

LETTER OF OFFER

“This Document is Important and requires your Immediate Attention”

This Letter of Offer is sent to you as Shareholder(s) of Monotona Securities Limited (MSL). If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Merchant Banker or Manager to the offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement / Form of withdrawal and transfer deed to the Member of the Stock Exchange through whom the said sale was affected.

OPEN OFFER

Pursuant to Regulation 10 and 12 and applicable provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (“the Regulations”)

BY

M/s. Pan Infosystems Private Limited (“Acquirer Company”) having its registered office address - 603, 6th Floor, Pratiksha Building, Mahalaxmi Char rasta, Ashram Road, Ahmedabad – 380006, Tele Fax no. 079 – 2646 0437

TO THE SHAREHOLDERS OF

M/S. MONOTONA SECURITIES LIMITED (hereinafter referred to as “**Target Company**” /”**Monotona**”/”**TC**”)

Registered Office : Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013
Tel no : 022 - 6616 44 44 Fax no. : 022- 2496 2236

TO ACQUIRE

74,800 (Seventy Four Thousand Eight Hundred Only) fully paid up equity shares of Rs. 10/- each, representing in aggregate upto 20% of the Total Paid up and Voting Equity Share Capital of the Target Company for cash, at a price of Rs. 40/- (Rupees Forty Only) per Fully Paid-up Equity Share (“ Offer Price”)

ATTENTION

1. The Acceptance of shares from Non-Resident Shareholders is subject to the approval of the Reserve Bank Of India (“RBI”) under the Foreign Management Act, 1999 (“FEMA”). The Acquirer shall apply for approval (if any) from RBI for transfer of shares in their name in due course after successful completion of this offer.
2. **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same upto three working days prior to the date of the closure of the Offer i.e. upto 10/12/ 2008** If there is any upward revision of offer price by acquirer upto seven working days prior to the date of closure i.e. upto **Wednesday – 03/12/ 2008**, the same would be informed by way of a Public announcement in the same newspaper where the original public announcement had appeared. Such revision in the offer price would be payable for all the equity shares tendered anytime during the offer price.
4. **There is no competitive bid in this Offer till date.**
5. **As the Offer price cannot be revised during seven working days prior to the closing date of the Offer, 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 there acceptance accordingly.**
6. **This Offer is not conditional upon any minimum level of acceptance.**
7. In the event of the withdrawal of the Offer in terms of Regulation 27 of the Regulations, the same would be notified by way of a Public Announcement in the same newspaper where the Public Announcement appeared.
8. **A Copy of Public Announcement and Letter of Offer, Form of Acceptance cum acknowledgement and form of withdrawal are also available on the SEBI’s website: www.sebi.gov.in.**
9. As on the date of public announcement, to the best of the acquirer’s knowledge, no other statutory approvals are required to be obtained for the purpose of this offer. **Form of acceptance-cum-acknowledgement and form of withdrawal are enclosed with this letter of offer.**



Manager To The Offer

M/s. Corporate Strategic Allianz Private Limited
806, Saffron Complex, Nr, Panchwati Circle, Ambawadi
Road, Ahmedabad-380006.
Tel No : +91 -079- 2642 4138, Fax +91-079-4002 4670
Website : www.csapl.com
Email –Id : info@csapl.com and sonia@csapl.com
Contact Person: Ms. Sonia Kakani

Offer Opens On : 26/11/2008 -Wednesday

Offer Closes On: 15/12/2008 - Monday

SCHEDULE OF ACTIVITY

ACTIVITY	DAY/DATE	REVISED DAY / DATE
Public Announcement	26/08/2008 – Tuesday	26/08/2008 – Tuesday
Specified Date	25/09/2008 - Thursday	25/09/2008 - Thursday
Last Date for Competitive Bid, if any	16/09/2008 – Tuesday	16/09/2008 – Tuesday
Date by which Letter of Offer will be posted to shareholders	10/10/2008 - Friday	18/11/2008 – Tuesday
Date of Opening of the Offer	20/10/2008 - Monday	26/11/2008 – Wednesday
Last date for revising the Offer Price/ No. Of Equity Shares	29/10/2008 - Wednesday	3/12/2008 - Wednesday
Last date for withdrawal of tendered application by the shareholders of Monotona Securities Limited	05/11/2008 - Wednesday	10/12/2008 - Wednesday
Date of Closing of Offer	08/11/2008 - Saturday	15/12/2008 - Monday
Date by which acceptance/ rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/ or the unaccepted Equity Shares/ Share Certificate(s) will be dispatched/ credited	22/11/2008 - Saturday	30/12/2008 - Tuesday

Risk Factors in relation to the Offer:

A. In relation to the transaction:

The Share Purchase Agreement dated **20/08/2008** contains a clause that it is subject to the provisions of SEBI (SAST) Regulations and in case of non-compliance with any of the provisions of the Regulations, the agreement for such sale shall not be acted upon by the Sellers or the Acquirers and PAC.

B. In relation to the Proposed Offer :

- In the event (a) there is any litigation leading to stay on the Offer, or (b) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter Of Offer. Consequently, the payment of consideration to the shareholders of M/s. Monotona Securities Limited, whose shares have been accepted in the Offer as well as the return of those shares not accepted by the Acquirers will be delayed.
- The Acquirer make no assurance with respect to the market price of the shares during/ after the Offer.
- In case the shares tendered in the open offer are more than the shares agreed to be acquired by the Acquirers, the Acquirers shall accept all valid applications received from the shareholders of the company on a Proportionate basis ensuring that it does not result in odd lots in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.
- The Tender shares will lie to the credit of a designated Escrow Account, until the completion of Offer formalities. During such period their may be a fluctuation in the market price of the shares of the Target Company.

C. In associating with the Acquirers:

The Acquirers and PAC make no assurance with respect to the future financial performance and with respect to the market price of the shares both during the Offer period and upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the shareholders on whether or not to participate in the Offer of the target company or with respect to their investment/disinvestment relating to their proposed shareholding.

The risk factors set forth above, pertain to the offer and not in relation to the present or future business or operation of Monotona or any other related matter, and are neither exhaustive nor intended to constitute a complete analysis of the risk involved in participations or otherwise by a shareholder in the offer. Shareholders of Monotona are advised to consult their stockbroker or investment consultants, if any further risk with respect to their participation in the offer.

