LETTER OF OFFER THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
This Letter of Offer is sent to you as shareholder(s) of **Dhruv Makhan (India) Limited**. If you require any clarification about the action to be taken, you may please consult your stockbroker or investment consultant or the Manager to the Offer. In case you have recently sold your equity shares in Dhruv Makhan (India) Limited , please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of withdrawal cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY	
1. MR. BAVCHANDBHAI J. VAGHANI Sector - 21, Plot no.199, Samudra Building, Nerul, Navi-Mumbai - 400706 Phone No:27891905 Fax: 022- 27891905	**2. MR. GOVINDBHAI J. VAGHANI** C-6 / 5 / 2:2, Sector-6, C.B.D. , Navi-Mumbai-400614 Phone No: 27891905 Fax: 022- 27891905
3. MRS. HASUMATI B. VAGHANI Sector - 21, Plot no.199, Samudra Building, Nerul, Navi-Mumbai - 400706 Phone No: 27891905 Fax: 022- 27891905	**4. MRS. KIRTIBEN G. VAGHANI** C-6 / 5 / 2:2, Sector-6, C.B.D. , Navi-Mumbai-400614 Phone No: 27891905 Fax: 022- 27891905

To Acquire 17,40,000 Equity Shares of Rs. 10/- each, representing 20% of the voting & Paid-up equity share capital at a price of Rs. 1.50 (Rupees One and paisa fifty Only) per share, payable in cash **of** **DHRUV MAKHAN (INDIA) LIMITED** (Hereinafter referred to as **“TC”** or **"the Company"**) **Registered Office:** 278/281, Kamala Nagar House, P.O.Badarkha,Taluka-Dholka, Dist. Ahmedabad. Phone No: 079-55310091 Fax: 079 - 26578006. [Pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof]

ATTENTION:

1. The offer is not a conditional offer.
2. Acquisition of shares from Non-Resident shareholders is subject to the approval of the Reserve Bank of India (RBI). The Acquirers will make an application to the RBI for acquisition of shares from Non-Residents.
3. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the this Letter of Offer, shall have the option to withdraw acceptance tendered by them upto **August 31, 2005** i.e. 3 (three) working days prior to the date of closure of the offer i.e. **September 5, 2005**
4. If there is any upward revision in the Offer Price (in terms of Regulation 26) by the Acquirers till the last day of revision, viz., at any time upto seven working days prior to the date of closure i.e. upto **August 25, 2005** the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revised Offer Price would be payable to all the shareholders who tender their shares in the offer.
5. No action has been initiated /taken against any of the Buyers or sellers by SEBI under SEBI Act, 1992 or any of its rules or regulations.
6. **If there is any Competitive Bid:**

a. **The Public Offers under all the subsisting bids shall close on the same date.**
b. **As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, 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.**

7. A copy of Public Announcement, Letter of Offer and Form of Acceptance cum Acknowledgement are also available on SEBI's **web-site: www.sebi.gov.in**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER". FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THE LETTER OF OFFER.

All future correspondence, if any, should be addressed to the Manager to the offer at the following address:

MANAGER TO THE OFFER
CHARTERED CAPITAL AND INVESTMENT LIMITED
Contact Person: **Mr. Manoj Kumar Jain**
711, Mahakant, Opp. V. S. Hospital, Ellisbridge, Ahmedabad - 380 006
Ph: (079) 26577571/26575337 **Fax:** (079) 26575731
Email: info@charteredcapital.net / ccil@egujarat.net
Website: www.charteredcapital.net

OFFER OPENS ON: 17/08/2005	OFFER CLOSES ON 05/09/2005

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr. No	Activity	Schedule Date and Day
1.	Date of Public Announcement	23/06/2005 (Thursday)
2.	Specified Date	23/06/2005 (Thursday)
3.	Last Date for a Competitive Bid(s)	14/07/2005 (Thursday)
4.	Date by which Letter of Offer will be dispatched to the Shareholders	06/08/2005 (Saturday)
5.	**Offer Opening Date**	**17/08/2005 (Wednesday)**
6.	Last Date for the Revision of the Offer Price / Number of Equity Shares.	25/08/2005 (Thursday)
7.	Last date for withdrawal by shareholders	31/08/2005 (Wednesday)
8.	**Offer Closing Date**	**05/09/2005 (Monday)**
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	20/09/2005 (Tuesday)

RISK FACTORS:

(i) In the event that either (a) the regulatory approvals are not received in a timely manner, (b) there is any litigation to stay the offer, or (c) SEBI instructs the Acquirers 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 public shareholders of TC, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers, may be delayed.

(ii) The Share purchase Agreements provides that in case of non-compliance of any provisions of the Securities and Exchange Board of India (Substantial Acquisition of shares and Takeovers) Regulations, 1997 ("the Regulations"), SPA shall not be acted upon either by the sellers or the Acquirers.

(iii) The Acquirers are experienced in the business of Construction and have no experience in the field of Milk related business. After the acquisition the acquirers intend to improve the operational performance of the company. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of TC and all applicable laws, rules and regulations, the Board of Directors of TC will take appropriate business decisions from time to time in order to improve the performance of the Target Company

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

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1. DEFINITIONS:

1.	Acquirers	Mr. Bhavchandbhai J. Vaghani, Mr. Govindbhai J. Vaghani, Mrs. Hasumati B. Vaghani, and Mrs. Kirtiben G. Vaghani
2.	Agreement or SPA or Acquisition Agreements	Four Share Purchase Agreements(SPA), dated June 17, 2005 for purchase of 2512790 equity shares of face value of Rs. 10/- each of TC from the promoter group and other shareholders of the Target Company ,namely Shailesh R Thakkar, Janakkumar Thakkar, Jayaben J Daxini, Mansukhlal K Patel, Raichand C Thakkar, Mihir B Shah, Lalitchandra H Shah, Nidhi D Jhaveri, Jamnaben Kariya, Urvi S Daxini, Suresh B Thakkar, Kaushalya Jain (hereinafter collectively referred to as “Sellers”) representing 28.88% of the total paid up equity share capital of TC at a price of Rs. 0.50/- (Paisa Fifty Only)
3	ASE	The Ahmedabad Stock Exchange Association Limited
4	BSE	The Stock Exchange, Mumbai
5	FEMA	Foreign Exchange Management Act, 1999
6	Form of Acceptance	Form of Acceptance cum Acknowledgement
7	Form of Withdrawal	Form of Withdrawal cum Acknowledgement
8	LOO, or Letter of Offer	Offer Document
9	Manager to the Offer or, Merchant Banker	Chartered Capital and Investment Limited
10	Negotiated Price	Rs 0.50/- (Paisa Fifty Only) per share of face value of Rs.10/- each.
11	Offer or The Offer	Offer for acquisition of 17,40,000 equity shares of TC of face value of Rs.10/- each at a price of Rs. 1.50/- (Rupees one and paisa fifty Only) per equity share payable in cash.

