PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

DUROFLEX ENGINEERING LIMITED

This Public Announcement (the "*PA*") is being issued by the Manager to the Offer i.e. **Chartered Capital & Investment Limited**, on behalf of the Acquirer, ***Ms Niti N Didwania***, pursuant to Regulation 10 and Regulation 12 as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("SEBI (SAST) Regulations, 1997") and subsequent amendments thereto.

1. THE OFFER

1.1 This open offer (the "*Open Offer*") is being made by **Ms Niti N Didwania**(the "*Acquirer*") residing at 172, Kshitij, 47, Nepeansea Road, Mumbai-400036, to the equity shareholders of **Duroflex Engineering Limited**, a Company incorporated and duly registered under the Companies Act, 1956, and having its registered office at A-2 Basement, Arcadia Building, Nariman Point Mumbai 400021 (**"DEL"/"*Target Company*"**) pursuant to Regulation 10 and Regulation 12 and in compliance with the SEBI (SAST) Regulations, 1997. There are no other acquirer or other entities/ persons who are or can be deemed to be persons acting in concert with her for the purpose of this Open Offer.

1.2 The Acquirer has entered into a Share Purchase Agreement (**Acquisition Agreement /SPA**) with M/s Hardeep Crefinlease Pvt. Ltd, a Company registered under the Companies Act 1956 having office at G- 60, 2nd Floor, Aruna Park Shakarpur Delhi-110092 through its director Mr. Manoj Mishra , M/s APD Investments Pvt Ltd, a Company registered under the Companies Act 1956 having office at G- 60, 2nd Floor, Aruna Park Shakarpur Delhi-110092 through its director Mr Vipin Agarwal and Mr Vijay Kumar Jain S/o Shri Jagdish Rai Indian resident residing at W-76, Greater Kailash, Part II, New Delhi -110048 (hereinafter referred to as "Seller") on February 23, 2007, to acquire 4,84,570 fully paid up shares/ voting rights and Management Control of **Duroflex Engineering Limited**, a Company incorporated under the Companies Act,1956 and having its registered office at A-2, Basement, Arcadia Building, Nariman Point, Mumbai 400021 , which represent 48.65 % of the total issued, subscribed and paid-up equity /voting share capital of DEL at a price of Rs. 2.50 (Rupee Two and Fifty Paisa Only) per equity share (**Negotiated Price**) payable in cash. The total consideration payable in cash for the shares acquired as mentioned above is Rs. 12,11,425/-, which resulted in triggering of SEBI (SAST) Regulations, 1997. The sellers belongs to the promoter group of the Target Company.

1.3 The Acquirer intends to make an Open Offer in terms of the SEBI (SAST) Regulations, 1997 to the shareholders of DEL to acquire 1,99,200 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital / voting share capital of **"*DEL*"** at a price of Rs. 10/- (Rupees ten only) per fully paid up equity share/ Voting Rights (**"Offer Price"**) payable in cash subject to the terms and conditions mentioned hereinafter, whose names appear on the register of members on the **Specified Date i.e. March 20, 2007.**

1.4 There are no partly paid equity shares in the Target Company.

1.5 The shares of the Target Company are listed only at Bombay Stock Exchange Limited, Mumbai (the "***BSE***") and is under suspension. The shares are infrequently traded as per the data available with the BSE (Source: ***www.bseindia.com***) within the meaning of explanation (i) to Regulation 20(5) of the SEBI.

1.6 The Acquirer has not acquired any Shares of the Target Company during the twelve (12) month period prior to the date of PA other than those as mentioned in Para 1.2 above.

1.7 As on the date of PA, the Acquirer do not hold any shares of the Target Company other than those as mentioned in Para 1.2 above

1.8 **This is not a competitive bid**

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

1.10 The Manager to the Open Offer i.e. Chartered Capital & Investment Limited does not hold any shares in the Target Company as on the date of PA. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Open Offer till the expiry of 15 days from the date of closure of Open Offer.

1.11 The Offer is **not** subject to any **minimum level** of acceptance from the shareholders i.e. **it is not a Conditional Offer.**

2. THE OFFER PRICE

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

a.	Negotiated Price under the Acquisition		Rs.2.50
b.	Highest Price paid by the Acquirer or PAC's for acquisition including Public or Rights Issue in 26 weeks		Not applicable
c.	Price paid under preferential allotment made to the Acquirer any time during 12 months period upto date of closure of the Offer		Not applicable
d.	Highest average Price calculated as per Regulation 20(4)(c) during the 26 weeks preceding the date of PA or the 2 weeks preceding the date of PA		Not applicable
e.	Other parameters		
	I	***Based on audited results as on March 31, 2006***	
	i.	Return on Networth (%)	0.29
	ii.	Book Value (Rs.)	10.52
	iii.	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	0.03
	iv.	Price to Earnings ratio	N.A.
	v.	Fair value per share of DEL based on CCI Guidelines named as 'GUIDELINES FOR VALUATION OF EQUITY SHARES OF COMPANIES AND THE BUSINESS AND NET ASSETS OF BRANCHES', issued by the erstwhile Controller of Capital Issues, Department Of Economic Affairs, Ministry of Finance, Government of India ***(Certificate for Fair Value from G.R. Modi (Membership No.-15240) partner of G.R.Modi & Co., Chartered Accountants , Independent Chartered Accountants dated 23.02.2007)***	Rs.5.26

3. INFORMATION ABOUT THE ACQUIRER

3.1 The Open Offer is being made by the Acquirer i.e. Ms Niti N Didwania, aged 30 years, an Indian resident, residing at 172, Kshitij, 47, Nepeansea Road, Mumbai-400036. Tel No (022)-23648510.