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1. DEFINITIONS / ABBREVIATIONS:

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

Acquirer	Pan Infosystems Private Limited.
Board Directors	Board of Directors of Monotona Securities Limited
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
DP or Depository Participant	National Securities Depository Limited
Escrow Bank	HDFC Bank Limited
Eligible Shareholder	Shareholders of Monotona Securities Limited(other than parties to the SPA)
FEMA	The Foreign Exchange Management Act, 2000
FII(s)	Foreign Institutional Investors registered with SEBI
Form of Acceptance/ FOA	Form of Acceptance-cum-Acknowledgement (FOA) accompanying this letter of Offer
Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
Manager to the Offer	Corporate Strategic Allianz Private Limited
NRI (s)	Non – Residents Indians
Non – Resident Shareholders	NRI's, OCB's, and FII's holding the Equity Shares of Monotona Securities Limited
NSDL	National Securities Depository Limited
OCB(s)	Overseas Corporate Bodies
Offer or Open offer	74,800 fully paid up equity shares of Rs. 10/- each representing 20% of total voting capital at a price of Rs. 40/- per share.
Offer Price	Rs 40/- per share
PA	Public Announcement
RBI	The Reserve Bank of India
The Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992 as amended from time to time
Sellers/Seller Companies	Brite Merchants Ltd, Gleam Trading & Investment Pvt Ltd, Santosh Trading & Investment Pvt Ltd, Sapphire Advisors Pvt Ltd, Suvijay Exports Ltd, Tiara Trading & Investment Pvt Ltd.
SPA	Share Purchase Agreement dated 20/08/2008
Specified Date	25/09/2008- (For the purpose of determining the names of shareholders to whom letter of Offer would be send.)
Target company	Monotona Securities Limited

Currency of presentation

In this letter of offer, all references to "Rs" are to Indian Rupees in this Letter of offer ,any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF **M/s. MONOTONA SECURITIES LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER **M/S. CORPORATE STRATEGIC ALLIANZ PRIVATE LIMITED** HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED **04/09/2008** TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES & TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

3. DETAILS OF THE OFFER

3.1 Background of the Offer

- 3.1.1 This Open Offer is being made pursuant to the regulations 10 and 12 of Chapter – III and other applicable provisions in compliance with the SEBI (SAST) Regulations 1997 and subsequent amendments thereof for substantial acquisitions of Shares and control over the target company.
- 3.1.2 This open offer is being made by **M/s. Pan Infosystems Private Limited** (hereinafter referred to as ‘Acquirer’) having registered office at 603, 6th Floor, Pratiksha Building, Mahalaxmi Char Rasta, Ashram Road, Ahmedabad-380006., Tele Fax no. 079 – 2646 0437 to the equity shareholders of **M/s. Monotona Securities Limited** having its registered office at Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013 (hereinafter referred to as “MSL”/ “Target Company”/“TC”) to acquire 74,800 equity shares representing 20% of the Target Company.
- 3.1.3 The Acquirers have entered into a Share Purchase Agreement (SPA) dated 20/08/2008 for purchase of 1,18,806 fully paid up equity shares for cash at a price of Rs. 40/- per fully paid up equity share. The total consideration for the shares acquired under the agreement amounts to Rs. 47,52,240/- (Rupees Forty Seven Lacs Fifty Two Thousand Two Hundred Forty only) is payable in cash. The consideration for acquisition of sale of shares through SPA has already been paid by the acquirer. The Acquirer has undertaken that the voting rights held on the shares acquired through Share Purchase Agreement dated 20/08/2008, would not be exercised till the completion of the said Offer as per Regulation 22 (16) of the Regulations.
- 3.1.4 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

3.1.5 Details of the ‘Sellers’ being the promoter of the Target Company :

Name of the Sellers	Registered Address of the Sellers	Number & (%) of the Shares held as on Date of SPA	Number & (%) of the Shares being sold Through SPA to Acquirer	Balance Number & (%) of Shares with sellers
Brite Merchants Ltd.	10 – 59 Padam Singh Road, Karol Bagh, New Delhi – 110005	8760 (2.34%)	8760 (2.34%)	NIL
Gleam Trading And Investment Pvt. Ltd.	Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013	8,400 (2.25%)	8,400 (2.25%)	NIL
Santosh Trading And Investment Pvt. Ltd.	Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013	26400 (7.06%)	26400 (7.06%)	NIL
Sapphire Advisors Pvt Ltd.	Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013	2340 (0.63%)	2340 (0.63%)	NIL
Suvijay Exports Limited	3 rd Floor, India Chamber of Commerce Building, 4 India Exchange Place, Kolkatta, West Bengal – 700001	63906 (17.08%)	63906 (17.08%)	NIL
Tiara Trading and Investment Pvt. Ltd.	Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013	9000 (2.41%)	9000 (2.41%)	NIL
Total		1,18,806 (31.77%)	1,18,806 (31.77%)	

3.1.6 Salient feature of the Share Purchase Agreement :

- a. In case of non-compliance of the provisions under Regulation 22(16) of the SEBI (SAST) Regulations, 1997 ; this agreement shall not be acted upon by either of the parties.
- b. On account of the proposed substantial acquisition of equity shares and consequent change in control of the company pursuant to the SPA “referred to in above paragraph , they acquire their shares by making a public Announcement pursuant to Regulations to 10 and 12 of the Regulations.
- c. The consideration for acquisition of sale of Shares through SPA has already been paid by the acquirer.
- d. On account of the proposed substantial acquisition of equity shares and consequent change in control of the Company pursuant to the “SPA” referred to in above paragraph above, the acquirer is required to make an offer to the other shareholders of Target Company, to acquire their shares by making a Public Announcement pursuant to Regulations 10 and 12 of the Regulations.

4. Details of the proposed offer:

- 4.1 The Acquirer has made a public announcement which was published on 26/08/2008, Tuesday , in the following newspapers in accordance with the Regulation 15 and pursuant to Regulation 11(1) of SEBI (SAST) Regulations,1997.

Newspaper	Language	Date & Editions	Corrigendum (PA) Date & Editions
Financial Express	English	26/08/2008 (All Editions)	14/11/08 (All Editions)
Jansatta	Hindi	26/08/2008 (All Editions)	14/11/08 (All Editions)
Navashakti	Marathi	26/08/2008 (All Editions)	14/11/08 (All Editions)

- Public Announcement is also available on the SEBI website at www.sebi.gov.in
- 4.2 The Acquirer is making an offer to the shareholders (other than the parties to the SPA, i.e. the Acquirer, Seller & Company) of the target company to acquire 74,800 equity shares being 20% of issued and paid- up equity share capital at Rs 40/- each of target company (“Equity Share “),under regulation 20 and 21 of the Regulations (the “Offer” or “Open Offer”). The offer is in accordance with regulation 10 and 12 of the Regulations, consequent to the SPA referred to in above paragraph, on account of acquisition of equity shares and change in control of the target.
- 4.3 There are no partly paid up equity share of Target Company. Further, there is no outstanding convertible securities of Target Company as on Public Announcement.
- 4.4 The offer is not a competitive bid.
- 4.5 The Acquirers have not entered into any separate non – compete agreement.
- 4.6 The offer is not subject to any minimum level of acceptance from the shareholders. i.e. it is not a conditional offer. The acquirer will accept the fully paid up equity shares of the target company those are tendered in valid form in terms of this offer up to maximum of 74,800 equity shares.
- 4.7 The Acquirer does not hold any equity shares as on date of Public Announcement except shares acquired through SPA.
- 4.8 The acquirer have not acquired any equity shares of the target company after the date of public announcement till the date of this letter of offer.
- 4.9 The Acquirer has not promoted any Company till date.
- 4.10 No director of the Acquirer Company is representing it on the Board of Directors of the Target Company. Hence Regulation 22(9) would not be applicable.
- 4.11 The Acquirer ,Seller and target Company has not been prohibited by SEBI for dealing in securities, in term of directions under Sections 11B of SEBI act or under any Regulations made under the SEBI Act.
- 4.12 The offer is subject to the terms and conditions set out here in this letter of offer. (“LOO”)
- 4.13 All shares tendered shall be free from lien, charges and encumbrances of any kind, whatsoever.
- 4.14 The public offer shall be withdrawn, if the required statutory approval is refused.
- 4.15 Corporate Strategic Allianz Private Limited (Manager to the Offer), does not hold any shares of target. They declare and undertake that they shall not deal in the equity shares of MSL during the period commencing from the date of appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.
- 4.16 There is no agreement between the acquirer with regard to this offer.
- 4.17 The Acquirer have not entered into any inter-se agreement for the purpose of allocation of the shares received in this offer.