12	Offer Price	Rs. 1.50/- (Rupees one and paisa fifty Only) per share of Rs.10/- each payable in cash
13	Persons eligible to participate in the Offer	Equity shareholders of Dhruv Makhan (India) Limited, (other than Parties to the agreement i.e. Acquirers and Sellers) whose names appear on The Register Of The Members of **Dhruv Makhan (India) Limited on 23/06/2005** (the Specified date) and also to those persons who own the shares at any time prior to the closure of the offer but are not the registered equity shareholders.
14	Public Announcement or **“PA”**	Announcement of the Open Offer by the Acquirers, which appeared in the newspapers on **23/06/2005**
15	RBI	Reserve Bank of India
16	SEBI	Securities and Exchange Board of India
17	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
18	SEBI Act	Securities and Exchange Board of India Act, 1992
19	Sellers	Shailesh R Thakkar, Janakkumar Thakkar, Jayaben J Daxini, Mansukhlal K Patel, Raichand C Thakkar, Mihir B Shah, Lalitchandra H Shah, Nidhi D Jhaveri, Jamnaben Kariya, Urvi S Daxini, Suresh B Thakkar, Kaushalya Jain (hereinafter collectively referred to as “Sellers”) representing 28.88% of the total paid up equity share capital of TC at a price of Rs. 0.50/- (Paisa Fifty Only) per share.
20	Specified Date	23/06/2005
21	Target Company /TC	Dhruv Makhan (India) Limited

2. DITCAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY THE 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 DHRUV MAKHAN (INDIA) LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. THE SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS

LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER(S) DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 25th JUNE, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 Mr. Bavchandbhai J Vaghani, residents of Sector -21, Plot No. 199, Samudra Building, Nerul, Navi- Mumbai - 400 706, Mr. Govindbhai J Vaghani, residents of C-6/5/2:2, Sector-6, C.B.D, Navi- Mumbai - 400 614, Mrs. Hasumati B Vaghani residents of Sector -21, Plot No. 199, Samudra Building, Nerul, Navi- Mumbai - 400 706 and Mrs. Kirtiben G Vaghani residents of C-6/5/2:2, Sector-6, C.B.D, Navi- Mumbai - 400 614 are the Acquirers in the present offer (Hereinafter referred to as **"The Acquirers"**), are making an Open Offer pursuant to Regulations 10 and 12 and in compliance with SEBI (SAST) Regulations, 1997. No other entity/person is acting/ deemed to be acting in concert with the acquirers for the purpose of this offer.

3.1.2 On **June 17, 2005**, the Acquirers have entered into four Share Purchase Agreements [SPA] with some of the existing shareholders of **DHRUV MAKHAN (INDIA) LIMITED** (Target Company/ TC), of whom some are part of the present promoter group of the TC to acquire from them aggregate of 2512790 equity shares of Rs.10/- each representing 28.88% of the total paid up equity share capital of TC at the price of Rs. 0.50/- (Paisa Fifty Only) per share, payable in cash (Negotiated Price in terms of SPA). The total consideration payable in cash for the shares acquired as mentioned above is Rs. *12,56,395/-* (Rupees Twelve lacs fifty six thousand three hundred ninety five only)and acquire control over TC.

3.1.3 On completion of the said acquisition, a change in control of TC will be effected. Some of the sellers belong to the promoter group of the Target Company. The details of the sellers & proposed acquisition of shares are as follows:

NAMES & ADDRESSES OF THE SELLERS OF 25,12,790 SHARES

Sr.	Name of Seller	Shares agreed to be acquired by Bavchandbhai J Vaghani SPA - 1	Shares agreed to be acquired by Govindbhai J Vaghani SPA - 2	Shares agreed to be acquired by Hasumati B Vaghani SPA - 3	Shares agreed to be acquired by Kirtiben G Vaghani SPA – 4
1	Mr. Shailesh R. Thakkar 9/A Padma Prabhu Society, Jethabhai Park, Narayan Road, Paldi, Ahmedabad – 380 007 Phone No. 55417017	875200 (10.06)	-	-	-
2	Mr. Janakkumar B. Thakkar Kush Thakkar Niwas, 23/39 New Janpath Hotal, Rajkot. Phone No. 22143129	95690 (1.10)	-	-	-
3	Mrs. Jayaben J. Daxini Aakaseth Kuwani Pole, Ahmedabad Phone No.	154500 (1.78)	-	-	-
4	Mr. Mansukhlal K. Patel Sindhi Colony, Disa, Dist : Banaskantha.	96000 (1.10)	-	-	-
5	Mr. Raichand C. Thakkar 9/A Padma Prabhu Society, Jethabhai Park, Narayan Road, Paldi, Ahmedabad – 380007 Phone No. 26923823	107500 (1.24)			
6	Mr. Mihir B. Shah 9/A Rangtarang Apartment, Shreyas Crossing, Ambawadi, Ahmedabad – 380 015. Phone No. 26631945	-	415300 (4.77)	-	-
7	Mr. Lalitchandra H. Shah Usha Finance, 10, Bhaktinagar, Station Plot, Rajkot - 360002	-	336800 (3.87)	-	-
8	Nidhi D. Jhaveri 9, Shetrunjay Society, Shantiven, N.N.Road, Paldi, Ahmedabad – 380007 Phone No. 26644760	-	-	95700 (1.10)	-
9	Jamnaben S. Kariya Sindhi Colony, Near High School, Disa, Dist : Banaskantha.	-	-	146500 (1.68)	-
10	Mrs Urvi S. Daxini 9/A Padma Prabhu Society, Jethabhai Park, Narayan Road, Paldi,	-	-	-	53500 (0.61)

	Ahmedabad – 380007 Phone No. 55417017				
11	Mr. Suresh B. Thakkar Khadia Char Rasta, Prajapati Building, Ahmedabad – 380001 Phone No. 22143129	-	-	-	69700 (0.80)
12	Kaushalya S. Jain Mohan Trading Co., 484 Revdi Bazar, Ahmedabad – 380002	-	-	-	66400 (0.76)
	Total shares to be acquired by each Acquirer	**1328890 (15.27%)**	**752100 (8.64%)**	**242200 (2.78%)**	**189600 (2.18%)**

* Out of above sellers Shailesh R Thakkar, Janakkumar Thakkar, Jayaben Daxini, Mansukhlal K. Patel, Raichand C Thakkar & Urvi S Daxini are part of the present promoter group.

3.1.4 SPA was executed on 17/06/2005 for acquisition of 42,30,790 equity shares. M/s Ficon Lease & Finance Ltd. (FICON) having Registered Office at 108, Sarthak Complex, Behind Weekender, Swastik Char Rasta, Navrangpura, Ahmedabad – 380 009 vide their letter 28/06/2005 has informed Manager to the Offer, that 17,18,000 shares to be acquired by Govindbhai J Vaghani, Hasumati B Vaghani and Kirtiben G Vaghani from various shareholders as per details mentioned below through SPA 2, SPA 3 and SPA4:

Sr.	Name of Seller	Shares agreed to be acquired by Govindbhai J Vaghani SPA - 2	Shares agreed to be acquired by Hasumati B Vaghani SPA - 3	Shares agreed to be acquired by Kirtiben G Vaghani SPA - 4
1.	Hasmukh Kariya	146500	-	-
2.	Mansukh Kariya	146500	-	-
3.	Ketana Choksi	-	146500	-
4.	Shehnaz Shaikh	-	146500	-
5.	Jolly Shah	-	146500	-
6.	Shardaben Jobanputra	-	146500	-
7.	Narendra Thakkar	-	-	106500
8.	Nitaben Thakkar	-	-	146500
9.	Dashrathbhai Mistry	-	-	146500
10.	Vipul Vaghela	-	-	146500
11.	Gordhanbhai Patel	-	-	146500
12.	Amrutaben Patel	-	-	146500
	Total shares which is under Dispute	**293000**	**586000**	**839000**

are in their possession and they are the rightful owners of these shares. These shares are physically in their possession, delivered to them by Mr. Navin

Thakkar, Ex-Director of Dhruv Makhan (India) Ltd. out of business dealing and contractual obligation by Navin Thakkar.