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

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

3.4 Ms Niti N Didwania is a graduate by qualification and has experience in the field of Investment and General Administration.

4. INFORMATION ABOUT THE TARGET COMPANY

4.1 DEL was incorporated on March 21, 1985 with the Registrar of Companies Maharashtra, Bombay, as a Limited Company and got business commencement certificate on 6th April 1985. The Target Company has its registered office at A-2, Basement, Arcadia Building, Nariman Point, Mumbai 400021 (Maharashtra)

4.2 The authorised share capital of DEL as on March 31, 2006 is Rs. 1,00,00,000 (Rupees One Hundred Lacs), comprising of 10,00,000 equity shares of Rs 10/- (Rupees ten only) each. The issued, subscribed and paid-up equity share capital as on 31.03.2006 is 99, 60,000 (Rupees Ninety Nine Lacs Sixty thousand) comprising of 9, 96,000 equity shares of Rs 10/- (Rupees ten each).

4.3 There are no partly paid up shares in the Company.

4.4 DEL has been engaged in the Engineering Services, Engineering Services and Trading in Industrial Gas Cylinders.

4.5 The shares of DEL are listed only on Bombay Stock Exchange Limited, Mumbai (BSE) but are currently under suspension.

4.6 Based on the latest available audited accounts for the year ending March 31, 2006 the Company has made net income of Rs 0.32 Lacs and profit after tax of Rs.0.30 Lacs. As at March 31, 2006 the Earning per share (EPS) for the year ending March 31, 2006 is Rs. 0.03 and the Book Value per share is Rs. 10.52

5. REASON FOR THE OFFER

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

5.2 The Acquirer proposes to explore the opportunities by acquiring the agency for sale of Industrial Gas Cylinders. The Acquirer also plans to make strategic investment in companies manufacturing Industrial Gas Cylinders.

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

6. STATUTORY APPROVALS / OTHER APPROVALS REQUIRED FOR THE OFFER

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

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

6.3 As on the date of PA, to the best of the Acquirer's knowledge, no other statutory approvals are required to be obtained for the purpose of this Open Offer.

6.4 The Open Offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of the Open Offer.

6.5 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 the Acquirer for payment of consideration to the shareholders subject to Acquirer agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of willful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

7. DELISTING OPTION TO THE ACQUIRER

7.1 The public shareholding shall not reduce to a level below the limit specified in the Listing Agreement with the stock exchanges for the purpose of listing on continuous basis as a consequence of the Open Offer.

8. FINANCIAL ARRANGEMENTS

8.1 The Acquirer has adequate resources to meet the financial requirements of the Open Offer. The Acquirer has made firm arrangement for the resources required to complete the Open Offer in accordance with the SEBI (SAST) Regulations, 1997.

8.2 Assuming full acceptance, the total requirement of funds for the open Offer would be Rs. 19,92,000/- (Rupees Nineteen Lacs Ninety two thousand Only). The Acquirer has already made firm arrangements for the financial resources required to implement the Open Offer in full. As per Regulation 28 of SEBI (SAST) Regulations, 1997, Acquirer has **opened an Escrow Account in form of Fixed Deposit with ORIENTAL BANK OF COMMERCE, Kandivali (East) Branch ,Extension Counter , 16/16-A, Row House, Thakur Complex, Kandivali (E), Mumbai-400101 and have deposited Rs 5.00 Lacs (Rupees Five Lacs Only), being more than 25% of the amount required for the Open Offer.**

8.3 The Acquirer has duly empowered M/s Chartered Capital & Investment Limited, the Manager to the Open Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997.

8.4 The Manager to the Open Offer, hereby confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Open Offer obligations.

9. OTHER TERMS OF THE OFFER

9.1 Letters of Offer ("**LOO**") along with the Form of Acceptance cum Acknowledgement will be dispatched to all the equity shareholders and to the beneficial owners of the equity shares of DEL, whose names appear in its Register of Members on **March 20, 2007**, being the Specified Date**,** except the Acquirers and sellers.

9.2 The Registrar to the Offer, **MONDKAR COMPUTERS PVT. LTD** is acting as Registrar to the offer. Since no shares are being held in dematerlisation form no escrow account has been opened.

9.3 All shareholders of the Target Company, except for the parties to the SPA, who own the shares any time before the Closure of the Open Offer, are eligible to participate in the Open Offer.

