have been suspended from trading by BSE except that the scrip was suspended for trading from BSE from August 14, 2000 to August 19, 2000 for not giving sufficient advance notice for book closure/record date. The trading was re-instated after payment of requisite re-instatement fees.

6.16 Following are the pending material legal cases and notices issued by / against DISA India, as on the date of this Letter of Offer, as per certification provided by the Target Company. Unless specifically stated, the amounts of the claims do not include the interest that may be awarded by a court on these claims. These proceedings are pending at different levels of adjudication before various courts / other judicial forums.

- Labour Cases – There are three labour cases involving employees and DISA India which are at various stages of proceedings.

- Income Tax Case – In respect of assessment years 1992-93, 1995-96 and 1997-98, DISA India had claimed exemption on the income received in foreign exchange in respect of technical services rendered to foreign companies (including group companies). The exemption was disallowed by the Commissioner of Income Tax and DISA India was directed to pay the differential tax and the same was paid by DISA India. Simultaneously, DISA India preferred an appeal before the Income Tax Appellate Tribunal, which reverted the case back to the Commissioner of Income Tax. A notice from the Commissioner of Income Tax is awaited. There is no additional tax liability in this regard.

- DISA India Limited has filed one suit restraining the customer from invoking a bank guarantee Rs. 12.93 lakhs issued by DISA India Limited. The said bank guarantee was sought to be invoked by the customer on the grounds of delay in commissioning and installation by DISA India Limited. The customer has also filed a suit on the same issue in the Calcutta Court and the hearing is in progress.

- Customs related case: Special Verification Bench (SVB) of Customs Department have appealed to Custom Excise & Service Tax Appellate Tribunal (CESTAT) against DISA India in the matter of transaction between group companies seeking to levy additional duty. The Hon' Tribunal on May 4, 2009 dismissed the appeal and decided in favour of DISA India Limited.

- DISA India Limited has filed a case against an ex-employee for misuse of confidential information relating to DISA India Limited.

- DISA India Limited has received one show-cause notice from Regional Provident Fund Commissioner, Bangalore for enquiry under section 7A of Employees Provident Funds and Miscellaneous Provisions Act, 1952 and the Asst. Commissioner of Service Tax, Bangalore for service tax related matters. The amounts involved are approximately Rs. 20 lakhs.

6.17 Key audited financials of DISA India for the last three years are as follows:

INCOME STATEMENT

Income Statement	**6 months ended**	**Year ended**		
(Rs. in Lakhs)	**June 30, 2009**	**December 31, 2008**	**December 31, 2007**	**December 31, 2006**
Income from Operations	2,625.97	8,592.88	9,336.16	6,669.51
Other Income	145.04	371.03	548.25	1,802.39*
Total Income	**2,771.01**	**8,963.91**	**9,884.41**	**8,471.91**
Manufacturing and Other	2,299.92	6,906.34	6,953.06	4,762.33

Income Statement	6 months ended	Year ended		
(Rs. in Lakhs)	June 30, 2009	December 31, 2008	December 31, 2007	December 31, 2006
Expenses				
Profit before Depreciation, Interest and Taxes	**471.09**	**2,057.57**	**2,931.36**	**3,709.58**
Depreciation	95.25	169.70	142.40	115.12
Interest	23.18	55.95	48.52	34.35
Profit before Tax	**352.66**	**1,831.92**	**2,740.44**	**3,560.11**
Provision for Tax	134.74	634.86	923.35	1,275.46
Profit after Tax	**217.92**	**1,197.06**	**1,817.09**	**2,284.65**

* includes extraordinary income of Rs.1440.94 lakhs from sale of property

BALANCE SHEET

Balance Sheet	As on			
(Rs. in Lakhs)	June 30, 2009	December 31, 2008	December 31, 2007	December 31, 2006
Sources of Funds				
Share Capital	151.02	151.02	151.02	151.02
Reserves and Surplus (excluding revaluation reserves)	3,129.06	2,911.14	1,714.08	3,358.73
Less: Miscellaneous Expenditure	-	-	-	(32.82)
Networth	**3,280.08**	**3,062.16**	**1,865.10**	**3,476.94**
Secured loans	93.92	313.54	234.66	1,488.33
Unsecured loans	62.09	85.55	132.48	184.87
Deferred Income Tax	36.11	32.73	46.48	130.39
Total	**3,472.20**	**3,493.98**	**2,278.72**	**5,280.53**
Application of Funds				
Net Block of Fixed Assets	1,322.97	1,364.02	966.42	749.97
Net Current Assets	2,149.23	2,129.96	1,312.30	4,530.56
Total	**3,472.20**	**3,493.98**	**2,278.72**	**5,280.53**

OTHER FINANCIAL DATA

Particulars	As on			
	June 30, 2009	December 31, 2008	December 31, 2007	December 31, 2006
Dividend (% of face value)	NA	NA	2,000%	40%
Earnings per share (Rs.)	14.43	79.26	120.32	151.28
Return on Networth (%)	6.64%	39.09%	97.43%	65.71%
Book Value per share (Rs.)	217.19	202.76	123.50	230.23

NOTE

(1) Dividend (%) = Dividend paid per equity share / Par value per equity share

(2) Earnings per share = Profit after tax / No. of equity shares outstanding at year-end

(3) Return on Networth = Profit after tax / Networth at year-end

(4) Book Value per share = Networth at year-end/ No. of equity shares outstanding at year-end

(5) NA - Not Announced / Not applicable

(Source: Annual Report, Company Data & BSE)

6.18 As per the report issued by the statutory auditors, the contingent liabilities as on December 31, 2008 of DISA India on standalone basis are as follows:

Particulars	**As on December 31, 2008 (in Rs. lakhs)**
a) i) Guarantees given by Bank	832.90
ii) LC issued by Bank	7.39
b) Estimates amount of contracts remaining to be executed on capital account and not provided for	56.00
c) Claims against company not acknowledged as debts	Nil

(Source: Audited Accounts of DISA India for FY2008)

6.19 Comparison of Results

Comparison of income and profit for the year ended December 31, 2008 over the previous year ended December 31, 2007

DISA India's total income for the year ended December 31, 2008 was Rs. 8,963.91 lakhs, compared to Rs. 9,884.41 lakhs in the previous year due to depressed market conditions and decrease in other income. DISA India recorded a profit after tax of Rs. 1,197.06 lakhs in the year ended December 31, 2008 as against Rs. 1,817.09 lakhs in the year ended December 31, 2007. The fall in profit after tax is due to increase in input costs of steel and higher payouts towards personnel costs.

Comparison of income and profit for the year ended December 31, 2007 over the previous year ended December 31, 2006

DISA India's total income for the year ended December 31, 2007 was Rs. 9,884.41 lakhs, compared to Rs. 8,471.91 lakhs in the previous year due to increase in sales as a result of market demand and higher outsourcing by Rs. 2,667 lakhs and increase in other income contributed by higher interest income to the extent of Rs. 156 lakhs. DISA India recorded a profit after tax of Rs. 1,817.09 lakhs in the year ended December 31, 2007 as against Rs. 2,284.65 lakhs in the year ended December 31, 2006. The fall in profit after tax is due to reduction in extraordinary income of Rs. 1,440 lakhs (Rs. 930 lakhs net of tax) arising out of sale of property in the year 2006.