5. OBJECTS OF THE ACQUISITION AND OFFER

- 5.1 The offer has been made pursuant to regulation 10 and 12 of the SEBI (SAST) Regulations, 1997 to the shareholders of MSL.
- 5.2 Prime object of the offer is to substantial acquisition of shares/voting rights accompanied with the change of control and management of the company.
- 5.3 The Acquirers may make changes in the management and Board of Directors of the Target Company after completion of the Offer. The acquirer plans to focus on improving the efficiency levels of the operations and also to increase the business levels and revenue generation by expanding the product portfolio of the target company, adding new clients and restructuring of the business modules.
- 5.4 The Acquirer at present have no intention to change the existing line of business of the Target Company.

6. Background of the Acquirer:

6.1 **M/s. Pan Infosystems Private Limited** (hereinafter referred to as the “Acquirer”), a company incorporated under the Companies Act, 1956 on 19th September, 2006 and having its registered office at 603, 6th Floor, Pratiksha Building, Mahalaxmi Char Rasta, Ashram Road, Ahmedabad – 380006, Tele Fax no. 079 – 2646 0437. The ROC Registration number of the acquirer company is 04- 49108. The present promoters and directors of the Company are Mr. Mitul Shah and Mr. Ketan Sorathiya. They also have control over the Company. They does not belong to any group. The Authorised Capital of the Company is Rs. 10,00,000/- as on date of PA the paid up equity capital is also Rs. 10,00,000/- represented by 1,00,000 equity shares of Rs. 10/- each.

6.2 The companies carries on business of consultancy and development of computer software and hardware and business of medical transcription and other information technology enabled services and to provide turn key solution for same and also to provide software solutions and to carry on in India or overseas, offshore or on side.

6.3 There is no person acting in concert for the purpose of the said open offer.

6.4 The Acquirer being a private company is not listed on any Stock Exchange. It does hold any equity shares in any listed company. Further, it has neither promoted nor is in control of any listed company in India. Hence, provisions of Chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 is not applicable to the Acquirer, except the Target Company in which the shares are acquired through SPA of which all the compliance have been complied.

6.5 As on date of the Public Announcement, the Board of Directors of the Acquirer Company was as below:

Sr No	Name of Director	Designation	Residential address	Qualification	Date of appointment
1	Mr. Mitul Shah S/o, Chetankumar Shah	Director	149, Jantanagar, Chandkheda, Ahmedabad, Gujarat – 382424	He is a Commerce Graduate, having 4 yrs of Exp. in the field of Finance	02/05/2008
2	Mr. Ketan Sorathiya S/o, Dineshchandra Sorathiya	Director	Luhar Chowk, Nr, Var- Vadhu Shop, AT – Una, Junagadh, Gujarat.- 362560.	He is a Commerce Graduate, having 18 yrs of Exp. in the field of Finance.	02/05/2008

6.6 None of the directors of the Acquirer Company are on the Board of the Target Company.

6.7 List of Promoter’s , holding more than 5% of Shares in M/s. Pan Infosystems Pvt Ltd.:

Sr.no.	Name of the shareholders	Number of shares held	Percentage of shares held (%)
1	Shri Ketan Sorathiya	24500	24.5%
2	Shri Mitul Shah	16500	16.5%

6.8 Shareholding Pattern of the Acquirer Company as on the date of Public Announcement :

Sr.No.	Name Of The Shareholders	Number Of Shares Held
1	Shri Ketan Sorathiya	24500
2	Shri Mitul Shah	16500
3	Shri Bharat Shah	9000
4	Shri Girish Doshi	9000
5	Yunus Ajmeri	7000
6	Mehtab Yunus Ajmeri	9000
7	Shri Manish Vaghela	9000
8	Smt. Priti Shah	7000
9	Rabia Gulam Rasul Arab	9000
	Total	1,00,000 shares

6.9 The Acquirer Company has not promoted any other Company.

6.10 Brief Financial details of the Acquirer Company since inception :

(Amount in ' Lacs)

Pan Infosystems Private Limited

Profit & Loss Statement	31/03/2007 (Audited)	31/03/2008 (Audited)	31/07/2008 (Certified)
Income from operations			
Other Income	0.00	0.00	0.00
Total Income	0.00	0.00	0.00
Total Expenditure	0.00	0.00	0.00
Profit/Loss Before Depreciation Interest and Tax (7-9-10)	0.00	0.00	0.00
Depreciation	0.00	0.00	0.00
Interest	0.00	0.00	0.00
Profit/Loss Before Tax	0.00	0.00	0.00
Provision for Tax	0.00	0.00	0.00
Profit/Loss After Tax	0.00	0.00	0.00
Balance Sheet Statement			
Sources of funds			
Paid up share capital	1.00	1.00	10.00
Reserves and Surplus (excluding revaluation reserves)	0.00	0.00	81.00
Profit & Loss A/c (Credit)	0.00	0.00	0.00
Networth	1.00	1.00	91.00
Amalgamation Reserve	0.00	0.00	0.00
Secured loans	0.00	0.00	0.00
Unsecured loans	0.00	0.00	0.00
Deffered Tax Liability	0.00	0.00	0.00
Total			
Uses of funds			
Net fixed assets	0.00	0.00	0.00
Investments	0.00	0.00	0.00
Net current assets	0.79	0.75	90.46
Total miscellaneous expenditure not written off	0.20	0.25	0.53
Profit & Loss A/c (Debit)	0.00	0.00	0.00
Total			
Other Financial Data			
Number of Shares	10000	10000	100000
Dividend (%)	0	0	0
Earning Per Share	0.00	0.00	0.00
Return on Networth (18/31)	0.00%	0.00%	0.00%
Book Value Per Share	7.95	7.50	90.46

6.11 Significant Accounting policies of the Acquirer Company.

- a. There was no adjustments/rectifications required on account of incorrect accounting policies or failure to make provisions or other adjustments.
- b. There were no material adjustments that were required to be amounts derived as aforesaid.
- c. The Company was incorporated in the year 2006, after which it was looking for some government incentives plans under Software Technology Parks , which were not available, hence cannot start its commercial activity
- d. As the Company has not started its commercial production, the Profit & Loss A/c is not prepared.
- e. There was no extra ordinary items as per the accounting framework under which the respective financial statements were prepared.
- f. There has been no revaluation reserve account from both fixed assets and reserves.
- g. According to the audited financial results the Acquirer did not have any contingent liabilities.

6.12 The Company being a private limited company is not listed on any Stock Exchange.

6.13 The Company is not a sick Company.

6.14 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions under Section 11B of SEBI Act or under any of the regulations made under the SEBI Act.

6.15 The Acquirer has not acquired any shares of Target Company except shares acquired through SPA. There was no merger, de-mergers and/or spin –offs involving the Acquirer Company since inception.