On receipt of letter from FICON, Manager to the Offer sought clarification from Acquirers and the Target Company regarding status & ownership of the above mentioned shares.

Dhruv Makhan (India) Ltd. (Target Company / TC) has informed Manger to the Offer Chartered Capital And Investment Limited (CCIL) vide their letter dated 09/07/2005 that the above mentioned shareholders are the original shareholders and TC has issued them Duplicate Share Certificate in due compliance with the legal requirements on 01/07/2004.

Acquirers have also confirmed vide their letter dated 15/07/2005 that "at *the time of agreement all the sellers have satisfied us that they are the rightful owners (shareholders) of the Company and they have given us the shares and transfer deeds. In this consequences we have purchase the shares from the sellers in good faith*".

In view of the above, Acquirers have agreed not to acquire disputed shares aggregating 1718000 under SPA dated 17/06/2005, claimed to be in possession by FICON.

Further Acquirers have also agreed and undertaken that they will not acquire the disputed shares via SPA and they will make the payments to the rightful owner of the shares. In case there are in more than one claimant of shares and if there is any dispute regarding ownership of shares and claim of payment if not resolved, the claimant will be asked to approach the appropriate authority to resolve the ownership of the shares and payment will be made to rightful owners. Till that time money will be kept in an escrow account and only after settlement of the issue surplus fund if any will be released from the Escrow account.

3.1.5 Pursuant to the Agreement, in compliance with Regulation 10 & 12 of the Takeover Regulations, Acquirers are hereby making an Offer to the public shareholders of TC to acquire upto 17,40,000 equity shares (hereinafter referred to as "the Shares") representing 20% of the total Voting & paid up Capital of TC at a price of Rs. 1.50 (Rupees one and paisa fifty Only) per equity share ("hereinafter referred to as "Offer Price"), payable in cash (hereinafter referred as "the Offer").

3.1.6 The summary of major Terms & Conditions of the Share Purchase Agreements (SPA) are as follows: (Kindly note that this is not an exact reproduction of the clauses of the SPA)

a. Buyer(s) will pay consideration for purchase of shares to the sellers within 2 month from the date of agreement.

b. The buyer(s) agrees that all expenses that may be required to be incurred or incurred, will be borne by the buyer(s)

c. Sale and purchase of the shares is subject to the compliance of SEBI (SAST) Regulations, 1997.

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

3.1.7 Acquirers Mr. Bavchandbhai J Vaghani is holding 2,16,000 (2.48%) equity shares and Mr. Govindbhai J Vaghani is holding 2,14,700 (2.47%) equity shares of the Target Company as on date of SPA and PA.

3.1.8 In case of any violation/ non-compliance of SEBI (SAST) Regulations, 1997, the aforesaid share purchase agreement dated **17/06/2005** will not be acted upon by the sellers or the Acquirers in terms of Regulation 22(16) of SEBI (SAST) Regulations, 1997.

3.1.9 Neither the Acquirers, Sellers nor the Target Company have been prohibited by SEBI from dealing in securities, in terms of direction under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.10 Acquirers have not acquired any shares of the Target Company during the past 12 months prior to the date of this Public Announcement till the date of Letter of Offer.

3.1.11 The Acquirers may make changes in the management and Board of Directors of the Target Company. The Acquirers may also change the name of the Target Company after completion of the Offer. Mr. Bavchandbhai J Vaghani and Mr. Govindbhai J Vaghani are on the Board of the TC from 07/06/2004 and 05/06/2004 respectively.

3.1.12 The Acquirers, Sellers and the promoters of the company have complied the compliances under Chapter II of SEBI (SAST) Regulations, 1997.

3.2 The Offer

3.2.1 In terms of Regulation 15 and pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations, 1997 the Acquirers have made a Public Announcement in all the editions of the following newspapers on **June 23, 2005** The Public Announcement is also available on the SEBI website at www.sebi.gov.in

Newspapers	**Language**	**Edition**
Financial Express	English	All
Financial Express	Gujarati	All
Jansatta	Hindi	All

3.2.2 The Acquirers make this Open Offer under the SEBI (SAST) Regulations, 1997, to acquire upto 17,40,000 equity shares of Rs.10/- each of TC representing 20% of the total paid up equity share capital of TC, from existing shareholders (other than the parties to the agreement), on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 1.50/- (Rupees one and paisa fifty Only) per share, payable in cash. These equity shares are to be acquired by the Acquirers, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 There are no partly paid-up equity shares in TC.

3.2.4 It's not a competitive bid.
3.2.5 The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.
3.2.6 The acquirers have not acquired any shares of the TC during the past 12 months prior to the date of this Public Announcement and upto the date of letter of offer.
3.2.7 The Offer size has been calculated with reference to the expected voting share capital of TC as on thirty days post the date of closure of the Offer.

3.3 **Object of the Offer**

3.3.1 The Acquirers have agreed to acquire 2512790 equity shares of the company constituting 28.88% of the total paid up equity share capital through SPA, therefore in compliance with the Reg. 10 and 12 of the SEBI (SAST) Regulations, 1997 this offer has been made.
3.3.2 The Offer to the shareholders of Target Company is being made pursuant to the signing of the Share Purchase Agreement and is being made in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations. The Acquirers are not in management control of the Target Company and the acquisition shall result in the change in management control of the Target Company. Mr. Bavchandbhai J Vaghani and Mr. Govindbhai J Vaghani are currently on the Board of the TC. During the process of the open offer, Mr. Bavchandbhai J Vaghani and Mr. Govindbhai J Vaghani have agreed to recluse themselves and not participate in any matter(s) concerning or relating to the offer including any preparatory steps to the offer in accordance with Regulation 22(9) of the SEBI (SAST) Regulations. After the proposed offer assuming there is full response to this offer, and the sellers obligations under the SPA being fulfilled, the Acquirers will control **4683490 equity shares constitute 53.83%** of total issued and paid up capital of the Target Company.
3.3.3 The Acquirers do not have any plans to dispose of or otherwise encumber any substantial assets of TC in the next 2 (two) years, except in the ordinary course of business of TC and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments, liabilities or otherwise of TC.
3.3.4 Other than in the ordinary course of business, the Acquirers undertake that they will not sell, dispose of, or otherwise encumber any substantial asset of TC except with the prior approval of shareholders of the TC.
3.3.5 The Acquirers are experienced in the business of Construction and have no experience in the field of Milk related business. After the acquisition the acquirers intend to improve the operational performance of the company. However, depending on the requirements and expediency of the business situation and subject to the provisions of the Companies Act, 1956, Articles of Association of TC and all applicable laws, rules and regulations, the Board of Directors of TC will take appropriate business decisions from time to time in order to improve the performance of the Target Company.