6.20 The shareholding and voting pattern of DISA India prior to and following the Global Acquisition and the Offer, is as under:

	Shareholders' category	Shareholding and Voting rights as on the date of the Public Announcement (December 17, 2008) (A)	Shares/ Voting rights agreed to be acquired which triggered off the SEBI Takeover Code (B)	Shares / Voting rights to be acquired in the Offer (Assuming full acceptances) (C)	Shareholding / Voting rights after the Offer (D)= (A)+(B)+(C)
1	**Promoter Group**				
(a)	Parties to the agreement	-	NA	-	-
(b)	Promoters other than (a) above				
i	PAC – DISA A/S	3,02,749 20.05%	NA	3,02,041 20.00%	6,04,790 40.05%
ii	PAC – DISA AG	8,18,902 54.22%	NA	-	8,18,902 54.22%
	Total 1 (a+b)	**11,21,651 74.27%**	**NA**	**3,02,041 20.00%**	**14,23,692 94.27%**
2	**Acquirer**				
(a)	Hamlet	-	NA	-	-
	PAC				
(b)	DISA II A/S	-	NA	-	-
	Total 2(a+b)	**-**	**NA**	**-**	**-**
3	**Parties to agreement other than 1(a) & 2**	**NA**	**NA**	**NA**	**NA**
4	**Public* (other than Parties to agreement, Acquirer & PACs)**				
a	Mutual Funds/UTI	12,612 0.84%	-		
b	Financial Institutions	-	-		
c	Insurance Companies	-	-		
d	Private Corporate Bodies	15,651 1.04%	-		
e	Indian Public (Including NRI's/OCB's, clearing members, directors and their relatives)	3,60,291 23.86%	-		
	Total 4 (a+b+c+d+e)	**3,88,554 25.73%**	**-**	**(3,02,041) (20.00%)**	**86,513 5.73%**
	Grand Total (1+2+3+4)	**15,10,205 100.00%**	**-**	**-**	**15,10,205 100.00%**

* Total number of Public shareholders as on December 17, 2008 were 4,364.

Note:
The Offer is being made to all shareholders other than the Acquirer and the PACs. The shareholding and the percentage after the Offer under the Public category is subject to the response from Public shareholders.

6.21 The compliance officer of DISA India is Mr. S. Mohan. His contact details are as follows: DISA India Limited, 5th Floor, Kushal Garden Arcade, 1A, Peenya Industrial Area, 2nd Phase, Bangalore 560058; Tel No: (+91) 80 40201403 / 04; Fax No: (+91) 80 28391661; E-mail: bangalore@disagroup.com.

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Shares of DISA India are listed on BSE. The annualised trading turnover during the preceding six months ended November 30, 2008, prior to the month in which Public Announcement was made, on BSE is as below:

Name of Stock Exchange	Total number of Shares traded during the preceding six calendar months ended November 30, 2008	Total number of listed Shares	Annualised trading turnover (in terms of % of total listed Shares)	Trading Status in terms of the SEBI Takeover Code
BSE	58,174	15,10,205	7.70%	Frequently Traded

(Source: BSE website http://www.bseindia.com)

7.1.2 Based on the above information, the Shares are frequently traded on BSE within the meaning of explanation (i) to Regulation 20(5) of SEBI Takeover Code.

7.1.3 The Offer Price of Rs. 1,657/- per Share (excluding the interest component of Rs 11.35/- per Share, as explained in paragraph 7.1.6 below) is justified in terms of Regulations 20(4) of the SEBI Takeover Code as it is higher than the following 4 parameters (a through d):

a)	Negotiated Price for Target Company Shares	:	Not applicable – **Note A**
b)	Highest price paid by the Acquirer or the PACs for acquisition of Shares during the 26 weeks period preceding the date of the Public Announcement	:	Not applicable
c)	The average of the weekly high and low of the closing prices of Shares on BSE during the 26 weeks preceding the date of the PA. Please see the following table:	:	Rs.1,510.23

Week #	Week Ended	High (Rs.)	Low (Rs.)	Avg. (Rs.)	Volume (Shares)
1	Tuesday, June 24, 2008	1,496.80	1,345.45	1,421.13	2,023
2	Tuesday, July 1, 2008	1,431.10	1,319.00	1,375.05	1,986
3	Tuesday, July 8, 2008	1,364.40	1,319.60	1,342.00	1,463
4	Tuesday, July 15, 2008	1,396.00	1,354.10	1,375.05	864
5	Tuesday, July 22, 2008	1,417.15	1,375.70	1,396.43	1,559
6	Tuesday, July 29, 2008	1,461.95	1,414.65	1,438.30	1,283
7	Tuesday, August 5, 2008	1,516.45	1,421.55	1,469.00	854
8	Tuesday, August 12, 2008	1,584.85	1,504.45	1,544.65	1,555
9	Tuesday, August 19, 2008	1,651.05	1,585.00	1,618.03	2,848
10	Tuesday, August 26, 2008	1,673.70	1,648.65	1,661.18	2,486
11	Tuesday, September 2, 2008	1,781.55	1,735.70	1,758.63	3,938

Week #	Week Ended	High (Rs.)	Low (Rs.)	Avg. (Rs.)	Volume (Shares)
12	Tuesday, September 9, 2008	1,771.20	1,736.65	1,753.93	2,276
13	Tuesday, September 16, 2008	1,743.95	1,679.30	1,711.63	2,927
14	Tuesday, September 23, 2008	1,704.05	1,649.70	1,676.88	1,997
15	Tuesday, September 30, 2008	1,692.75	1,593.75	1,643.25	2,326
16	Tuesday, October 7, 2008	1,558.10	1,511.95	1,535.03	3,234
17	Tuesday, October 14, 2008	1,463.65	1,400.25	1,431.95	2,664
18	Tuesday, October 21, 2008	1,339.95	1,288.65	1,314.30	2,833
19	Tuesday, October 28, 2008	1,301.10	1,221.10	1,261.10	3,054
20	Tuesday, November 4, 2008	1,295.10	1,255.25	1,275.18	2,460
21	Tuesday, November 11, 2008	1,567.70	1,323.90	1,445.80	4,382
22	Tuesday, November 18, 2008	1,560.75	1,520.10	1,540.43	1,657
23	Tuesday, November 25, 2008	1,501.10	1,398.85	1,449.98	3,148
24	Tuesday, December 2, 2008	1,650.75	1,438.05	1,544.40	4,007
25	Monday, December 8, 2008	1,667.90	1,619.60	1,643.75	2,926
26	Tuesday, December 16, 2008	1,680.95	1,596.80	1,638.88	3,936
		26 weeks average		**1,510.23**	

(Source: BSE website)

d) The average of the daily high and low prices of Shares during the 2 weeks preceding the date of the Public Announcement, on BSE was Rs. 1,656.15. Please see the following table:

Day #	Date	High (Rs.)	Low (Rs.)	Avg. (Rs.)	Volume (Shares)
1	Wednesday, December 3, 2008	1,744.00	1,650.75	1,697.38	1,226
2	Thursday, December 4, 2008	1,700.00	1,650.00	1,675.00	395
3	Friday, December 5, 2008	1,700.00	1,651.00	1,675.50	478
4	Monday, December 8, 2008	1,725.00	1,600.00	1,662.50	827
5	Wednesday, December 10, 2008	1,660.00	1,601.00	1,630.50	330
6	Thursday, December 11, 2008	1,628.90	1,595.00	1,611.95	374
7	Friday, December 12, 2008	1,601.00	1,550.05	1,575.53	205
8	Monday, December 15, 2008	1,779.00	1,601.00	1,690.00	2,656
9	Tuesday, December 16, 2008	1,718.95	1,655.00	1,686.98	371
		2 weeks average		**1,656.15**	

(Source: BSE website)

Note A – The acquisition of DISA India was incidental during the Global Acquisition process. The income from operations of DISA India constitutes less than 10.0% of the total income from operations of DISA II A/S on a consolidated basis for financial year 2007. The Target Company Shares were not acquired directly in the process. No valuation of DISA India was carried out as a part of the Global Acquisition process nor was any value allocated or attributed to DISA India separately.

7.1.4 There was no public announcement under the SEBI Takeover Code for the parent company i.e. DISA II A/S and therefore no further adjustment in the Offer Price is required to be made under Regulation 20(12). Shareholders may please refer to paragraph 3.1.6 for disclosures on the SEBI's direction in this matter and the consequent proceedings before the Hon'ble SAT culminating in the final order dated August 5, 2009.