6.16 There is no legal litigation pending against the acquirer company as on date of PA.

6.17 Disclosure required under regulation 16(ix)

The acquirer undertake not to sell, dispose off or otherwise encumber any substantial asset of the Target Company except with prior approval of the shareholders. As on the date of public announcement, the acquirer do not have any intension to dispose of or otherwise encumbrance of any assets of the target company in succeeding two years expect in ordinary course of business of the target company.

6.18 Future plans and strategies of the Acquirer Company:

The Company's strategy is to optimize the value of the shares for all shareholders, the Acquirer may, subject to applicable shareholder's consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target. Notwithstanding, the immediately preceding, the Board of Directors of Target will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time.

The Acquirer does not have any plan to dispose off or otherwise encumber any asset of the Target in the next two years except in the ordinary course of business of Target and except mentioned above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of Target except with the prior approval of the shareholders of Target.

6.19 DISCLOSURE IN TERMS OF REGULATIONS 21 (2).

In the event, pursuant to this offer or otherwise the public shareholding in the Target Company will not fall below 25% of its outstanding equity share capital as the limit specified in the Listing agreement with the Stock Exchange for the purpose of listing on continuous basis. Currently the Acquirer does not have any intention to delist the shares of the Target from trading on any stock exchange in India. Any change in the listing status, including the delisting of the shares of the Target from trading on any stock exchange will be made in compliance and in accordance with the requirements of the applicable law and regulations.

7. BACKGROUND OF THE TARGET COMPANY - MONOTONA SECURITIES LIMITED.

7.1 M/s. Monotona Securities Limited was incorporated as a Public Limited Company on 28th August, 1981 under the provisions of the Companies Act, 1956 with the name of Palladium Trading And Agencies Limited in the State of Maharashtra and obtained Certificate for Commencement of business on 14th September, 1981 . Further the name was changed with effect from 6th May , 1994 to Monotona Securities Limited, having CIN No. L51900MH1981PTC025095. The Registered and Corporate Office of the Target is at Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound, N M Joshi Marg, Lower Parel, Mumbai – 400 013. Tel: +91-022- 66164444; Fax: + 91- 022- 24962236.

7.2 The Target Company carries on the business as merchants, traders, distributors, commission agents, brokers, buyers, sellers, importers, exporters, dealers in dyes, chemicals, textiles, auxiliary materials, machinery, equipments, components, spare parts, goods, produce, articles and merchandise as wholesalers, retailers, or on commission basis or brokerage. It also carries on business of investment in company, underwriting and sub-underwriting of shares, debentures and other securities, to acquire, hold, sell and deal in securities.

7.3 The Target Company is registered as a Non- Banking Finance Corporation ("NBFC") with Reserve Bank of India ("RBI") without accepting Public Deposit under section 45IA of the Reserve Bank Act, 1934 vide RBI Certificate number (No. B-13.00958) dated 5th August, 1998. It also carries on business of investment in company, underwriting and sub-underwriting of shares, debentures and other securities, to acquire, hold, sell and deal in securities.

7.4 The present authorized capital of the MSL (Target Company) as on the date of Public Announcement is Rs. 90,00,000/- comprises of 9,00,000 equity shares. Its issued and paid up equity share capital Rs. 37,40,000/- comprises of 3,74,000 equity shares of Rs. 10/- each. The Equity shares of the Target are not frequently traded on BSE. There were no partly paid up equity shares of Target as at the date of the PA. The capital structure for paid up equity capital of the Target is as follows:

Paid up equity capital	No. of Shares/voting rights	% of shares/voting rights
Fully paid equity capital	37,40,000	100%
Partly paid up equity capital	Nil	Nil
Total paid up capital	37,40,000	100%
Total voting rights in Target Company	37,40,000	100%

7.5 The Capital build up of the Target since its inception is as follows:

Date of Allotment	No. of Shares issued	% of Shares issued	Cumulative Paid up capital	Mode of allotment	Identity allottees (Promoters/ ex promoters others)	Status of compliance
28/08/81	7	0.002%	7	By Subscribing MOA	Ex promoters	Complied
08/12/81	49,993	13.36%	50,000	Public Issue	Public	Complied
23/11/84	1,00,000	26.74%	1,50,000	Right Issue	Public	Complied
29/01/94	1,24,000	33.16 %	27,40,000	Allotment due to Merger of Uniroyal with the Target Co.	Shareholders of Uniroyal Industrial Leasing & Finance Ltd.	Complied
05/02/96	1,00,000	26.738 %	37,40,000	Allotment due to Merger of Zevos with the Target Co.	Shareholders of Zervis Properties & Finance Pvt Ltd.	Complied
Total	3,74,000	100 %	37,40,000			

- I. There are no unlisted shares of the Company at BSE.
 - II. There are no outstanding convertibles instruments (warrants/ FCDs/PCDs) etc. in the company.
 - III. The Company has duly complied with all the provisions of the listing agreement entered into with BSE from time to time.
 - IV. No penal action has been initiated or taken by any stock exchange against the Target and the shares have not been suspended from trading on any stock exchange nor have any of the stock exchanges denied listing.
 - V. There are in all 112 Public Shareholders of the Target Company.
- 7.6 There were no mergers, demergers and / or spin-offs involving the Target Company during the last three years.
- 7.7 There are no outstanding convertible instruments of the target company as on the date of the PA.
- 7.8 The Promoters and the Target Company has complied with the provisions of Chapter II of the Regulations except delays mentioned in the Annexure -II. Appropriate actions may be initiated by SEBI in this regard. No punitive actions has been taken till date.
- 7.9 There was no change, acquisition or inter se transfer in Promoter's Shareholding during the period from 1994 – 2004.
- 7.10 Major shareholders have complied with Chapter II regulations , details of which are provided as per Annexure – II.
- 7.11 In the year 2006, Mr. Rohitashwa Poddar intimated in his resignation from the directorship of M/s. Janpriya Traders Limited as required u/s 299 of the Companies Act, 1956, and same was placed before the Board in their meeting held on 29/01/2006. The Board noted the same and its was resolved that M/s. Janpriya Traders Limited be and is hereby removed from Promoters Group. The same is under SEBI's Examination.
- 7.12 The target company has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11 B of the SEBI Act, 1992.
- 7.13 The Fixed Assets of the Company comprises of windmills, which were sold off, as it were not remunerative and were incurring more repairing cost. Moreover, the company is going to carry securities related business only, hence the sale of fixed assets would not affect the business of the Company.
- 7.14 There was a rise in the total income of the target company, due to the sale of assets, which resulted into profit of the Company..

7.15 As on date of the Public Announcement, the Board of Directors of the Target Company was as below:

Sr .No.	Name of Director	Designation	Residential Address	Qualification & Experience	Date of appointment
1	Mr. Rohitashwa Poddar	Director	S/o, Mr.Dipak Kumar Poddar B-1, Amalfi Co-op housing Society Malabar hills, Mumbai- 400 006	Engineering graduate with management from Kings College, UK. He has over 10 years experience in the field of Apparel Manufacturing	08/11/1993
2	Mr. Dipak Kumar Poddar	Chairman	S/o, Mr. Jagdish Prasad Poddar, Brij Kutir, 17 th floor, Rungta lane, Off Nepean Sea Road, Mumbai 400 006	Engineering Graduate from MIT, USA. He has wide experience in Finance and General Management.	02/09/1998
3	Mr. Chandrakant Ghanekar	Director	S/o, Shri Atmaram Ghanekar A/603,Vrindavan Babubhai Morwala Complex, 6 th Floor, Majaswadi ,Anand Nagar, Gumpha Road, Jogeshwari (E) Mumbai- 400060	Commerce Graduate and has over 20 years of extensive experience in Finance and Accounts	16/05/2001
4	Mr. Pradeep Sharma	Director	S/o, Shri Ramlal Sharma Flat No45-B,Vrindavan Society, Thane- (west)- 400601	Commerce Graduate and has 20 years of extensive experience in Commercial And Accounting Functions.	16/05/2001

Note : No director of the Acquirer is representing it on the Board of Directors of the Target Company. Hence Regulation 22(9) would not be applicable.