4 BACKGROUND OF THE ACQUIRERS

4.1 Background of the Acquirers

4.1.1 The Open Offer is being made by Mr. Bavchandbhai Vaghani Son of Mr.Jivrajbhai Vaghani, Aged 58 years, an Indian Resident, residing at Sector-21, Plot no.199, Samudra building, Nerul, Navi-Mumbai-400706 Tel No. 022-27891905, , Mr. Govindbhai Vaghani Son of Mr.Jivrajbhai Vaghani,, Aged 43 years, an Indian Resident, residing at C- 6/ 5/ 2:2, Sector-6, C.B.D. , Navi-Mumbai-400614 Tel No. 022-27891905, Mrs. Hasumati Vaghani wife of Mr. Bavchandbhai Vaghani, Aged 58 years, an Indian Resident, residing at Sector-21, Plot no.199, Samudra building, Nerul, Navi-Mumbai-400706. Tel No. 022-27891905, and Mrs. Kirtiben G. Vaghani wife of Mr. Govindbhai Vaghani, Aged 43 years, an Indian Resident, residing at C- 6/ 5/ 2:2, Sector-6, C.B.D. , Navi-Mumbai-400614.

4.1.2 Mr. Bhavchandbhai J. Vaghani & Mr. Govindbhai J. Vaghani are the brother and Mrs. Hasumati B. Vaghani is the wife of Mr. Bhavchandbhai J. Vaghani and Mrs. Kirtiben G. Vaghani is the wife of Mr. Govindbhai J. Vaghani are the Acquirers in the present offer. All acquirers are the family members. There is no person(s) acting in concert with them. There is no formal agreement entered between the Acquirers.

4.1.3 Mr. Bavchandbhai J. Vaghani is a B.E. (Civil) by qualification and having experience of 33 years in the field of construction.
Mr. Govindbhai J. Vaghani is a Diploma in Civil Engineering by qualification and having experience of 23 years in the field of construction
Mrs. Hasumati B. Vaghani is a B.Sc by qualification and having experience of 5 years in the field of construction.
Mrs. Kirtiben G. Vaghani is a B.A. by qualification and having experience of 5 years in the field of construction.

4.1.4 Mr Rajendra Trivedi, Chartered Accountants, having office at 306,Central Facility Bldg., A.P.M.C. II, Phase II, Sector 19, Vashi, Navi Mumbai - 400 705. Phone No.022-27659772, Membership No.35310 has certified vide certificates dated June 3, 2005 that as on 31st March, 2005 the Net Worth of Mr. Bavchandbhai J. Vaghani, Mr. Govindbhai J. Vaghani, Mrs. Hasumati B. Vaghani and Mrs. Kirtiben G. Vaghani is Rs. 59.92 Lacs, Rs. 34.59 Lacs, Rs.45.95 Lacs and Rs.43.13 Lacs respectively and that they have sufficient investible liquid financial resources to fulfil their obligations under this offer. The acquirers have already deposited Rs, 26,10,000/- (Rupees Twenty six lacs ten thousand Only) in Escrow Account with HDFC Bank Ltd, Navrangpura Branch, Ahmedabad .being 100% of the amount required for the open offer.

4.1.5 The Acquirers have complied the compliances under Chapter II of SEBI (SAST) Regulations, 1997.

4.1.6 The Acquirers have not held position as Director in any other listed company except mentioned in para 4.1.8.

4.1.7 The Acquirers at present have no intention to sell, dispose off or otherwise encumber any significant assets of TC in the succeeding two years, except in the ordinary course of business of TC. TC’s future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of TC

4.1.8 Mr. Bavchandbhai J Vaghani and Mr. Govindbhai J Vaghani are the Directors on the Board of the Target Company from 07/06/2004 and 05/06/2004 respectively.

4.1.9 As confirmed by the Acquirers, there is no litigation pending against them.

4.1.10 Mr. Bavchandbhai J Vaghani is holding 2,16,000 (2.48%) equity shares and Mr. Govindbhai J Vaghani is holding 2,14,700 (2.47%) equity shares of the Target Company as on date of SPA and PA.

4.1.11 The Acquirers Mr. Bavchandbhai J. Vaghani, Mr. Govindbhai J. Vaghani, Mrs. Hasumati B. Vaghani and Mrs. Kirtiben G. Vaghani are the Promoters and Directors of Satyam Concast Pvt. Ltd. And details of the company is given under para 4.2.

4.1.12 The acquirers except Satyam Concast Pvt. Ltd. Have not promoted any other company.

4.2 Details of Group Companies/Firms:

4.2.1 **Satyam Concast Pvt. Ltd.**

4.2.1.1 The Company was incorporated on 6th May, 1988 vide incorporation certificate issued by the Registrar of Companies, Maharashtra.

4.2.1.2 Mr. Bavchandbhai J. Vaghani, Mr. Govindbhai J. Vaghani, Mrs. Hasumati B. Vaghani and Mrs. Kirtiben G. Vaghani are the directors of the company.

4.2.1.3 The Company is working as a construction contractor for government and private party's works.

4.2.1.4 The company **Satyam Concast Pvt. Ltd.** is not a listed company.

4.2.1.5 The Brief Financial performance of the company is as under

(Rs in lacs)

Particulars	***Year ended 31.03.2005**	**Year ended 31.03.2004**	**Year ended 31.03.2003**
Equity Paid-up Capital	97.68	97.68	17.68
Free Reserves (Excluding Revaluation Reserve)	93.44	81.84	81.74
Total Income	570.98	337.41	497.86
Profit After Tax	11.86	8.37	21.38
*Earnings Per Share (Each Share Rs. 10/- paid up) (Rs)	1.21	0.86	12.08
Book Value (Rs.)	19.56	18.37	56.17
The Company is not a Sick industrial undertaking as mentioned in Auditors Report of the Company			

*** Financials as on 31st March 2003 and 2004 are Audited and as on 31/03/2005 is certified by the Auditor**

*****Earning per Share = Profit after Tax/ No. of equity shares

4.2.2 Future plans of the Acquirers:

Acquirers are planning to diversify their business portfolio by venturing into the business of Milk product. Through this acquisition, the also proposes to consolidate their position in the Dairy Industry

5 **BACKGROUND OF THE TARGET COMPANY - DHRUV MAKHAN (INDIA) LIMITED (TC / DMIL)**

5.1 The Target Company i.e. **DHRUV MAKHAN (INDIA) LIMITED,** was incorporated on 6th October, 1994 with the Registrar of Companies, Gujarat, as a Public Limited Company and got Commencement of Business Certificate on 19th April, 1995 from the Registrar of Companies, Gujarat. The Company has its Registered Office at 278/281, Kamala Nagar House, P.O. Badarkha, Taluka - Dholka, Dist. Ahmedabad,(Gujarat) INDIA Ph. 079-55310091 Fax: 079-26578006. Company is having corporate office at 401, Swagat Complex, Near Lal Bunglow, C G Road, Ahmedabad.

5.2 TC has been engaged in the business as manufacturers, Producers, Exporters, Importers, Refiner, Packer, Agent, Distributor, Trader, Dealer in milk, Condensed milk, Evaporated milk, Powdered milk, Butter, Cheese, Cream and all types of milk products, Including dairy whitener, No dairy whitener, Infant milk formulas, Whey powder and chocolate and other milk preparations. and having manufacturing facilities at 278/281, Kamala Nagar House, P.O. Badarkha, Taluka- Dholka, Dist, Ahmedabad. Gujarat

5.3 The authorised share capital of TC as on March 31, 2005 is Rs 1000 lacs, comprising of 1,00,00,000 equity shares of Rs 10/- (Rupees Ten Only) each. As on March 31, 20054, the issued, subscribed & paid-up capital is Rs 870 lacs, comprising of 87,00,000 equity shares of Rs 10/- (Rupees ten each).