7.1.5 No amount has been paid as Non-Compete Fees.

7.1.6 The Acquirer and the PACs would pay interest to the Shareholders, for the delay in dispatch of the Letter of Offer, as disclosed in paragraph 3.1.8. The interest would be payable in respect of Shares to be accepted under the Offer. The interest amount calculated @ 10% per annum on the Offer Price, for 25 days delay, works out to Rs 11.35/- per Share.

7.1.7 In the opinion of the Manager to the Offer, the Acquirer and the PACs, the Offer Price is justified. However, SEBI has a right to file an appeal against the Hon'ble SAT order dated August 5, 2009 before Hon'ble Supreme Court. Offer Price paid by the Acquirer and the PACs and payment of interest for delayed payment of consideration shall be subject to the decision of the Hon'ble Supreme Court in such appeal, if preferred by SEBI.

7.1.8 If the Acquirer and the PACs acquire Shares after the date of the Public Announcement up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.2 Financial Arrangements

7.2.1 The total financial resources required for this Offer, assuming full acceptance of the Offer Size at the Offer Price will be Rs. 50,04,81,937/- (Rupees Fifty Crores Four Lakhs Eighty One Thousand Nine Hundred Thirty Seven Only) ("Maximum Consideration"). Additionally, the interest payable on the Maximum Consideration, towards the delay in dispatch of the Letter of Offer works out to Rs 34,28,165.35/- (Rupees Thirty Four Lakhs Twenty Eight Thousand One Hundred Sixty Five and Paise Thirty Five Only). The Acquirer and the PACs have made firm arrangement for the Maximum Consideration and the interest payable, the aggregate financial obligation being Rs 50,39,10,102.35 /- (Rupees Fifty Crores Thirty Nine Lakhs Ten Thousand One Hundred Two and Paise Thirty Five Only) as mentioned below.

7.2.2 In accordance with Regulation 28 of the SEBI Takeover Code, escrow arrangement has been created by DISA A/S, which consists of the following :

- DISA A/S had procured bank guarantee issued by Deutsche Bank AG, New Delhi Branch, New Delhi in favour of the Manager to the Offer, for an amount of Rs. 12,83,75,000/-. (Rupees Twelve Crores Eighty Three Lakhs Seventy Five Thousand Only) which is more than 25% of the Maximum Consideration, in accordance with the SEBI Takeover Code (the "Escrow Guarantee"). The Escrow Guarantee, which was initially valid till April 4, 2009 and had been extended till October 4, 2009. The Escrow Guarantee has been replaced by an amended bank guarantee issued by Deutsche Bank AG, Mumbai Branch, Mumbai in favour of the Manager to the Offer, for the same amount as the Escrow Guarantee (the "Amended Escrow Guarantee"), which is valid till March 31, 2010 or till 20 days after the closure of the Offer, whichever is earlier.

- DISA A/S has also made a cash deposit in an account (the "Escrow Account") with Deutsche Bank AG, Mumbai Branch, Mumbai ("Escrow Bank") for an amount of Rs. 55,00,000/- (Rupees Fifty Five Lakhs Only) (the "Cash Deposit"). The Cash Deposit represents more than 1% of the Maximum Consideration, in accordance with the SEBI Takeover Code.

7.2.3 The Manager to the Offer has been authorised to realize the value of the escrow arrangement consisting of the Amended Escrow Guarantee and the Cash Deposit, in terms of and as per the provisions contained in the SEBI Takeover Code. Further, under the escrow arrangement, the Manager to the Offer has been empowered to claim the Amended Escrow Guarantee to fund the Escrow Account and subsequently, transfer 90% of the Amended Escrow Guarantee value to the Special Payment Account for payment of consideration under the Offer.

7.2.4 Due to global economic downturn and related factors, the financial situation of the Acquirer has changed materially although the Acquirer & the PACs remain confident that this situation is temporary and that the long term potential of the group remains undiminished. At the time of submission of the Draft Letter of Offer to SEBI, the Acquirer and the PACs had adequate funding arrangements in place. The subsequent adverse effect on financials has occurred due to external business circumstances, beyond the control of the Acquirer and the PACs. The Acquirer and the PACs have been diligent, and successful, in seeking alternative funding arrangements to permit the Offer process to proceed but these efforts resulted in some delay in dispatch of the LOO within the timelines prescribed in the SEBI Observation Letter, read with the orders of the Hon'ble SAT. Despite the fact that there is an ongoing financial restructuring with the lending banks, under which, inter-alia, there may be some change to existing financial covenants, the Acquirer and the PACs have arranged for firm funding for the purposes of the Offer, which is currently available up to March 15, 2010 and based on which this Offer is proceeding. To demonstrate this funding, the Acquirer and the PACs have procured the Additional Guarantee, as disclosed in paragraph 3.1.8. The Additional Guarantee can be claimed by the Manager to the Offer to fund the Special Payment Account, pursuant to the obligations of the Acquirer and PACs under Regulation 29 of the SEBI Takeover Code only after the closure of the Offer. The Additional Guarantee is valid till March 15, 2010.

7.2.5 The Acquirer and the PACs have provided an undertaking dated September 9, 2009 addressed to the Manager to the Offer to renew the Additional Guarantee on a best effort basis or provide any other alternative means of funding as may be available, incase the Offer is further delayed beyond March 15, 2010 due to any reason. The undertaking also provides that the Amended Escrow Guarantee will be renewed before expiry, if the Offer has not closed till March 10, 2010, due to any reasons.

7.2.6 Before the PA, Deloitte Statsautoriseret Revisionsaktieselskab, the statutory auditors of DISA A/S, (signing through Henrik Kjelgaard, CVR no. 24213714, Tuborg Havnevej 18, 2900 Hellerup, Denmark, contact no. (+45) 35 25 25 25, fax no. (+45) 35 25 20 01) had confirmed vide their letter dated December 2, 2008, to the effect that based on the discussions with the Company's Management as well as examining the Company's credit facilities, current drawings on these and the Company's management accounts as at 31 October 2008, in their opinion, as at 2 December, 2008, DISA A/S was able to meet the financial obligations relating to the Offer.

7.2.7 Based on the above, the Manager to the Offer confirms that the Acquirer and the PACs have firm funding arrangement and the financial ability to implement this Offer in full, upto March 15, 2010.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 The Offer is not conditional on any minimum level of acceptance by the shareholders of the Target Company. During the Offer period, the Acquirer and the PACs may purchase additional Shares in accordance with the SEBI Takeover Code.

8.2 RBI, vide letter dated March 3, 2009, has given it's no objection for acquisition of 302,041 Shares by the Acquirer and the PACs under the Offer. This approval does not cover tenders by erstwhile OCBs and therefore acceptance of Shares from erstwhile OCBs is subject to receipt of specific approval from the RBI.

8.3 The acquisition of DISA II A/S by Hamlet was subject to, inter-alia, receipt of clearance from the Federal Competition Authority of Austria (Austrian Competition Authority) and the Federal Cartel Office of Germany (the "German Competition Authority"). The said clearance were received vide letters dated April 23, 2008 and August 21, 2008, respectively. The German Competition Authority had imposed certain conditions, post the closing of the transaction including certain obligations for divestment of certain businesses. This divestment was required to be completed within a period of 6 months from August 21, 2008 and the deadline may be extended one time by a period of 3 months, by the German Competition Authority. A trustee was appointed to monitor the divestment process. The Acquirer was required to maintain DISA II A/S and all its subsidiaries as independent businesses until implementation of the prescribed divestment. If the sale could not take place within the prescribed deadline or if the sale was validly challenged, the effect of clearance obtained through the decision of the German Competition Authority was no longer applicable. In such an event, the acquisition of DISA II A/S would have become a prohibited transaction and would have to be reversed immediately. These divestments have been completed and the German Competition Authority vide their letter dated May 25, 2009, has confirmed satisfaction of the prescribed divestment conditions.