7.16 Brief Financial details of the Target Company for last three financial years is as follows:

Monotona Securities Limited

(Amount in ' lacs)

Profit & Loss Statement	31.03.2005	31.03.2006	31.03.2007	31.03.2008
Income from operations	6.70	7.94	8.77	26.07
Other Income	5.19	0.36	110.52	27.14
Total Income	11.89	8.30	119.29	53.21
Total Expenditure	3.25	2.70	40.06	22.93
Profit/Loss Before Depreciation	8.64	5.60	79.23	30.28
Interest and Tax (7-9-10)				
Depreciation	6.53	6.53	5.04	0
Interest	0.00	0.00	0.00	0.00
Profit/Loss Before Tax	2.11	-0.93	74.19	30.28
Provision for Tax	-1.56	-0.59	-11.88	3.21
Profit/Loss After Tax	3.67	-0.34	86.07	27.07
Balance Sheet Statement				
Sources of funds				
Paid up share capital	37.40	37.40	37.40	37.4
Reserves and Surplus	23.00	23.00	23.00	23
(excluding revaluation reserves)				
Profit & Loss A/c (Credit)	0.00	0.00	45.02	72.09
Networth(=16+17-27)	173.48	173.48	218.50	132.49
Amalgamation Reserve	113.08	113.08	113.08	113.08
Secured loans	0.00	0.00	0.00	0.00
Unsecured loans	2.50	0.00	0.00	0
Deffered Tax Liability	18.63	18.10	0.00	0
Total	194.61	191.58	218.50	245.57
Uses of funds				
Net fixed assets	62.81	56.26	0.00	0
Investments	68.48	65.97	116.15	142.57
Net current assets	22.61	28.30	102.35	103
Total miscellaneous expenditure not written off	0.00	0.00	0.00	0
Profit & Loss A/c (Debit)	40.71	41.05	0.00	0
Total	194.61	191.58	218.50	245.57
Other Financial Data				
Number of Shares	374000	374000	374000	374000
Dividend (%)	0	0	0	0
Earning Per Share)	0.98	-0.09	23.01	7.24
Return on Networth(18/31)	0.02%	0.00%	0.39%	0.20%
Book Value Per Share	46.39	46.39	58.42	35.43

Note :

1. There was Loss in the F.Y. 2005 & 2006, which was shown as P & L (Debit), consequently in the year 2007 & 2008 , there was profit which is shown in P & L (Credit).
2. The Fixed Assets were sold off in the year 2007, which resulted in the nil balance.

7.17 The un-audited financial results of 31st March 2008 are certified by the Statutory Auditors of the Target Company.

7.18 The shareholding pattern of the target company as on the date of Public Announcement :

Shareholder Category	No. of Shares Held	Percentage
Promoters – group :		
i. Parties to the agreement		
ii. Promoters other than above	1,18,806	31.77%
FII/ Mutual Funds/Banks/FIs	NIL	NIL
NRI/OCBs	NIL	NIL
Private Corporate Bodies	1,99,340	53.30%
Indian Public (Individuals)	55,854	14.93%
Clearing Members	NIL	NIL
Total Paid up Capital	3,74,000	100%

7.19 Pre and Post Offer share holding pattern of the Target is as follows :

Shareholders' category	Shareholding/ voting rights prior to the agreement acquisition offer		Shares/voting agreed to be acquired/acquired which triggered off the SEBI (SAST) regulations		Share holding/voting rights to be (Acquired in open offer assuming full acceptance)		Share holding/voting rights after the share purchase agreement/ acquisition & offer.	
	(A)		(B)		(C)		(A)+(B)+(C)= (D)	
	No.	%	No.	%	No.	%	No.	%
1) Promoter Group								
a) Parties to the agreement	118806	31.77%	(118806)	(31.77%)	NIL	NIL	NIL	NIL
b) Other than (a) above	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total 1 (a+b)	118806	31.77%	(118806)	(31.77%)	NIL	NIL	NIL	NIL
2) Acquirer								
a) M/s. Pan Infosystems Pvt Ltd. (Acquirer)	NIL	NIL	118806	31.77%	74800	20%	193606	51.77%
b) PAC	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total 2 (a+b)	NIL	NIL	118806	31.77%	74800	20%	193606	51.77%
3) Parties to agreement other than (1)(a) & (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Total (3)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
4) Public (other than parties to agreement, Acquirers)								
a) Mutual Funds/ UTI/FIs/Banks/ Insurance Cos/FIs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
OTHERS	255194	68.23%	NIL	NIL	(74800)	(20%)	180394	48.23%
Grand Total 1+2+3+4	374000	100%	NIL	NIL			374000	100%

7.20 Details of change in Shareholding Pattern of Promoter Group and status of compliance , is as per Annexure-I as attached at the end of the document.

7.21 The Target company is complying with all the provisions under Clause 49 of the listing Agreement relating to Corporate Governance.

7.22 The name and details of the Compliance Officer are as under:

Shri Jayshankar Menon

C/o, Monotona Securities Limited
Unit 3-5, Neeru Silk Mills, Mathuradas Mill Compound,
N M Joshi Marg, Lower Parel, Mumbai – 400 013.
Tel no : 022 - 66164444 ,Fax no. : 022- 24962236
E-mail : menon@wearology.com

8. OFFER PRICE AND FINANCIAL ARRANGEMENTS

8.1 Justification for the Offer Price

8.1.1 The Equity Shares of the Target are listed on the Bombay Stock Exchange Limited (“BSE”)

8.1.2 The annualized trading turnover in the shares of Target on BSE based on trading volume during March 2008 to August 2008, (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares during 6 calendar months prior to the month in which the PA is made	Total No. of Listed Shares	Annualized Turnover (as % of Total shares listed)
Bombay Stock Exchange Limited (BSE)	NIL	374000	N.A