5.4 There are no partly paid up shares in TC.

5.5 Current Share capital structure of the Target Company are as under:

Paid up Equity Shares of TC	**No. of Equity Shares/ Voting rights**	**% of Shares / voting rights**
Fully paid-up equity shares	87,00,000	100%
Partly paid-up equity shares	Nil	Nil
Total paid-up equity shares	87,00,000	100%
Total voting rights in the Target Company	87,00,000	100%

The Current capital structure of the target company since inception is as under:

Date of allotment	No. of shares issued	% of shares issued	Cumulative paid up capital	Mode of allotment	Identity of allottees (Promoters/ ex promoter/ others	Status of compliance
06/10/1994	70	-	70	Subscriber to AOA	Promoters	Duly complied with
22/04/1995	667630	7.67	667700	Pvt. Placement	Promoters	
20/08/1995	110400	1.27	778100	Pvt. Placement	Promoters	
28/09/1995	186900	2.15	965000	Pvt. Placement	Promoters	

28/09/1995	385000	4.43	1350000	Pvt. Placement	Promoters	
19/04/1996	1790000	20.57	3140000	Pvt. Placement	Promoters	
19/04/1996	5560000	63.91	8700000	Public Issue	General Public	
Total	**8700000**	**100.00**	**8700000**			

5.6 There are no outstanding convertible instruments like warrants, FCDs/ PCDs etc in TC.

5.7 Details of the Compliance Officer are as under:
Name of the Compliance Officer: Mr. Shailesh R. Thakkar
Contact Address: 278/281, Kamala Nagar House, P.O.Badarkha, Taluka-Dholka, Dist, Ahmedabad

5.8 The shares of Target Company are presently listed with The Stock Exchange Ahmedabad (ASE) and The Stock Exchange, Mumbai (BSE). Due to non-compliances of Filing of Annual Return and Balance Sheet with ROC and non payment of listing fees with Stock Exchanges shares of the TC have been suspended for trading with BSE and ASE. Earlier name of the TC was in the list of Vanishing Company and same has been deleted by DCA (from the list of Vanishing Company after compliances and submission made by the target company.
(Sources:http://dca.nic.in/deleted_vanishing_companies.htm#WESTERN)

Target Company is in process to comply various requirement of listing agreement and has submitted various documents with the Stock exchanges to revocation the suspension of trading. In response of BSE Email dated 05/05/2005 TC has submitted a detailed reply on 22/06/2005 for revocation of suspension of trading and as informed by TC Managing Director of the company has attended the listing committee meeting on 08/10/2004 and Stock Exchange Mumbai is considering company's case for revocation of suspension.

5.9 As shares of the Target Company are suspended for trading there is no trading during the preceding six calendar months prior to the month in which the Public Announcement made. Hence the equity shares of TC are infrequently traded in terms of explanation (i) of Reg. 20(5) of the SEBI (SAST) Regulations 1997.

5.10 Based on the data available with the official website of The Stock Exchange, Mumbai (www.bseindia.com), the traded price of the target company is Rs. **Nil** on date of the Share Purchase Agreements and the volume was **Nil** shares and also no trade has taken place on the date of the Public Announcement. There is also no trading at the Ahmedabad Stock Exchange Association Limited on the date of Share Purchase Agreements and on the date of Public Announcement.

5.11 The sellers, promoters and other major shareholders and the Target Company have complied with the reporting requirements under applicable provisions of the Chapter II of SEBI (SAST) Regulation 1997.

5.12 The composition of the Board of Directors of TC as on the date of PA are as follows:

Sr. No	Name of the Director	Designation	Address	Date of Appointment	Qualification & Experience

1.	Mr. Shailesh R. Thakkar	Managing Director	9/A, Padma Prabhu Society, Jethabhai Park, Narayan Nagar Road, Paldi, Ahmedabad-380007	06/10/1994	B.Com 7 years exp. as supervisor of various processing and mfg. Units of milk products.
2.	Mr. Bavchanbhai J. Vaghani	Director	Sector-21, Plot No.199, Samudra Building, Nerul, Navi-Mumbai – 400 706	07/06/2004	Civil Engineer 33 years exp. in Construction
3.	Mr. Govindbhai J. Vaghani	Director	C-6/5/2:2,Sector-6, C.B.D, Navi-Mumbai - 400614	05/06/2004	Diploma in Civil Engineering 23 years exp. in Construction
4.	Mr. Rajnikant B. Joshi	Director	B/9, Jhanavi Apartment, Mirambika School Road, Naranpura, Ahmedabad - 380 013	25/04/2005	B.Sc. and Diploma in Marketing of various products 15 years exp as Marketing Officer.
5.	Mr. Mahendra D. Ganatra	Director	15, Chaltali Society, Jodhpur Gam, Satellite, Ahmedabad - 15	25/04/2005	B.A Ex Bank Officer, Vide experience in project finance and other banking products and services.
6.	Mr. Mihir B. Shah	Director	A/9, Rangtarang Apartment, Shreyas Crossing, Ambawadi, Ahmedabad - 380015	05/06/2004	B.Com Vide experience in the field of administration

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

5.14 Brief Audited Financial Information of TC are as under:

Profit and Loss Statement (Rs. in lacs)

Sr.	As on	Year ended on		
		31/03/05	31/03/04	31/03/03
1.	Income from operations	144.16	20.10	6.52
2.	Other Income	7.64	0.00	0.00
	Total Income	**151.80**	**20.10**	**6.52**
3.	Total Expenditure	141.12	55.82	20.14
4.	Profit / (Loss) Before Depreciation Interest and Tax	10.68	(35.72)	(13.62)
5.	Depreciation	9.69	9.56	10.62

6.	Interest and Financial Charges	0.00	0.00	0.00
7.	Profit / - Loss Before Tax	0.99	(45.28)	(24.24)
8.	Provision for Taxation/MAT	0.08	0.00	0.00
9	**Profit After Tax**	**0.91**	**(45.28)**	**(24.24)**

Balance Sheet Statement (Rs. in lacs)

Sr.	As On	Year ended on		
		31/03/05	31/03/04	31/03/03
	Sources of funds			
1.	Paid-up share capital	870.00	870.00	870.00
2.	Reserves and Surplus (excluding revaluation reserves)	0.00	0.00	0.00
3.	Less: Debit balance of P & L	(222.40)	(223.31)	(178.03)
4.	Less: Misc. Expenses	(1.40)	(4.13)	(6.85)
5.	**Networth**	**646.20**	**642.56**	**685.12**
6.	Secured Loans	0.00	71.28	71.28
7.	Unsecured Loans	0.00	0.00	0.00
	Total	**646.20**	**713.84**	**756.40**
	Uses of funds			
8.	Net Fixed assets	305.86	123.91	190.86
9.	Investments	279.52	249.08	249.05
10.	Net current assets	60.82	340.85	316.49
	Total	**646.20**	**713.84**	**756.40**

Other Financial Data

Sr.	As On	Year ended on		
		31/03/05	31/03/04	31/03/03
1	Dividend (%)	Nil	Nil	Nil
2	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	0.01	(0.52)	(0.28)
3	Return on Networth (%)	0.14	(7.04)	(3.54)
4	Book Value per Share (Rs. per equity share of face value of Rs. 10/- each)	7.43	7.39	7.87
5	PE Multiple	#	#	#

(Sources: Audited Balance Sheets of the Target Company)

During the year 2004-05 company has earned Total Income of Rs. 151.80 lacs and PAT 0.91 lacs as compared to Total Income of Rs. 20.10 lacs and PAT/ (Loss) (45.28) lacs for the year 2003-04 due to market demand and marketing efforts made by the company.