8.4 In view of the above, as disclosed in the Fourth Corrigendum to the Public Announcement, dated May 28, 2009, the final satisfaction of the conditions prescribed by the German Competition Authority is no longer a required statutory approval.

8.5 No statutory approvals are required to acquire the Shares tendered pursuant to this Offer, other than approval of RBI for tenders from OCBs, if any. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. In terms of Regulation 27 of the SEBI Takeover Code, the Acquirer and the PACs will not proceed with the Offer in the event that such statutory approvals that are required are refused. No approvals are required by the Acquirer and the PACs from financial institutions/banks in India for the Offer.

8.6 The Acquirer and the PACs shall complete all procedures relating to the Offer within a period of 15 days from the Offer Closing Date. The payment of consideration in respect of Shares to be accepted under the Offer will be made only after the receipt of all required statutory approvals. Upon refusal of any of the approvals, the Shares tendered, if any, would be returned to the respective Shareholders. It may be noted that in case of non-receipt of any of the statutory approvals stated as above, within a reasonable time, , the Securities and Exchange Board of India (“SEBI”), if satisfied that the non receipt of the statutory approvals was not due to willful default or negligence on the part of the Acquirer and the PACs, has the power to grant an extension of time to the Acquirer and the PACs for payment of consideration to shareholders and the Acquirer and the PACs shall pay interest for the delay, to the shareholders who have accepted the Offer, at such rates as may be specified by SEBI under Regulation 22(12) of the SEBI Takeover Code. Further, if the delay occurs due to willful default of the Acquirer and the PACs in obtaining the requisite statutory approvals, Regulation 22(13) of the SEBI Takeover Code shall be applicable.

8.7 Other Terms

8.7.1 The Offer is being made to the shareholders of DISA India and the Letter of Offer, together with the Form of Acceptance and the Form of Withdrawal, will be mailed to the shareholders of DISA India (excluding the Acquirer and the PACs), whose names appear on the Register of Members of DISA India, and to the beneficial owners of the Shares, whose names appear as beneficiaries on the records of the respective depositories, at the close of business hours on Friday, January 9, 2009 (“Specified Date”).

8.7.2 All eligible owners of Shares, registered or unregistered including beneficial owners (except the Sellers), are eligible to participate in the Offer, at any time before the Offer Closing Date, as per the procedure set out in paragraph 9 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. The acceptance must be unconditional and should be absolute and unqualified. No indemnity is required from the unregistered owners.

8.7.3 Accidental omission to dispatch this Letter of Offer or the non-receipt or delayed receipt of this Letter of

Offer will not invalidate the Offer in any way.

8.7.4 There are no Shares that are locked-in as per SEBI guidelines.

8.7.5 Any Shares that are the subject matter of litigation or are held in abeyance due to pending court cases, attachment order(s)/ restriction from Court/ Forum/ ITO / relevant statutory authorities, etc., 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 of the court / forum / ITO / relevant statutory authorities etc permitting transfer of 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 relevant statutory authorities for further action at their end. As on the date of the Public Announcement, there were 3,400 Shares that are under ownership dispute / held in abeyance.

8.7.6 The acceptance of the Offer made by the Acquirer and the PACs is entirely at the discretion of the shareholders of the Target Company. The Acquirer and the PACs do not accept any responsibility for the decision of any shareholder to either participate or to not participate in the Offer. The Acquirer and the PACs will not be responsible in any manner for any loss of Share certificate(s) and Offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.7.7 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case of any lacunae and/or defect or modifications in the documents/forms submitted, the acceptance is liable to be rejected.

8.7.8 The Acquirer and PACs will acquire the Shares, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.7.9 The instructions and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of this Offer.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders of DISA India Limited who wish to tender their Shares under this Offer should enclose the following documents duly completed so that the same are received by the Registrar to the Offer at any of their collection centres (as mentioned below) on or before close of business hours on the Offer Closing Date.

9.1.1 For Shares held in physical form:

Registered Shareholders should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificates.
- Original Share certificate(s).
- Valid share transfer deed / form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with DISA India and duly witnessed at the appropriate place. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/ Notary Public/ Bank Manager under their Official Seal.

In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.

Unregistered owners should enclose:

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

The details of the buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for acceptance.

9.1.2 For Shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of business hours on Offer Closing Date.
  The Registrar to the Offer has opened a special depository account whose details are as follows:

DP Name	Integrated Enterprises India Limited
DP ID	IN301313
Client ID	21267794
Account name	ASPL – Escrow A/c DISA India Ltd - Open Offer
Depository	National Securities Depository Limited

For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance. **Beneficial owners having their beneficiary accounts with CDSL have to use inter-depository delivery instruction slip for the purposes of crediting their Shares in favour of the special depository account with NSDL.** In case of non receipt of the aforesaid documents, but receipt of the Shares in the special depository account, the Offer shall be deemed to be accepted. The Forms of Acceptance of such demat shares not credited in favor of the special depository account, before the Offer Closing Date will be rejected.

9.1.3 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the Form of Acceptance is being sent failing which the tender would be considered invalid and would be liable to be rejected. Such documents may include (but not be limited to):

- Duly attested death certificate and succession certificate (in case of single shareholder) in case the original shareholder has expired.
- Duly attested power of attorney if any person apart from the shareholder has signed acceptance form or transfer deed(s).
- No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.
- In case of companies, the necessary certified corporate authorizations (including board and/or

general meeting resolutions)

- Further, shareholders who are opting for electronic receipt of Offer consideration should also enclose a cancelled cheque or a photocopy of a cheque, associated with the particular bank account where refund is desired

9.2 The Share certificate(s), share transfer form, Form of Acceptance and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned below. **They should not be sent to the Manager to the Offer or the Acquirer or the PACs or the Target Company.** The above-mentioned documents can be sent to the collection centres (as mentioned in paragraph 9.4 below) by hand delivery on all days except Sundays and public holidays.

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

9.4 All owners of Shares, registered or unregistered who wish to avail of and accept the Offer can 'hand deliver' the Form of Acceptance along with all the relevant documents at any of the below mentioned collection centres of the Registrar to the Offer in accordance with the procedure as set out in this Letter of Offer. All centres mentioned herein below would be open during the Offer period on all working days (except Sundays and Bank Holidays) during business hours as shown below. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects; otherwise the same are liable to be rejected.

No.	Collection Centre	Address of Collection Centre	Contact Person	Email Address	Phone No.	Fax	Mode of delivery
1	Mumbai	Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd 217 Shilpin Centre, II Floor, Near Shriram Indl Estate Katrak Road, Wadala, Mumbai 400 031	Mr Ashok Kambli	ashokkambli@iepindia.com	022 40335801	022 40335807	Hand Delivery
2	Ahmedabad	Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd 21 Nirman Gr Floor, B/h Navrangpura Bus Stop, Navrangpura, Ahmedabad 380009	Ms Hetal Jani	ahdnavrang@iepindia.com	079 26443289	079 26568122	Hand Delivery
3	New Delhi	Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd 16/11/ R D Chamber III Floor WEA Arya Samaj Road, Karol Bagh, New Delhi 110005	Mr Venugopal R	delkarol@iepindia.com	011 28756824	011 28750478	Hand Delivery
4	Kolkata	Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd No 210 A Wing II Floor 24 Hemanta Basu Sarani Mangalam, Kolkata 700 001	Mr S Nagarajan	mangalam@iepindia.com	033 22310556	033 24767131	Hand Delivery
5	Bangalore	Alpha Systems Private Ltd. No 30 Ramana Residency 4th Cross Sampige Road, Malleshwaram, Bangalore 560003	Mr S Vijayagopal	vijayagopal@123alpha.com	080 23460815-818	080 23460819	Hand Delivery / Registered Post

Working Hours: Monday to Friday 10 AM to 5 PM, Saturday 10 AM to 1 PM; Holidays: Sundays and Bank Holidays

Shareholders who cannot hand deliver their documents at the collection centres referred to above may send the same by registered post, at their own risk, to the Registrar to the Offer at their office at Alpha Systems Private Ltd., No 30 Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003, and not to any other collection centre so that the same are received on or before the close of business hours on the Offer Closing Date.