9.4 Beneficial owners and **shareholders holding shares in the physical form**, will be required to send their share certificates, Form of Acceptance cum Acknowledgement and other documents as may be specified in the LOO, to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on Mondays to Fridays between 10.30 AM and 5.00 PM and on Saturdays between 10.30 AM and 1.30 PM, on or before the date of Closure of the Offer, i.e**. Wednesday, May 09, 2007**

9.5 In case of (a) shareholders who have not received the LOO, (b) unregistered shareholders and (c) owner of the shares who have sent the shares to the Target Company for transfer, may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid share transfer deeds (one per folio), duly signed by all the shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with DEL), and witnessed (if possible) by the Notary Public or a Bank Manager or the Member of the stock exchange with membership number, as the case may be, so as to reach the Registrar to the Offer on or before 5.00 PM upto the date of Closure of the Offer i.e. **Wednesday, May 09, 2007**. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

9.6 The following collection center (s) would be accepting the documents as specified above.

Name & Address	MONDKAR COMPUTERS PVT. LTD 21, Shakil Niwas Opp. Satya Sai Baba Temple Mahakali Caves Road,Andheri (East), Mumbai-400093
Contact Person	Mr.Devanand Dalvi
Phone Nos.	022- 28366620/28257641
Fax No	022- 28262920
E-mail	info@mondkarcomputers.com

9.7 In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer upto three working days prior to the date of Closure of the Offer, i.e. **Friday, May 04, 2007.** The withdrawal can also be exercised by submitting an application on a plain paper, along with the details such as name, address, distinctive nos., folio no., number of equity shares tendered, etc.

9.8 The Letter of Offer along with the Form of Acceptance cum acknowledgement/ withdrawal would also be available at SEBI's website, ***www.sebi.gov.in***, and shareholders can also apply by downloading such forms from the website.

9.9 No indemnity is needed from unregistered shareholders.

9.10 Applications in respect of shares that are the subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case directions/ orders regarding these shares are not received together with the shares tendered under the Open Offer.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

10.1 Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by Acquirers, the Acquirers will accept the offers received from the share holders on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of shares from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The marketable lot of DEL is 100{hundred} Equity Share.

10.2 Shareholders who have offered their shares would be informed about acceptance or rejection of the Offer within 15 days from the date of Closure of the Offer. The payment to the shareholders whose shares have been accepted will be paid by cheque / demand draft / pay order crossed 'Account Payee' only in favour of the first holder of equity shares (and sent by registered post) within 15 days from the date of Closure of the Offer.. 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. The Registrar to the Offer will hold in trust the shares / share certificates, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of DEL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

11. TIME SCHEDULE OF THE OFFER

Activity	Day and Date
Specified date (for the purpose of determining the names of shareholders to whom Letter of Offer would be sent)	Tuesday, March 20, 2007
Letter of Offer to be posted to the Shareholders	Tuesday, April 10, 2007
Date of Opening the Offer	**Friday, April 20, 2007**
Last date for withdrawal of acceptance form	Friday, May 04, 2007
Date of Closing the Offer	**Wednesday, May 09, 2007**
Last date for a competitive bid	Tuesday, March 20, 2007
Last date for revising the Offer Price / number of shares	Monday, April 30, 2007
Date of communicating rejections / acceptance and payment of consideration for the applications accepted.	Thursday, May 24 ,2007

12. GENERAL CONDITIONS

12.1 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 of the Offer or withdrawal of the Offer, the same would be informed by way of PA in the same newspapers where original PA had appeared. Such revised Offer would be payable for all the successful shares tendered anytime during the Offer.

12.2 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. **Friday, May 04, 2007.** The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. **Friday, May 04, 2007.**

12.2.1 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:

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

12.2.2 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer on or before offer closing date.

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

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

12.3.1 The public offers under all the subsisting bids shall close on the same date.

12.3.2 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"

12.4 The Acquirer does not hold any shares of the Target Company as on the date of this PA other than as mentioned in paragraph 1.2 above.

12.5 The Acquirer and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued U/s 11B of SEBI Act, 1992.

12.6 **This Pubic Announcement would also be available at SEBI's website, *www.sebi.gov.in*.**

12.7 Pursuant to the Regulation 13 of SEBI (SAST) Regulations, 1997, the Acquirers have appointed **M/s Chartered Capital & Investment Limited** as Manager to the Offer and MONDKAR COMPUTERS PVT. LTD as Registrar to the Offer.

12.8 **This Public Announcement is being issued on behalf of the Acquirer by the Manager to the Offer i.e. M/s Chartered Capital & Investment Limited.**

12.9 **The Acquirer, Ms. Niti N Didwania, accepts full responsibility for the information contained in this PA (except for the information regarding the Target Company which has been compiled from the publicly available information) and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 1997 and subsequent amendments made thereof.**

MANAGER TO THE OFFER :

Chartered Capital And Investment Ltd.

Contact Person: *Mr. Vimlesh Bansal*

301, Camy House, Cawasji Hormusji Street,
Marine Lines, Mumbai – 400 002.
Tel nos.: 022- 22004271
Fax no.: 022 - 22004273;
Email: mumbai@charteredcapital.net

Place: MUMBAI

Date: February 26, 2007