Ratio/ Formulas:
Dividend = (Dividend Paid / face value of Equity Shares issued)*100

Earning Per Share (EPS) = Profit After Tax/ No. Of equity shares
Book Value Per Share (Except for the period ended on 30/11/2004) = Net Assets/No. Of Equity shares (Net Assets = Total Assets-Total Liabilities)
Return on Net Worth = Profit after Tax/Networth*100
P/E Multiple = Market Price/EPS
During the period there was no trading in the shares of the TC, therefore PE is not ascertainable.

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

Sr No	**Shareholder category**	**Shareholding prior to the Agreement/ Acquisition and offer (A)**		**Shares agreed to be acquired which triggered off the Regulations (B)**		**Shares to be acquired in the open offer (assuming full acceptance) (C)**		**Shareholding after the acquisition and Offer i.e. A+B+C**	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group								
	a. Parties to Agreement	1382390	15.89	(1382390)	(15.89)	NA	NA	0.00	0.00
	b. Promoters other than (a) above	0.00	0.00	NA	NA	NA	NA	0.00	0.00
	Total (a+b)	**1382390**	**15.89**	**(1382390)**	**(15.89)**	**NA**	**NA**	**0.00**	**0.00**
2.	Acquirers								
	Mr Bavchand J. Vaghani	216000	2.48	1328890	15.27	435000	5.00	1979890	22.76
	Mr. Govind J.Vadhani	214700	2.47	752100	8.64	435000	5.00	1401800	16.11
	Mrs. Hasumati B. Vaghani	Nil	Nil	242200	2.78	435000	5.00	677200	7.78
	Mrs. Kirtiben G. Vaghani	Nil	Nil	189600	2.18	435000	5.00	624600	7.18
	Total	**430700**	**4.95**	**2512790**	**28.88**	**1740000**	**20.00**	**4683490**	**53.83**
3.	Parties to Agreement (Sellers) other than 1(a) and 2	1130400	12.99	(1130400)	(12.99)	NA	NA	0.00	0.00
4.	**Public (other than 1 to 3)**					(1740000)	(20.00)	4016510	46.17
	i. FIs / MFs / FIIs / Banks	435100	5.00						
	ii. others	5321410	61.16						
	Total	**8700000**	**100.00**	**2512790**	**28.88**			**8700000**	**100.00**

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

5.16 As on date of PA the total number of shareholders in TC in public category is **1023.**

5.17 The company has complied with the conditions of Corporate Governance as envisaged under Clause 49 of the listing agreement, statutory auditors of the company have certified compliance of conditions of corporate governance, this certificate is attached with annual report of the target company.

5.18 There is no litigation matters are pending against the TC.

6. OFFER PRICE AND FINANCIAL ARRANGMENTS

6.1 Justification of Offer Price

6.1.1 The shares of the Target company are infrequently traded as per the data available with Stocke Exchange, Mumbai (BSE) and The Ahmedabad Stock Exchange (ASE) where the shares of the TC are listed.

6.1.2 The annualised trading turnover during the preceding six Calendar months prior to the month in which the PA is made in each of the Stock Exchanges is detailed below:

Sr. No.	Name of the Stock Exchange	Total no. of equity shares during the 6 calendar months preceding to date of PA	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
1.	BSE*	Nil	87,00,000	Nil
2.	ASE*	Nil	87,00,000	Nil

Sources: * Shares of the TC are suspended.

6.1.3 As the annualised turnover (by number of equity shares) at BSE and ASE is Nil (less than 5% of the total no. of listed equity shares), Hence the equity shares of TC are infrequently traded in terms of explanation (i) of Reg. 20(5) of the SEBI (SAST) Regulations 1997. The Offer Price of Rs. 1.50/- (Rupees One and Paisa Fifty Only) per equity share having face value of Rs. 10/- each, is justified in terms of Regulation 20(5) of SEBI (SAST) Regulations, 1997 based on the following:

a.	Negotiated Price under the Share Purchase Agreements	Rs. 0.50/- (Paisa Fifty Only) per equity share
b.	Highest Price paid by the Acquirers or PACs for acquisition including Public or Rights or Preferential Issue in 26 weeks	Not applicable
c.	Highest average Price calculated as per Regulaiton 20(4)(c) during the 26 weeks preceding the date of PA or the 2 weeks preceding the date of PA	Not applicable
D	**Other financial parameters of TC such as under**	31/03/05
i. Return of Networth (%)		0.14
ii. Book Value (Rs.)		7.43
iii. Earning per share(Rs.)		0.01
iv. Price earning multiple		#

 # There is no trading in the shares of the TC's with BSE or ASE therefore PE is not ascertainable.

Where,

Return on Net Worth = Profit after Tax/Networth*100

Book Value per Share = Net Assets/No. of Equity shares (Net Assets = Total Assets-Total Liabilities)

Earning Per Share (EPS) = Profit after Tax/ No. Of equity shares

P/E Multiple= Market Price/EPS

Since the shares of TC are infrequently traded, the fair value of shares has been arrived at by considering the Hon'ble Supreme Court Judgment in the case of Hindustan Lever Employee Union Vs. Hindustan Lever Limited (1995) (83 com. Case 30). Mr. Rakesh Gupta of M/s Anil G Gupta & Co.,Chartered Accountants, Membership No. 046926 having his office at 405, Ashwamwgh Complex, Nr. Mithakhali Underbridge , Navrangpura, Ahmedabad Phone No.079-25623982 Fax No.25623982. have undertaken a valuation of shares exercise to determine the value of equity shares of TC and furnished a certificate dated 18/06/2005 in this regard.

Notes:

1. Weightages are given as per Hon'able Supreme Court Decision in the case of Hindustan Lever Employee Union Vs. Hindustan Lever Ltd.

	Weightages
a. Market based value	2
b. Earning Capitalization / PECV Based	2
c. Asset Backing / Net Asset/ Book Value	1

2. Market Price (Average price for the last 26 weeks) is Nil (0) as there is no trading.
3. PECV : Price Earning Capacity Value
4. EPS: Earning Per Share

Hence, based on Negotiated Price of Rs. 0.50/- per share and considering the Judgement of Hon'ble Supreme Court in the case of Hindustan Lever Employee Union Vs. HLL, 1995, the fair value arrived at Rs. 1.49 per share (sources : Certificate of Mr. Rakesh Gupta of M/s Anil G Gupta & Co. Chartered accounts,dated 18/06/2005) the Offer Price of Rs. 1.50/- (Rupees one and paisa fifty Only) for paid-up equity share is justifiable in terms of Regulation 20.

6.1.4 There is no non-compete agreement entered into between the acquirers and the sellers and accordingly, no non-compete fee is being paid which should have any bearing on the offer price. Thus, the offer price is also justified under regulation 20 (11) of SEBI (SAST) Regulations, 1997.

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

6.2 Financial Arrangements

6.2.1 "The Acquirers have adequate resources to meet the financial requirements of the Offer. The acquirers have made firm arrangement for the resources required to complete the offer in accordance with SEBI (SAST) Regulations 1997. The acquisition will be financed through internal / personal resources and no borrowings from banks / FIs etc., is being made."