9.5 In case of non-receipt of the Letter of Offer / Form of Acceptance / Form of Withdrawal eligible shareholders and unregistered owners (including beneficial owners) may download the same from SEBI's website http://www.sebi.gov.in or obtain a copy of the same by writing to the Registrar to the Offer at the collection centres set out in paragraph above clearly marking the envelope "DISA India Limited - Open Offer" by providing suitable documentary evidence of the acquisition of the Shares or make the acceptance on plain paper. Shareholders holding Shares in physical form should state their name, address, folio number, number of Shares held, distinctive numbers, number of Shares offered, bank particulars along with original Share Certificate(s), duly signed & witnessed transfer form(s). Beneficial owners should state their name, address, DP name, DP ID, beneficiary account number, number of Shares held, number of Shares offered, bank particulars, photocopy of the delivery instructions in "Off-market" mode or a counterfoil of the delivery instructions in "Off-market" mode duly acknowledged by the DP in favour of the special depository account mentioned above, as may be relevant, to the collection centres on or before the close of business on the Offer Closing Date. The acceptance should be signed by all the shareholders as per the registration details available with DISA India Limited / Depositories and should be sent to the Registrar to the Offer in an envelope clearly marked "DISA India Limited - Open Offer".

9.6 In case any person has submitted Shares in physical form for dematerialisation and such dematerialisation has not yet been effected, the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholder's DP. Such shareholders should ensure that the process of getting the Shares dematerialised is completed well in time so that the credit of the Shares to the special depository account is completed on or before the close of business hours on the Offer Closing Date, failing which such an acceptance would be rejected. A copy of delivery instructions acknowledged by the DP in favour of the special depository account should be forwarded to the collection centre where the Form of Acceptance and other documents were tendered, before the Offer Closing Date.

9.7 In case any person has lodged Shares for transfer and such transfer has not yet been effected, the concerned person may apply as per instructions to be contained in the Letter of Offer, together with the acknowledgement of the lodgement of Shares for transfer. Such persons should also instruct the Target Company and/or its registrar & transfer agents – Alpha Systems Private Ltd., No 30 Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003 to send the transferred equity share certificate(s) directly to the collection centre located at Alpha Systems Private Ltd., No 30 Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003. The person should ensure that the equity share certificate(s) reach the designated collection centre on or before the close of business hours on the Offer Closing Date. No indemnity is required from unregistered equity shareholders.

9.8 While tendering Shares under the Offer, shareholders are requested to give their Permanent Account No. ("PAN").

9.9 While tendering Shares under the Offer, NRIs/ OCBs/ foreign and other non resident shareholders will be also required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares. Further, OCB shareholders, if any, are also required to submit approval from RBI for tendering Shares in the Offer. In case the RBI approvals are not submitted, the Acquirer and the PACs reserve the right to reject the Shares tendered. As per the extant provisions of the Income Tax Act, 1961 ("Income Tax Act"), no deduction of tax at source shall be made before remitting the consideration for Shares tendered under the Offer by Foreign Institutional Investors ("FIIs") as defined in the Income Tax Act for Shares held under "Investment / Capital Account" by FIIs. This exemption is not available for payment of consideration in respect of Shares held by FIIs under their "Trade Accounts". However, while tendering their Shares under the Offer, Non Resident Indians ("NRIs"), Overseas Corporate Bodies ("OCBs") and other non resident shareholders will be required to submit a No Objection Certificate ("NOC") / Tax Clearance Certificate ("TCC") indicating the amount of tax to be deducted by the Acquirer and the PACs before remitting the consideration, from Income Tax authorities under the Income Tax Act. In case the aforesaid NOC / TCC is not submitted, the Acquirer and the PACs will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders, on the entire consideration amount payable to such shareholders. The Acquirer and the PACs also reserve the right to reject such tenders from non-resident shareholders, where the aforesaid NOC / TCC is not submitted. Further, payment of interest to all shareholders would be subject to deduction of tax at source, under the Income Tax Act, at such rates as may be applicable to the category of shareholders.

9.10 If the aggregate of the valid responses to the Offer exceeds the Offer Size, then the Acquirer and the PACs shall accept Shares on a proportionate basis from the valid acceptances, as per Regulation 21(6) of the SEBI Takeover Code. The Shares are compulsorily traded in dematerialised form and the minimum marketable lot for the purposes of acceptance, for both physical and demat will be one Share.

9.11 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post / Speed Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder (in case of joint shareholders). Shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account. Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.

9.12 Shareholders, while tendering their Shares in the Offer may indicate an option to receive the payment of Offer consideration through electronic form by indicating in the space provided in the FOA. The payment consideration for Shares accepted under the Offer, in such cases, may be made through Electronic Clearing Services (ECS), Direct Credit, Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), as applicable, at specified centers where clearing houses are managed by the Reserve Bank of India, wherever possible. In other cases, payment of consideration would be made through cheque / demand draft / pay order sent by Registered post / speed post. Shareholders who opt for receiving consideration through electronic form are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance, provide the MICR / IFSC code of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance. In case of joint holders, payments will be made in the name of the first holder/ unregistered owner.

For the purposes of electronic transfer, in case of Shareholders opting for electronic payment of consideration and for purposes printing on the cheque / demand draft / payorder for the other cases, the bank account details will be directly taken from the Depositories' database, wherever possible. A Shareholder tendering Shares in the Offer, is deemed to have given consent to obtain the bank account details from the Depositories, for this purpose. Only if the required details cannot be obtained from the depositories' database then the particulars provided by the Shareholders would be used.

For Shareholders, who do not opt for electronic mode of transfer and for those Shareholders, whose payment consideration is rejected / not credited through ECS/Direct Credit/RTGS/NEFT, due to any technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through Speed Post/Registered Post. Such consideration payment will be made by cheques, pay orders or demand drafts payable at par at places where the address of the shareholder is registered. It is advised that shareholders provide bank details in the Form of Acceptance, so that the same can be incorporated in the cheque/demand draft/pay order.

It will be the responsibility of the tendering Shareholders to ensure that correct bank account details are mentioned with the Depositories and in the Form of Acceptance.

9.13 In terms of Regulation 22(5A) of the SEBI Takeover Code, equity shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 (three) working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at the collection centre where the original tender was submitted on or before the Last date for withdrawing acceptance from the Offer.

a) The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer, duly signed by all the registered holders as per their specimen signature recorded with DISA India for shareholders in case of physical holdings/ with the Depository in case of electronic holdings, so as to reach the Registrar to the Offer at the collection centre where the original tender was submitted, on or before Tuesday, September 29, 2009. The signature of the beneficial holders on the Form of Withdrawal should be attested by the Depository Participant.

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

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

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

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

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

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

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

g) In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from DISA India.

h) Partial withdrawal of tendered Shares can be done only by the registered shareholders / beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

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

9.14 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of

Withdrawal constitute an integral part of the terms of this Offer.

9.15 Ambit Corporate Finance Private Limited, the Manager to the Offer, does not hold any Shares of the Target Company.

9.16 The Registrar to the Offer will hold in trust the Shares/Share certificates, Shares lying in credit of the special depository account, Form of Acceptance, and the transfer form(s), if any, on behalf of the shareholders of DISA India who have accepted the Offer, until the Acquirer and the PACs complete the Offer obligations in accordance with the SEBI Takeover Code.