8.1.3 In accordance with regulation 20(5) of the Regulations, the Offer Price of Rs. 40/- per share is the highest of the following

a.	Negotiated Price as per Share Purchase Agreement under Regulation 14 (1).	40/-
b.	Highest Price paid by the Acquirer or PAC’s for acquisition including Public or Rights Issue in 26 weeks preceding date of PA.	Not Applicable
c.	Highest Price paid by Acquirer for acquisition, if any, including by way of allotment in a public or rights issue or preferential issue during the 26 weeks prior to the date of PA under Regulation 20(4)(c)	Not Applicable
d.	The average of the weekly high and low of the closing prices of the equity shares of MSL during 26 weeks period prior to the Public Announcement.(On BSE where the shares are most frequently traded)	Not Applicable
e.	The average of the daily high and low of the equity shares of MSL during the 2 weeks prior to the Public Announcement. (On BSE)	Not Applicable
f.	Other parameters (Based on financial results as on March 31, 2008)	
i.	Return on Networth (%)	0.20%
ii.	Book Value (Rs.)	Rs. 35.43/-
iii.	Earnings Per Share (Rs. per equity share of face value of Rs. 10/- each)	Rs. 7.24/-
iv.	Price to Earnings Ratio with reference to Fair Value of Rs. 31.78/-	4.38
v.	Fair value per share of MSL considering the decision of Honorable Supreme Court of India in case of Hindustan Lever Employees Union Vs. Hindustan Lever Limited (1995) reported at (83 Company Cases 30) wherein the Apex Court has opined that the fair value of a Listed Company could be assessed based on weighted basis. (Certificate for Fair Value of equity shares from Shri Jugal Kishore Agarwal (Membership No.-35554) Partner of J&K Agarwal & Co. , Chartered Accountants, Independent Chartered Accountants dated 21/08/2008)	Rs.31.78/-

In view of the above, the Offer Price of Rs. 40/- is justified in terms of regulations 20 (5) of the Regulations.

- 8.2 The Acquirer has not acquired any equity shares of Monotona Securities Limited from the date of the PA up to the date of this Letter of Offer.
- 8.3 There is no non- compete agreement.
- 8.4 In the opinion of the Manager to the Offer, the Offer Price of Rs. 40/- per fully paid-up equity share of Monotona Securities Limited is justified in terms of regulations 20 (11).
- 8.5 **Fund Arrangement for the Offer:**
- 8.5.1 The Acquirer has made firm financial arrangements for financing the acquisition of Equity Shares under the open offer, in terms of regulation 16 (xiv) of the Regulations.
- 8.5.2 The maximum fund requirement for the acquisition of fully paid- up equity shares of Monotona Securities Limited of Rs.10/- each at the Offer Price of Rs.40/- per Equity Share assuming full acceptance. The maximum fund requirement for the acquisition of 74,800 representing 20% of the issued and paid-up equity shares of Target Company at an offer price of Rs. Rs.40/-per equity share assuming full acceptance of the shares tendered would be Rs. 29,92,000/-
- 8.5.3 In accordance with regulation 28 of the Regulations, the Acquirer has deposited an amount of Rs. 7,50,000/- with HDFC Bank Limited, Navrangpura Branch, Ahmedabad., being more than 25% of the consideration payable under this Offer in an Escrow Account.
- 8.5.4 The Manager to the Offer has been empowered to operate the Escrow Account, and a lien on the account has been marked in the favour of Manager to the Issue i.e. Corporate Strategic Allianz Private Limited, by the Acquirer, in terms of regulation 28(4)(a) of the Regulations.
- 8.5.5 M/s. Pan Infosystems Private Limited, the acquirer has a networth of Rs. 90,46,413/- as on 31st July, 2008 as certified by Bhagat & Co., Chartered Accountants, (Membership No. – 52725), having their office at B-9, Goyal Plaza, Judges Bungalow Road, Vastrapur, Ahmedabad – 380015.
- 8.5.6 M/s. Bhagat & Co., Chartered Accountants (Membership No. – 52725), having their office at B-9, Goyal Plaza, Judges Bungalow Road, Vastrapur, Ahmedabad – 380015, Phone no. – 079-30129091., based on the confirmation received from Bank has certified vide his letter dated 21/08/2008 that the Acquirer has adequate resources to meet the financial requirements of the Open Offer.
- 8.5.7 The Manager to the Offer has ensured that the Acquirer has full financial arrangement to implement the said Open Offer.

9. TERMS AND CONDITIONS

- 9.1 We will provide an option for Electronic Clearing System (ECS) facility to shareholders whose shares being acquired in the Open Offer alongwith payment by way of crossed A/c Payee Cheques/ Demand Draft/ Pay Orders.
- 9.2 The Offer is subject to the terms and condition set out herein in the Letter of Offer, the Form of Acceptance, the Form of Withdrawal, the PA and any other public announcements that may be issued about the offer.
- 9.3 There are no locked in shares in the Target Company.
- 9.4 The Acquirer made Public Announcement on 26/08/2008, for the Offer. This Offer is being made to all the equity shareholders of the Target (other than the Acquirer and Sellers i.e Parties to the SPA) and the Letter of Offer together with the Form of Acceptance, Form of Withdrawal and Transfer Deed(for shareholders holding equity shares in the physical form) is being mailed to those shareholders of the Target, whose names appear on the register of members of the Target and to the beneficial owners of the equity shares of the Target whose names appear as beneficiaries on the beneficial record of the Depositories, at the close of the business on the **Specified Date (i.e.25/09/2008)** Owners of equity shares but not registered as shareholder(s)are also eligible to participate in the Offer at any time prior to the date of closing of the Offer. No Letter of Offer together with a Form of Acceptance, Form of Withdrawal and Transfer Deed will be mailed to the Acquirer and Seller Companies i.e Parties to the SPA.
- 9.5 Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non – receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.
- 9.6 The Offer will open on **26/11/2008** – Wednesday and Closes on **15/12/2008**- Monday.
- 9.7 The Offer is not subject to any minimum level of acceptance. The acceptance of the Offer is entirely at the discretion of the equity shareholders of the Target. Each shareholder of the Target to whom the Offer is being made, is free to offer his shareholding in the Target, in whole or in part while accepting the Offer.
- 9.8 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filed in and signed by the applicant shareholder(s).

- 9.9 Equity shares tendered in the Offer by the shareholders of the Target shall be free from lien, charges and encumbrances of any kind whatsoever.
- 9.10 Equity shares, that are subject to litigation or are held in abeyance due to pending court cases, such that the shareholders of the Target may be precluded from transferring the equity shares during pendency of the said litigations, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered under the Offer prior to the date of closing of the Offer.
- 9.11 Shareholders of the Target who accept the Offer by tendering the requisite documents in terms of the Public Announcement/Letter of Offer can withdraw the same up to 3 working days prior to the date of Closing of the Offer **i.e. 10/12/2008**.
- 9.12 The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and other documents during transit. The equity shareholders of the Target are therefore advised to adequately safeguard their interesting this regard.
- 9.13 If the acquirer decides to make upward revisions in the Offer Price/ Number of Equity shares to be acquired, in accordance with regulation 26 of the Regulations, such upward revisions would be made not later than **03/12/2008** (seven working days prior to the date of closure of Offer). Such revisions / amendments would be affected by making a Public Announcement in the same newspapers in which the original Public Announcement was being made.
- 9.14 In case of upward revision of Offer price, the revised price will be payable to all the shareholders (who have validly tendered their shares in the Offer period) to the extent of their shares being accepted.