6.2.2 Mr Rajendra Trivedi, Chartered Accountants, having his office at 306,Central Facility Bldg., A.P.M.C. II, Phase II, Sector 19, Vashi, Navi Mumbai - 400 705. Phone No.022-27659772 , Membership No.35310 has certified vide certificates dated June 3,2005 that as on 31st March, 2005 the Net Worth of Mr. Bavchandbhai J. Vaghani, Mr. Govindbhai J. Vaghani, Mrs. Hasumati B. Vaghani and Mrs. Kirtiben G. Vaghani is Rs. 59.92 Lacs, Rs. 34.59 Lacs ,Rs.45.95 Lacs and Rs.43.13 Lacs respectively .

6.2.3 Assuming full acceptance, the total requirement of funds for the Offer would be Rs. 26,10,100/- (Rs Twenty six lacs ten thousand Only). The Acquirers have already made firm arrangements for the financial resources required to implement the Offer in full. **As per Regulation 28, Acquirers have opened an Escrow Account with H.D.F.C Bank Ltd, Navrangpura Branch, Ahmedabad, and have deposited Rs 26,10,100/- (Rs. Twenty six lacs ten thousand Only), being 100 % of the amount required for the Open Offer.**

6.2.4 The Acquirers have duly empowered M/s Chartered Capital and Investment Limited, Manager to the Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997.

6.2.5 The Manager to the Offer, M/s Chartered Capital and Investment Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligations.

7 TERMS AND CONDITIONS OF THE OFFER

7.1 Persons eligible to participate in the Offer

7.1.1 Offer is made to all the remaining shareholders (except the acquirers, the person acting in concert with acquirers and parties to agreements) whose names appeared in the register of shareholders on **June 23, 2005 being the specified date**, and also to those persons (except the acquirers, the person acting in concert with acquirers and parties to agreements) who own the shares any time prior to the Closure of the Offer, but are not the registered shareholder(s).

7.1.2 None of existing shares of Target Company are under Lock in.

7.2 Statutory Approvals

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

7.2.2 As on the date of Public Announcement, no approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirers.

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

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

7.3 **Others**

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

7.3.2 This Letter of Offer has been mailed to all the shareholders of TC (other than parties to the Agreement i.e. Acquirers and Sellers), whose names appeared on the Register of Members of TC as on **June 23, 2005 being the Specified Date**.

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

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

7.3.5 If the aggregate of the valid response to the offer exceeds 17,40,000 equity shares, then the Acquirers shall accept the offers received from the shareholders on a proportional basis, in consultation with the Manager to the Offer in accordance with Regulations 21(6) of the SEBI (SAST) Regulations.

7.3.6 Shares of the target company are in physical form and not in Demat form.

8 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to The Manager To The Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 9.14 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

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

8.3 Shareholders who wish to avail of this Offer will have to forward the following documents to the office of the Manager To The Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 5.30 PM upto the date of closure of the offer i.e. **September 5, 2005**:

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

- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

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

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

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

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

8.8 All the documents mentioned above should be sent only to the "**Manager to the Offer"** and not to be sent to the Acquirers or to TC.

8.9 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Manager to the Offer on the address mentioned hereinabove, **on a plain paper stating the name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **5.30 PM** upto the date of closure of the offer i.e. **September 5, 2005**

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

8.11 An unregistered shareholder can send his / her / their application to the Manager To The Offer on the address mentioned hereinbelow, on a plain paper stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before 5.30 PM on **September 5, 2005**

8.12 No indemnity is required from the unregistered shareholders.

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

8.14 The following collection centre would be accepting the documents as specified above.

Address of "Manager to the Offer":

Address of Manager to the Offer	Business Hours	Mode of Delivery
Manager To The Offer: **CHARTERED CAPITAL AND INVESTMENT LTD.** Contact Person: **Mr. Manoj Kumar Jain,** 711, Mahakant, Opp. V.S. Hospital, Ellisbridge, Ahmedabad- 380006, Tel.: 079-2657 5337, 2657 7571 Fax: 079- 2657 5731 Email: info@charteredcapital.net / ccil@egujarat.net **Website: www.charteredcapital.net**	10.30AM to 5.30 PM	Registered post/ Courier/ Hand Delivery

Holidays: Sundays and Bank Holidays

8.15 The Manager to the Offer will hold in trust the shares / share certificates, if any, and the transfer form(s) on behalf of the shareholders of TC who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

8.16 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations 1997, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. upto **August 31, 2005** The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Manager To The Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 5.30 PM upto the last date of withdrawal i.e**. August 31, 2005**

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

8.17.1 Name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares.

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

8.17.3 Shares withdrawn by the shareholders would be returned by registered post.

8.18 The intimation of returned shares to the Shareholders will be sent at the address as per the records of TC as the case may be.

8.19 Acquirers will acquire all the 17,40,000 equity shares tendered in the Offer with valid applications.

8.20 **Method of Settlement**

8.20.1 Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by Acquirers, Acquirers will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot.

8.20.2 The marketable lot of TC is 100 {one hundred} shares.

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

8.20.4 In case of acceptance on a proportionate basis, the unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

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

8.20.6 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder.

8.20.7 The Acquirers shall endeavour to complete all procedures relating to the Offer within 15 Days from the date of Closure of the Offer (i.e. upto **September 20, 2005)** including payment of consideration to the shareholders of TC whose equity shares are accepted for purchase by the Acquirers.

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

consideration amount payable to such shareholder. The Acquirers will send the proof of having deducted and paid the tax along with the payment consideration.

8.20.9 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirers will pay interest for the delayed payment beyond 15 days of the closure of the Offer, at such rate as may be prescribed by SEBI.

8.20.10 In accordance with Reg. 22(13) of the SEBI (SAST) Reg. 1997" Where the acquirers fail to obtain the requisite statutory approvals in time on account of wilful default or neglect or inaction or non-action on their part, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (12) of Regulation 28, apart from the acquirers being liable for penalty as provided in the Regulations.

8.21 **General**

8.21.1 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

8.21.2 Neither the Acquirers nor the Manager to the Offer nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), and Share transfer deed(s).

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

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

8.21.5 If there is any upward revision in the Offer Price (Under Regulation 26) by the Acquirers till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer i.e., upto **August 25, 2005** the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised Offer Price would be payable to all the shareholders who tender their shares in the Offer.

8.21.6 " **If there is competitive bid:**

8.21.6.1 The Public Offers under all the subsisting bids shall close on the same date.

8.21.6.2 As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, 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"

8.21.7 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Manager To The Offer on or before 5.30 PM upto three working days prior to the date of Closure of the Offer, i.e. August 31, 2005 as mentioned in para 9.16

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

8.21.9 The Manager to the Offer M/s Chartered Capital And Investment Limited does not hold any shares in TC as on date of Public Announcement.

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

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

9. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer from 10.30 a.m. to 5.30 PM on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

9.1 Copy of the Share Purchase Agreements between the Acquirers and Sellers.

9.2 Undertaking from the Acquirers, stating full responsibility for all information contained in the Public Announcement and the Letter of Offer.

9.3 Certificates from Mr. Rajendra Trivedi, Chartered Accountants, dated June 3, 2005 certifying the Networth of Acquirers i.e. Mr. .Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani, Mrs Hasumati B Vaghani and Mrs. Kirtiben G Vaghani.

9.4 Certificate from M/s Anil G Gupta & Co. Chartered Accountants, regarding Valuation of the equity shares of the Target Company.

9.5 Audited Annual Reports of TC for years ended on March 31, 2003, 2004 and 2005.

9.6 Copy of the Balance Sheet of the Satyam Concast Pvt. Ltd. Company promoted by the acquirers as on March 31st, 2003, 2004 and 2005.