10 DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of DISA India Limited at the office of the Manager to the Offer at Ambit House, 449, Senapati Bapat Marg, Lower Parel, Mumbai 400 013, from 10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the Offer Opening Date until the Offer Closing Date:

1. Copy of Certificate of Incorporation and Articles of Association of Hamlet, DISA II A/S, DISA A/S and DISA AG;
2. Copy of the Certificate of Incorporation, and Memorandum and Articles of Association of the Target Company;
3. Annual report of Hamlet for the financial year ended December 31, 2008;
4. Annual report of DISA II A/S for the financial year ended December 31, 2007 and December 31, 2008;
5. Annual report of DISA A/S for the financial years ended December 31, 2008, December 31, 2007 and December 31, 2006;
6. Annual report of DISA AG for the financial years ended December 31, 2008, December 31, 2007 and December 31, 2006;
7. Annual reports of the Target Company for the financial years ended December 31, 2008, December 31, 2007, December 31, 2006 and financial results for the 6 months ended June 30, 2009;
8. Copy of the certificate dated December 2, 2008, issued by Deloitte Statsautoriseret Revisionsaktieselskab regarding the ability of DISA A/S to meet the financial obligations relating to the Offer;
9. Copy of the Additional Guarantee No. 784BGG0901401 dated September 3, 2009 issued by Deutsche Bank, Mumbai Branch in favour of the Manager to the Offer;
10. Copy of the published Public Announcement, Corrigendum to the Public Announcement, Second Corrigendum to the Public Announcement, Third Corrigendum to the Public Announcement, Fourth Corrigendum to the Public Announcement, Fifth Corrigendum to the Public Announcement and Sixth Corrigendum to the Public Announcement dated December 17, 2008, February 2, 2009, February 18, 2009, April 14, 2009, May 28, 2009, July 2, 2009 and September 10, 2009 respectively;
11. Copy of the Escrow Agreement dated December 16, 2008 and Amendment to the Escrow Agreement dated September 7, 2009 between the escrow banker, DISA A/S and the Manager to the Offer, authorising the Manager to the Offer to realize the value of the 1% cash deposit, in terms of the SEBI Takeover Code;
12. Copy of the Amended Escrow Guarantee No. 784BGG0901431 dated September 4, 2009 issued by Deutsche Bank, Mumbai Branch in favour of the Manager to the Offer;

13. SEBI observation letter no CFD/DCR/TO/SKM/153465/09 dated February 6, 2009 and the addendum letter no. CFD/DCR/TO/SKM/153789/09 dated February 11, 2009;
14. A copy of the agreement entered into by the Registrar to the Offer with depository participant for opening a special depository account for the purposes of the Offer.
15. Interim order dated February 16, 2009 and Final order dated August 5, 2009, of the Hon'ble SAT.

11 DECLARATION BY THE ACQUIRER AND THE PACS

The Acquirer and the PACs represented by their respective Board of Directors accept responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal (other than information in relation to the Target Company, which has been compiled from publicly available sources or received from the Target Company). The Acquirer and the PACs are severally and jointly responsible for fulfillment of their obligations in terms of the SEBI Takeover Code.

On behalf of Hamlet Holding II ApS

Sd/-
Name: Mr. Anders Dommerby Kristensen
Designation: Authorised signatory
Place: Herlev, Denmark
Date: September 9, 2009

On behalf of DISA Holding II A/S:

Sd/-
Name: Mr. Anders Dommerby Kristensen
Designation: Director
Place: Herlev, Denmark
Date: September 9, 2009

On behalf of DISA Holding A/S:

Sd/-
Name: Mr. Anders Dommerby Kristensen
Designation: Director
Place: Herlev, Denmark
Date: September 9, 2009

On behalf of DISA Holding AG:

Sd/-
Name: Mr. Anders Dommerby Kristensen
Designation: Director
Place: Herlev, Denmark
Date: September 9, 2009

Encl:
1. Form of Acceptance-cum-Acknowledgement
2. Form of Withdrawal
3. Transfer deed for shareholders holding Shares in physical form

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FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Alpha Systems Private Limited at any of the collection centers as per the mode of delivery mentioned in the Letter of Offer)
(*to be filled in by the shareholder*)

Folio No./DP ID　　Client ID　　No. of Shares held

OPEN OFFER TO THE SHAREHOLDERS OF DISA INDIA LIMITED	
OPENS ON	**WEDNESDAY, SEPTEMBER 16, 2009**
LAST DATE OF WITHDRAWAL	**TUESDAY, SEPTEMBER 29, 2009**
CLOSES ON	**MONDAY, OCTOBER 5, 2009**

From: Name:

Address:

Status: Resident / Non-Resident

Tel No.:　　Fax No.:　　E-mail:

To
Hamlet Holding II ApS, DISA Holding II A/S, DISA Holding A/S, DISA Holding AG
C/o. Alpha Systems Private Limited
No 30, Ramana Residency, 4th Cross Sampige Road,
Malleshwaram, Bangalore 560 003

Dear Sirs,
Sub: Open Offer (the "Offer") to acquire 3,02,041 Shares of Rs.10/- each, representing 20% of the paid-up and voting equity share capital of DISA India Limited ("DISA India" / "Target Company") by Hamlet Holding II ApS (the "Acquirer") & DISA Holding II A/S, DISA Holding A/S and DISA Holding AG ("Persons Acting in Concert" / "PACs") at a price of Rs.1,657/- (Rupees One Thousand Six Hundred Fifty Seven Only) per fully paid up equity share ("Offer Price") and an additional interest component of Rs. 11.35/- (Rupees Eleven and Paise Thirty Five Only) per fully paid up equity share, payable in cash.

I/We refer to the Letter of Offer dated September 9, 2009 for acquiring the equity shares held by me/us in **DISA India Limited.**
I/We, the undersigned, have read the Letter of Offer, understood its contents and unconditionally accept the terms and conditions and procedures as mentioned therein.

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.	Folio No.	Certificate No.	Distinctive Nos.		No. of Shares
			From	To	
				Total	

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

SHARES HELD IN DEMAT FORM
I/We, holding Shares in demat form, accept the Offer and enclose a photocopy of the Delivery Instructions duly acknowledged by my/ our DP in respect of my/our Shares as detailed below.

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

I/We have done an "Off-market" transaction for crediting the Shares to the special depository account with **Integrated Enterprises India Limited** opened by the Registrar to the Offer with NSDL styled **"ASPL – Escrow A/c DISA India Ltd - Open Offer"** whose particulars are:

DP Name: Integrated Enterprises India Limited	**DP ID: IN301313**	**Client ID: 21267794**

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Shares in favour of the special depository account opened with NSDL.

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Acknowledgement Slip: DISA India Limited – Open Offer
(to be filled by the shareholder) (subject to verification)

Folio No./DP ID　　**Client ID**　　**Sr. No.**

Received from Mr./Ms./M/s.____

Form of Acceptance along with:
(Please √ whichever is applicable)

☐	Physical Shares: No. of Shares - _____________	No. of certificates enclosed__________
☐	Demat Shares: Copy of delivery instruction for ____________ number of Shares enclosed	

STAMP OF COLLECTION CENTRE

Signature of Official __________________Date of Receipt__________________________

Payments for accepted Shares/credits for unaccepted Shares will be dispatched /credited by Monday, October 20, 2009 subject to receipt of regulatory approvals, if any needed.

Enclosures (Please √ as appropriate, if applicable)

- ☐ POWER OF ATTORNEY
- ☐ No Objection Certificate & Tax Clearance Certificate under Income Tax Act, 1961, for NRIs/OCBs/foreign and other non resident shareholders as applicable
- ☐ Others (please specify): _____________
- ☐ Previous RBI approvals for holding the shares of DISA India Limited hereby tendered in the Offer.
- ☐ Corporate authorisation in case of companies along with Board Resolution and specimen signatures of authorised signatories, copy of Memorandum and Articles of Association
- ☐ Death Certificate/ Succession Certificate

I/We confirm that the Shares of **DISA India Limited**, which are being tendered herewith by me/us under the Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original Share certificate(s) and valid Share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the purchase consideration as mentioned in the Letter of Offer and/or the unaccepted Shares/ Share certificates are dispatched or credited back to the beneficial owners' DP accounts.