10. STATUTORY/ OTHER APPROVALS REQUIRED FOR THE OFFER

- 10.1 To the knowledge of the Acquirers, no statutory approvals are required to acquire the shares that may be tendered pursuant to the Offer. If any other statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals. In case the statutory approvals are not obtained, the Acquirers will not proceed with the Offer.
- 10.2 The Acquirer shall complete all procedures relating to the offer within a period of 15 days from the closure of the Offer.
- 10.3 In case of delay in receipt of any statutory approval, if any, SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders subject to Acquirers agreeing to pay interest as directed by SEBI under Regulation 22(12). If the delay occurs due to the willful default of the Acquirers in obtaining the requisite approvals, Regulation 22(13) will become applicable.
- 10.4 If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or no –action on this part, the amount lying in the escrow account shall be forfeited in the manner provided in regulation 28 (12)(e) of the Regulations.
- 10.5 The Acquirer reserves the right to withdraw the Offer in the event of the requisite statutory approvals being refused. In the event of withdrawal, a public Announcement is being made.

11. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

- 11.1 The Letter of Offer together with the Form of Acceptance cum Acknowledgement will be mailed to the fully paid up equity shareholders of MSL (except the Acquirers and parties to the agreement) whose names appear on the Register of Members of MSL and also to those persons who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s) and to the beneficial owners of the shares of ELL whose names appear on the beneficial records of the respective depositories at the close of the business on **25/09/2008**(the Specified Date).
- 11.2 Shareholders who wish to tender the shares will be required to send the Form of Acceptance cum Acknowledgement duly completed and signed by all the shareholders, Original Share Certificate (s) and Transfer Deed (s) duly signed in case of Joint Holdings in the same order as per the specimen signatures lodged with MSL and witnessed (if possible by a Notary Public or Bank Manager or Member of Stock Exchange with membership number) to the Manager to the Offer ,Corporate Services Private Limited Ltd., either by hand delivery during normal business hours or by Registered Post on or before the close of the offer **i.e.15/12/2008** in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgement. In case the shares stand in the name of a sole shareholder who is deceased, notarised copy of the legal representative obtained from a competent court.
- 11.3 The Acquirer has appointed M/s. Compute Share cap Limited. Beneficial Owners and Shareholders holding shares in the dematerialized form, will be required to send their Form of Acceptance cum Acknowledgement to the Manager to the Offer either by hand delivery during normal business hours or by Registered Post on or before the close of the offer **i.e. 15/12/2008** along with photocopy of the delivery instructions in “ Off Market” mode or counterfoil of the delivery instruction in “Off Market” mode, duly acknowledged by the Depository Participant (“DP”), in favour of – **CSAPL- Takeover of – Monotona Securities Ltd- Escrow A/c.**

Name & Address of Collection Centers	Mode of Delivery	Contact Person	Contact Detail
M/s. Corporate Strategic Allianz Private Limited 806, Saffron Complex, Nr, Panchwati Circle, Ambawadi Road, Ahmedabad - 380006	Hand Delivery	Ms. Sonia Kakani	Tele No : 079 2642 4138 Fax no. :079 - 4002 4670 Website : www.csapl.com E-mail –ID: info@csapl.com sonia@csapl.com

The documents can be tendered at the above centers between 10.30 am to 1.30 pm and 2.00 pm to 5.30 pm from Monday to Friday and between 10.30 am to 1.30 pm on Saturdays. The Centers will be closed on Sundays and Public holidays.

Note :There is no Registrar to the Issue appointed for the said Offer, as the Manager to the Issue is working itself as the Registrar to the Offer.

- 11.4** Shareholders of the target company, other than the Acquirer i.e. **M/s. Pan Infosystems Pvt Ltd** who wish to avail this Offer should forward under mentioned documents, by hand delivery on days and during the business hours mentioned above, at any of the collection centers listed above, or by registered post to the Manager to the Offer, M/s. Corporate Strategic Allianz Private Limited, at their Office at 806, 806, Saffron Complex, Nr, Panchwati Circle, Ambawadi Road, Ahmedabad - 380006. Contact person: Ms. Sonia Kakani, Website : www.csapl.com , E-mail – ID – info@csapl.com and sonia@csapl.com. Phone : +91-079-2642 4138 , Tele Fax : +91-079-40024670.

In case of dematerialized Equity Shares, the shareholders should ensure that the credit to the Special Depository Account mentioned below should be received on or before the Closure of the Offer i.e. **15/12//2008**. In order to ensure this, beneficial Owners should tender the Delivery Instructions at least two working days prior to the Closure of the Offer i.e. **11/12/2008**, Form of Acceptance of such dematerialized Equity Shares not credited to the special Depository Account before the date of closing of this Offer is liable to be rejected.

No Documents should be sent to the Acquirer or Seller or the Manager to the Offer or the Target.

11.5 Procedure for Equity Shares held in Physical Forms.

Registered Shareholders of the target should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/ joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with the Target;
- Original Equity Share Certificate(s);

Valid Share Transfer Deeds(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target and duly witnessed at the appropriate place. The Transfer Deed should be left blank, except for the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. A blank share transfer form is enclosed along with this Letter of Offer.

In case of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the offer has been accepted.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with Monotona or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a *bona fide* owner of such Equity Shares.

Unregistered owners of Equity Shares of the Target should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
- Original Equity Share Certificate(s);
- Original Broker Contract Note;
- Valid Share Transfer Deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance.

- The acknowledgement received, if any, from the Target in case the Equity Shares have been lodged with it. Such persons should instruct the Target and its Manager and Transfer Agents to send the transferred share certificate(s) directly to the collection centers as mentioned in 10.4 above. The applicant should ensure that the Certificate(s) reach the designated collection center before the date of closing of the Offer.

Unregistered owners can send their acceptance of the Offer in writing to the Manager to the Offer, **M/s. Corporate Strategic Allianz Private Limited.**, at the collection centers as mentioned in paragraph 11.3 above, on plain paper stating Name, Address, No. of Equity Shares offered, Distinctive Numbers., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in “ Off-market” mode in case of Equity Shares held in dematerialized form and original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

Unregistered owners if they so desire may also apply on the Form of Acceptance downloaded from the SEBI’s website (www.sebi.gov.in)

11.6 Procedure for Equity Shares held in Demat Form Beneficial Owners should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account and in the same order therein. The Form of Acceptance has to be deemed to be accepted.

In case of non receipt of the aforesaid documents, but receipt of the aforesaid documents, but receipt of the shares in the special depository account, the offer shall be deemed to be accepted.

- A photocopy or counterfoil of the delivery instructions in “Off market” mode, duly acknowledge by the beneficial owners depository participant and filled as per the details of the Special Depository Account given below.

Manager to the Offer has for the purpose of this Open Offer, opened a Special Depository Account with the Central Depository Services (India) Limited (“CDSL”) name of **“CSAPL- Takeover of - Monotona Securities Ltd –Escrow A/c.”** with Mangal Keshav Securities Limited, the details of which are given below :

DP Name	Mangal Keshav Securities Limited
DP ID	12024700
Client ID	00342539
Account Name	CSAPL- Takeover of - Monotona Securities Ltd – Escrow A/c
Depository	Central Depository Services (India) Limited (“CDSL”)

Shareholders, having their beneficiary account with National Securities Depository Limited(“NSDL”) have to use inter – depository delivery instructions slip for the purpose of crediting their equity shares in favour of the Special Depository Account with CDSL. Since the Equity Shares of the Target are in compulsory Demat mode, the minimum marketable lot for such shares will be one.

Shareholders who have sent their Equity Shares Certificates for dematerialization should enclose :

- Form of Acceptance duly completed and signed in accordance with the instructions contained therein by the sole/Equity Shareholders whose name appears on the Equity Share Certificate and in the same order and as per the specimen signature lodged with the target.
- A copy of dematerialization request form duly acknowledged by the Equity Shareholders depository participant.