9.7 Letter from HDFC Bank confirming the amount kept in Escrow Account and lien marked in favour of Manger to the offer.

9.8 Published copy of the Public Announcement.

9.9 Observation letter dated 26/07/2005 of SEBI.

9.10 Copy of letter dated 28/06/2005 of Ficon Lease & Finance Ltd.

9.11 Copy of reply from Acquirers vides their letter dated 15/07/2005.

9.12 Copy of reply from Target Company vide their letter dated 09/07/2005.

9.13 Undertaking from the Acquirers that in case disputed shares are tendered in open offer, the money will be paid to rightful owners, till then money will be kept in escrow account.

10. DECLARATION BY THE ACQUIRERS

The Acquirers, Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani, Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani. accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations, 1997.

Each of the Acquirers will be jointly and severally responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

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

1. Mr. Bavchandbhai J Vaghani

2. Mr. Govindbhai J Vaghani

3. Mrs. Hasumati B Vaghani

4. Mrs. Kirtiben G Vaghani

Place: Mumbai
Date: 02/08/2005

11. ENCLOSURES:

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

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

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

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form of Acceptance with enclosures to the Manager to the Offer)

OFFER OPENS ON	**:**	**August 17, 2005**
OFFER CLOSES ON	**:**	**September 5, 2005**

Please read the Instructions overleaf before filling-in this Form of Acceptance

From:

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

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

To,
(Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani,
Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani)
C/o Chartered Capital and Investments Ltd.,
711, Mahakant, Opp. V.S. Hospital,
Ellisbridge, Ahmedabad- 380006,

Dear Sirs,

Sub: Open Offer to acquire 17,40,000 equity shares of Dhruv Makhan (India) Limited of Rs. 10/- each at an offer price of Rs. **1.50/- per** equity share representing 20% of the total subscribed, issued & Paid-up capital by **Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani, Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani** (hereinafter referred to as the “Acquirers”)

1. I / We, refer to the Letter of Offer dated 02/08/2005 for acquiring the equity shares held by me / us in **Dhruv Makhan (India) Limited**

2. I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I / We, unconditionally offer to sell to the Acquirers the following equity shares in **Dhruv Makhan (India)** Limited (hereinafter referred to as “TC”), held by me / us, at price of **Rs 1.50** (**Rupees One and paisa Fifty** only) per equity share.

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

Ledger Folio No …………… Number of share certificates attached ……….. Representing …………… equity shares			
Number of equity shares held in TC		**Number of equity shares offered**	
In figures	**In words**	**In figures**	**In words**

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

4. I / We confirm that the equity shares of TC which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
5. I / We authorize the Acquirers to accept the equity shares so offered or such lesser number of equity shares that the Acquirers may decide to accept in consultation with the Manager To The Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirers to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirers to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
6. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirers, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirers acquiring these equity shares. I / We agree that the Acquirers may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
7. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Manager To The Offer in trust for me / us till the date the Acquirers makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.
8. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
9. I / We irrevocably authorise the Acquirers to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with TC:

Name and complete address of the Sole/ First holder (in case of member(s),

address as registered with Dhruv Makhan (India) Limited):

Place: ---------------- Date: ----------- Tel. No(s). : ---------------- Fax No.: ------------

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

Bank Account No.: ----------------------------Type of Account: ------------------ (Savings/Current /Other (please specify))
Name of the Bank:---
Name of the Branch and Address: ---
The Permanent Account No. (PAN / GIR No.) Allotted under the Income Tax Act, 1961 is as under:

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

Yours faithfully,
Signed and Delivered:

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

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

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2 The Form of Acceptance should be filled-up in English only.
3 Signature(s) other than in English, Hindi, and thumb impressions must be attested by a Notary Public under his Official Seal.
4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
   I. The acceptance of the Offer made by the Acquirers is entirely at the discretion of the equity shareholder of TC.
   II. Shareholders of TC to whom this Offer is being made, are free to offer his / her / their shareholding in TC for sale to the Acquirers, in whole or part, while tendering his / her / their equity shares in the Offer.
5. Business Hours: Mondays to Saturday from 10.30 PM to 5.30 hours
   Holidays: Sundays and Bank Holidays

ACKNOWLEDGEMENT SLIP

Ref: Open Offer to acquire **17,40,000** equity shares of **Dhruv Makhan (India) Limited** of Rs. 10/- each at an Offer Price of **Rs. 1.50/-** per equity share payable in cash, representing 20% of the total paid-up capital by **Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani, Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani**

Received from Mr./Ms./Mrs. ………..……………………………………………..Ledger Folio No/ -------------------- Number of certificates enclosed ……… under the Letter of Offer dated 02/08/2005 Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

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

Stamp

Authorised Signatory

Date

Note: All future correspondence, if any, should be addressed to **Manager to the Offer**

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

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

OFFER OPENS ON	**:**	**August 17, 2005**
LAST DATE OF WITHDRAWAL	**:**	**August 31, 2005**
OFFER CLOSES ON	**:**	**September 5, 2005**

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

From:

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

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

(Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani,
Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani)
C/o Chartered Capital and Investments Ltd.,
711, Mahakant, Opp. V.S. Hospital,
Ellisbridge, Ahmedabad- 380006,

Dear Sirs,

Sub: Open Offer to acquire **17,40,000** equity shares of **Dhruv Makhan (India) Limited** of Rs. 10/- each at an offer price of Rs. **1.50/-** per equity share representing 20% of the total subscribed, issued & Paid-up capital by **Mr. Bavchandbhai J Vaghani, Mr. Govindbhai J Vaghani, Mrs. Hasumati B Vaghani and Mrs. Kirtiben G Vaghani** (hereinafter referred to as the “Acquirers”)

Dear Sir,

I/We refer to the Letter of Offer dated 02/08/2005 for acquiring the equity shares held by me/us in **Dhruv Makhan (India) Ltd.**

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

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

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

Sr. No.	**Certificate No.**	**Distinctive No(s)**		No. Of Shares
		From	To	
Total number of equity shares				

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed will be held in trust for me/us by you and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.

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

Yours faithfully,
Signed and Delivered:

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

Place:
Date:

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

---TEAR FROM HERE--------------------------------

Acknowledgement slip for equity shares of Dhruv Makhan (India) Limited in terms of Letter of Offer dated 02/08/2005

ACKNOWLEDGEMENT SLIP

Received from Mr/ Ms/ M/s, ………………………………………….. the form of withdrawal

*Physical Shares …………………. Folio No. …………………………………..

Date of Receipt: ……………….. Stamp of **Manager To The offer**
Signature of Official ……………………

Note: All future correspondence, if any, should be addressed to Manager to the Offer

INSTRUCTIONS

The shareholders are advised to ensure that the Form of Withdrawal should reach the Manager to the Offer:

1. At any of the collection centres mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 5.30 PM upto the last date of withdrawal i.e. **August 31, 2005**
2. Shareholders should enclose the following:-
   Registered Shareholders should enclose:
   i. Duly signed and completed Form of Withdrawal.
   ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
   iii. In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

   Unregistered owners should enclose:
   - Duly signed and completed Form of Withdrawal.
   - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Manager to the Offer.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Manager to the Offer.
6. In case of partial withdrawal of Shares, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from TC. The facility of partial withdrawal is available only on to registered shareholders.

Book Post

To,

If undelivered, please return to:
Chartered Capital And Investment Limited
711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad - 380 006
Phone: 079 – 2657 5337 / 2657 7571 Fax: 079 – 2657 5731