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

I/We authorise the Acquirer to send payment consideration by electronic mode or physical mode as per the option selected. In cases where the payment consideration is to be done in physical mode, the cheque / demand draft / payorder, in settlement of the amount will be sent by registered post / speed post to the sole/first holder at the address mentioned above.

Please indicate the preferred mode of receiving the payment consideration. (Please tick)

(1) Electronic Mode: __________ OR (2) Physical Mode: __________.

Shareholders opting for Option (1) must complete the following table and enclose a cancelled cheque or a photocopy of a cheque, associated with the particular bank account where refund is desired. To avoid fraudulent encashment in transit, Shareholders opting for Option (2) must provide the Name of the Bank, Branch, City details and the Account Number & Type in the following table.

Name of the Bank ________________________________Branch__________________________City____________________________	
Account Number__________________________________	Savings/Current/Others (please specify) _________________________________
9 digit MICR code: _________________________	IFSC Code (for RTGS/NEFT Transfers): _______________________

The bank account details will be directly taken from the Depositories' database, wherever possible. A Shareholder tendering Shares in the Offer, is deemed to have given consent to obtain the bank account details from the Depositories, for this purpose. Only if the required details cannot be obtained from the depositories' database then the particulars provided by the Shareholders above would be used.

I/We note and understand that the Shares would lie in the special depository account until the time payment of purchase consideration as mentioned in the Letter of Offer is made.

I/We authorise the Acquirer to accept the Shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/we further authorise the Acquirer to return to me/us, Shares / Share certificate(s) in respect of which the Offer is not found valid/not accepted.

For FII shareholders: I/We confirm that the Shares of DISA India Limited are held by me/us on Investment/Capital Account OR Trade Account. (Please √ whichever is applicable in your case)

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE HOLDER	PAN No.	SIGNATURE(S)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the company seal should be affixed

Place: Date:

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

Alpha Systems Private Limited
(Unit: DISA India Limited – Open Offer)
No 30, Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003,
Contact Person: S Vijayagopal; Tel. No. (080) 23460815-18; Fax No. (080) 23460819
Email: alfint@vsnl.com

INSTRUCTIONS

1. In the case of dematerialised Shares, the shareholders are advised to ensure that their Shares are credited in favour of the special depository account, before the Offer Closing Date i.e. Monday, October 5, 2009. The Form of Acceptance-cum-Acknowledgement of such demat Shares not credited in favour of the special depository account, before the Offer Closing Date will be rejected.
2. **Shareholders should enclose the following :**

   I. For equity shares held in physical form:-

   - **Registered shareholders should enclose**
     - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the Share certificates.
       - **Original Share Certificate(s)**.
     - **Valid transfer deed(s) / 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 DISA India Limited and duly witnessed at the appropriate place. Attestation, where required, (thumb impressions, signature difference, etc.) should be done by a Magistrate/Notary Public/ Bank Manager under their Official Seal. The details of the buyer should be left blank failing which the same will be invalid under the Offer. The details of the buyer will be filled upon verification of the Form of Acceptance and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance. Shareholders holding physical Shares can also contact the Registrar to the Offer at any of their collection centres at the address given in the Letter of Offer to obtain a blank share transfer deed.

     In case of non receipt of the aforesaid documents, but receipt of the original Share certificate(s) and transfer deed(s) duly signed, the Offer shall be deemed to be accepted.
   - **Unregistered owners should enclose**
     - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein.
     - **Original Share Certificate(s)**.
     - **Original broker contract note**.
     - **Valid Share transfer deed(s)** as received from market. The details of buyer should be left blank failing which, the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders.

     All other requirements for valid transfer will be preconditions for valid acceptance.

   II. For equity shares held in demat form:-

   Beneficial owners should enclose
   - **Form of Acceptance-cum-Acknowledgement** duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository Participant (DP).
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP in favour of special depository account as per the instruction in the Letter of Offer.

   In case of non receipt of the aforesaid documents, but receipt of the credit in the escrow depository account, the Offer shall be deemed to be accepted
3. The Share certificate(s), share transfer deed(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to the **Registrar to the Offer** and not to the Manager to the Offer or the Acquirer or DISA India Limited.
4. Shareholders having their beneficiary account with CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their Shares in favour of the special depository account with NSDL.
5. While tendering Shares under the Offer, NRIs/ OCBs/ foreign and other non resident shareholders will be also required to submit the RBI approvals, if any (specific or general) that they would have obtained for acquiring Shares. RBI vide letter dated March 3, 2009, has given it's no objection for acquisition of 3,02,041 Shares by the Acquirer & PACs under the Offer. This approval does not cover tenders by erstwhile OCBs and therefore acceptance of Shares from erstwhile OCBs is subject to receipt of specific approval from the RBI. OCB shareholders, if any, are required to submit approval from RBI for tendering Shares in the Offer. In case the RBI approvals are not submitted, the Acquirer reserves the right to reject the Shares tendered.
6. Non resident shareholders should enclose No Objection Certificate/Tax Clearance Certificate from the Income Tax Authorities under Income Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category of the shareholder on the entire consideration amount payable. The Acquirer also reserves the right to reject such tenders from non-resident shareholders, where the aforesaid No-Objection Certificate/ Tax Clearance Certificate is not submitted. Further, payment of interest to all shareholders would be subject to deduction of tax at source, under the Income Tax Act, at such rates as may be applicable to the category of shareholders.
7. Shareholders are advised to indicate the bank account details at the appropriate place in the Form of Acceptance-cum-Acknowledgement and the consideration cheque would be made to the bank account of the sole/ first shareholder. The payment would be made at par to all the shareholders.
8. Shareholders, while tendering their Shares in the Offer may indicate an option to receive the payment of Offer consideration through electronic form by indicating in the space provided in the FOA. The payment consideration for Shares accepted under the Offer, in such cases, may be made through Electronic Clearing Services (ECS), Direct Credit, Real Time Gross Settlement (RTGS) or National Electronic Funds Transfer (NEFT), as applicable, at specified centers where clearing houses are managed by the Reserve Bank of India, wherever possible. In other cases, payment of consideration would be made through cheque / demand draft / pay order sent by Registered post / speed post. Shareholders who opt for receiving consideration through electronic form are requested to give the authorization for electronic mode of transfer of funds in the Form of Acceptance, provide the MICR / IFSC code of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account, along with the Form of Acceptance. In case of joint holders, payments will be made in the name of the first holder/ unregistered owner.
9. Rejection of Shares

   If the Shares are rejected for any of the following reasons, the Shares will be returned to the sole / first named holder(s) along with all the documents received from them at the time of submission. Please note that the following list is not exhaustive.

   a. The signature(s) of the holder(s) do not match with the specimen signature(s) as per the records of DISA India Limited;

   b. The transfer deed is not complete or valid ;

   c. The relevant documents, as applicable, mentioned above at 2 and in addition at 5, 6 and 7 are not submitted with the Form of Acceptance-cum-Acknowledgement. The Acquirer also reserves the right to reject such tenders from shareholders, where the relevant documents are not submitted.
10. All documents / remittances sent by or to shareholders will be at their own risk. Shareholders of DISA India Limited are advised to adequately safeguard their interests in this regard. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.
11. Neither the Acquirer, the Manager to the Offer, the Registrar to the Offer or DISA India Limited will be liable for any delay/loss in transit resulting in delayed receipt/ non-receipt by the Registrar to the Offer of your Form of Acceptance-cum-Acknowledgement or for the failure to deposit your Shares to the special depository account or submission of original physical Share certificates due to inaccurate/incomplete particulars/instructions on your part, or for any other reason.
12. Applicants who cannot hand deliver their documents at the collection centers, may send their documents only by Registered Post, at their own risk, to the Registrar to the Offer at Alpha Systems Private Ltd., No 30 Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003 so as to reach the Registrar to the Offer on or before 5 PM on the Offer Closing Date i.e. Monday, October 5, 2009.
13. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted by way of hand delivery at any of the collection centers of Alpha Systems Private Limited which are as follows: **(a) Mumbai:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd, 217 Shilpin Centre, II Floor Near Shriram Indl Estate Katrak Road Wadala, Mumbai 400 031, Tel: 022 40335801, Fax: 022 40335807 **(b) Ahmedabad:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd, 21 Nirman Gr Floor B/H Navrangpura Bus Stop Navrangpura, Ahmedabad 380009, Tel: 079 26443289, Fax: 079 26568122; **(c) New Delhi:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd,16/11/ R D Chamber III Floor WEA Arya Samaj Road, Karol Bagh, New Delhi 110005, Tel: 011 28756824, Fax: 011 28750478; **(d) Kolkata:** Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd No 210 A Wing II Floor 24 Hemanta Basu Sarani Mangalam, Kolkata 700 001, Tel:033 22310556, Fax:033 24767131; **(e) Bangalore:** Alpha Systems Private Ltd. No 30 Ramana Residency 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003, Tel: 080 23460815-818, Fax:080 23460819.

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FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of withdrawal with enclosures to Alpha Systems Private Limited at the collection centre where the original Form of Acceptance was tendered)

(*to be filled in by the shareholder*)
From:
Name:
Address:

OPEN OFFER TO THE SHAREHOLDERS OF DISA INDIA LIMITED	
OPENS ON	**WEDNESDAY, SEPTEMBER 16, 2009**
LAST DATE OF WITHDRAWAL	**TUESDAY, SEPTEMBER 29, 2009**
CLOSES ON	**MONDAY, OCTOBER 5, 2009**
THIS FORM SHOULD BE USED BY SHAREHOLDERS ONLY FOR EXERCISING THE WITHDRAWAL OPTION AS PROVIDED IN THE LETTER OF OFFER	

To
Hamlet Holding II ApS, DISA Holding II A/S, DISA Holding A/S, DISA Holding AG
C/o. Alpha Systems Private Limited
No 30, Ramana Residency, 4th Cross Sampige Road,
Malleshwaram, Bangalore 560 003

Dear Sirs,

Sub: Open Offer (the "Offer") to acquire 3,02,041 Shares of Rs.10/- each, representing 20% of the paid-up and voting equity share capital of DISA India Limited ("DISA India" / "Target Company") by Hamlet Holding II ApS (the "Acquirer") & DISA Holding II A/S, DISA Holding A/S and DISA Holding AG ("Persons Acting in Concert" / "PACs") at a price of Rs.1,657/- (Rupees One Thousand Six Hundred Fifty Seven Only) per fully paid up equity share ("Offer Price") and an additional interest component of Rs. 11.35/- (Rupees Eleven and Paise Thirty Five Only) per fully paid up equity share payable in cash.

Sub: Withdrawal of shares tendered in the caption Offer.

I/We refer to the Letter of Offer dated September 9, 2009 for acquiring the equity shares held by me/us in **DISA India Limited.**

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

I/We have also read the procedure for withdrawal of Shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

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

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center where the Form of Acceptance was tendered on or before the last date of withdrawal.

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

I/We also note and understand that the Acquirer shall return original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively. The particulars of tendered original share certificate(s), which I/we wish to withdraw are detailed below:

Sr. No.	Folio No.	Certificate No. Tendered	Distinctive Nos.		No. of Shares
			From	To	
			Withdrawn		
				Total	

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

I/We holding the following Shares in dematerialised form, have tendered the Shares in the Offer and had done an "Off-market" transaction for crediting the Shares to the special depository account with **Integrated Enterprises India Limited** at NSDL styled "**ASPL – Escrow A/c DISA India Ltd - Open Offer**" whose particulars are:

DP Name: Integrated Enterprises India Limited	DP ID: IN301313	Client ID: 21267794

Please find enclosed a photocopy of the depository delivery instruction(s) duly acknowledged by the Depository Participant.

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

Acknowledgement Slip: DISA India Limited – Open Offer

(to be filled by the shareholder) (subject to verification) **Sr. No.**

Received from Mr./Ms./M/s.________________ ____

Physical Shares: Folio No. _________________ / Demat Shares: Client ID _____________________; DP ID __________________________

Form of Withdrawal for withdrawal of:

	Physical Shares: No. of Shares tendered - ______________	No. of Shares withdrawn-____________	STAMP OF COLLECTION CENTRE
	Demat Shares: No. of Shares tendered - _______________	No. of Shares withdrawn-____________	

(Please √ whichever is applicable)

Signature of Official _______________________Date of Receipt_____________________________________

The particulars of the account from which my/our Shares have been tendered and the Shares withdrawn are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Shares tendered	No. of Shares withdrawn

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

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

In case of dematerialised Shares, I/we confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and Delivered

	FULL NAME(S) OF THE HOLDER	SIGNATURE(S)	VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

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

Place: Date:

INSTRUCTIONS

1. **Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection center where the original Form of Acceptance was tendered on or before the last date of withdrawal i.e. Tuesday, September 29, 2009**.
2. **Shareholders should enclose the following:-**
   I. For Shares held in demat form:-
   Beneficial owners should enclose
   - **Duly signed and completed Form of Withdrawal.**
   - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
   - **Photocopy of the delivery instruction** in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   II. For Shares held in physical form:-
   - **Registered Shareholders should enclose:**
     - **Duly signed and completed Form of Withdrawal.**
     - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

     In case of partial withdrawal, valid share transfer deed(s) for the remaining equity shares (i.e. shares not withdrawn) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with **DISA India Limited** and duly witnessed at the appropriate place. Further the transfer deed should be valid for transfer.

     Shareholders holding physical Shares can also contact the Registrar to the Offer at any of their collection centres at the address given in the Letter of Offer to obtain a blank share transfer deed.
   - **Unregistered owners should enclose:**
     - **Duly signed and completed Form of Withdrawal.**
     - **Acknowledgement slip in original/ Copy** of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.
3. The withdrawal of equity shares will be available only for the equity share certificates/the equity shares that have been received by the Registrar to the Offer/ special depository escrow account.
4. The intimation of returned equity shares to the shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of equity 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 the Target Company. The facility of partial withdrawal is available only to registered shareholders.
7. Shareholders holding equity shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
8. The Form of Withdrawal and other related documents should be submitted at the collection center where the original Form of Acceptance was tendered.
9. Collection centres of Alpha Systems Private Limited are as follows: **(a) Mumbai:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd, 217 Shilpin Centre, II Floor Near Shriram Indl Estate Katrak Road Wadala, Mumbai 400 031, Tel: 022 40335801, Fax: 022 40335807 **(b) Ahmedabad:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd, 21 Nirman Gr Floor B/H Navrangpura Bus Stop Navrangpura, Ahmedabad 380009, Tel: 079 26443289, Fax: 079 26568122; **(c) New Delhi:** Alpha Systems Private Ltd., C/o Integrated Enterprises (I) Ltd,16/11/ R D Chamber III Floor WEA Arya Samaj Road, Karol Bagh, New Delhi 110005, Tel: 011 28756824, Fax: 011 28750478; **(d) Kolkata:** Alpha Systems Private Ltd. C/o Integrated Enterprises (I) Ltd No 210 A Wing II Floor 24 Hemanta Basu Sarani Mangalam, Kolkata 700 001, Tel:033 22310556, Fax:033 24767131; **(e) Bangalore:** Alpha Systems Private Ltd. No 30 Ramana Residency 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003, Tel: 080 23460815-818, Fax:080 23460819.

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

Alpha Systems Private Limited
(Unit: DISA India Limited – Open Offer)
No 30, Ramana Residency, 4th Cross Sampige Road, Malleshwaram, Bangalore 560 003,
Contact Person: S Vijayagopal; Tel. No. (080) 23460815-18; Fax No. (080) 23460819
Email: alfint@vsnl.com