11.7 Procedure to be adopted in case of non receipt of the Letter of Offer By Equity Shareholders holding Equity Shares in physical form

In case of non – receipt of the Letter of Offer, eligible persons may send their acceptance of the Offer in writing to the Manager to the Offer, M/s. Corporate Strategic Allianz Pvt Ltd, at the collection centers as mentioned in paragraph 11.3 above, on a plain paper stating Name, Address, No. of Equity Shares offered, Distinctive Numbers., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form, so as to reach the Manager to the Offer on or before the date of Closing of the Offer.

Shareholders who have lodged their Equity Shares for transfer with the Target must also send the acknowledgement received, if any, from the Target towards such lodging of Equity Shares.

Shareholders who have sent their equity share certificate for dematerialization should send a copy of the dematerialize request form duly acknowledged by their depository participant.

▪ **By Equity Shareholders holding Equity in dematerialized form**

Beneficial Owners may send the acceptance of the Offer in writing to the Manager to the Offer M/s. Corporate Strategic Allianz Private Limited at the collection centers as mentioned in paragraph in paragraph 11.3 above, on plain paper stating Name, Address, No. of Equity Shares offered, DP Name, DP ID, Beneficiary Account Number and a photocopy or counterfoil of the delivery instructions in “ Off-market” mode duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account, the details of which are mentioned in paragraph 10.7 above, so as to reach the Manager to the Offer on or before closing of the Offer.

Shareholders, having their beneficial account with National Securities Depository Limited(“NSDL”) have to use inter – depository delivery instructions slip for the purpose of crediting their equity shares in favour of the Special Depository Account with Central Depository Services Limited (“CDSL”).

No indemnity is required while sending the acceptance of the Offer on plain paper.

Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Form of Acceptance download from SEBI web site. (www.sebi.gov.in)

- 11.8** The consideration received paid to the shareholders for shares accepted in this Offer will be subject to the capital gains tax applicable as per the Income – Tax Act, 1961. Further, the securities transactions tax will not be applicable on shares accepted in this Offer.
- 11.9** The total consideration paid to the shareholders shall be subject to deduction of taxes at sources as applicable. As per the provisions of section 196 D (2) of the Income – Tax Act, 1961, and as amended (“Income –Tax”), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor (“FII”) as defined in section 115AD of the Income Tax Act. However, while tendering their equity shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non- resident shareholders will be required to submit a No Objection Certificate (“NOC”) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders. Non Residents shareholders should also submit copy of the permissions received from Reserve Bank of India for acquisition of the shares of the Target. In case of its non-submission, Acquirer reserves their right to reject the shares tendered in the offer.
- 11.10** The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include, but are not limited to :
- i) Duly attested death certificate and succession certificate in case of single shareholders;
 - ii) Duly attested Power of Attorney if any person apart from the shareholders has signed the Form of Acceptance and/ or transfer deed(s);
 - iii) In case of companies, the necessary corporate authorization (including Board Resolution);
 - iv) Any other relevant documentation.
- 11.11** The Manager to the offer will hold in trust the FOA, equity share certificates, transfer deeds and shares lying in credit of the special depository account and other documents on behalf of the shareholders of the Target who have tendered in the Offer, until the cheque/drafts for the consideration and/ or the unaccepted Equity Shares/Equity Share Certificate are dispatched/ returned. The Acquirer would not have access to these Equity Shares till such time.
- 11.12** Equity Shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholders(s) of the Target may be precluded from transferring the Equity Shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the fee transferability of such Equity Shares are received together with the Equity Shares tendered under the Offer prior to the date of Closing of the Offer.
- 11.13** The Acquirer shall accept all valid fully paid up shares tendered (except those which are withdrawn, within the date specified for withdrawn, within the date specified for withdrawal). Equity Shares will be acquired by the Acquirers free from lien, charges and encumbrances of any kind whatsoever and together with all the rights attached thereto including the right of dividend, bonus and rights issue dividend thereafter.
- 11.14** If the number of shares tendered by the shareholders is more than the offer size, the acquisition from each shareholder will be as per regulation 21(6) of the Regulations, 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 acquisitions of equity 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.

11.15 The consideration for the equity shares accepted by the Acquirer will be paid by crossed account payee cheque/demand drafts. Such cheque/demand draft exceeding Rs.1500/- or unaccepted Equity Shares certificates, transfer deeds and other documents, if any, will be returned by Registered Post at the Shareholder's/ unregistered owners sole risk, to the sole/first shareholder/ unregistered owner's sole risk, to the sole / first shareholder/unregistered owner. Cheque/demand drafts for Rs. 1500/- or less will be sent under certificate of posting. All cheque/demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

In case of dematerialised Equity shares, the equity shares would reside in the Special Depository Account as mentioned above. The Managers to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for the credit to the beneficial account of the Acquirer. The Equity Share held in dematerialised form to the extent not accepted as a result of non payment/ part payment of consideration by the Acquirer under the Offer will be released to the Beneficial Owner's Depository Account with the respective beneficial owners depository participant as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owners.

11.16 In terms of regulations 22 (5A) of the Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of closing of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Manager to the Offer at any of the collection centres mentioned above as per the mode of delivery indicated therein on or before the Closure of the Offer **i.e. 15/12/2008.**

(a) The withdrawal option can be exercised by submitting the following :

i) For Equity Shares held in Demat form :

Beneficial owners should enclose:

- Duly signed and completed Form of Withdrawal accompanying the LOO. The signature(s) should be attested by the depository participant.
- Acknowledgement slip in original/copy of the submitted Form of Acceptance cum Acknowledgement submitted by the depository participant.
- Photocopy of the delivery instructions in "Off – market "mode or counterfoil of the delivery instructions in "Off – market" mode, duly acknowledged by the DP.

ii) For Equity Shares held in physical Form :

Registered Shareholders should enclose:

- Duly signed and completed Form of withdrawal accompanying the LOO.
- Acknowledgement slip in original/copy of the submitted Form of Acceptance cum Acknowledgement submitted by the depository participant.
- 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 the Target and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of withdrawal.
- Acknowledgement slip in original/copy of the submitted Form of Acceptance cum Acknowledgement submitted by the depository participant.

• In case of physical shares : Name; Address; Distinctive Numbers; Folio Number, Number of Shares tendered and to be withdrawn and

• In case of dematerialized shares; Name; Address; Number of Shares offered and number of shares to be withdrawn ; DP name; DP ID; Beneficiary Account Number and a photocopy of the delivery instructions in " Off – market " mode or counterfoil of the delivery instructions in "Off–market "mode, duly acknowledged by the DP, in favour of the Special Depository Account.

b) The withdrawal of shares will be available only for the share certificates/ shares that have been received by the Manager to the Offer/credited to Special Depository Account.

c) The intimation of returned shares to the Shareholders will be at the address as per the records of the Target/ Depository as in the case may be.

d) The Form of withdrawal should be sent only to the Manager to the Offer.

- e) In case of partial withdrawal of shares tendered in physical form by the registered shareholder, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target.
- f) Partial withdrawal of tendered shares can be done only by the registered shareholders/ beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.
- g) Shareholders holding shares in dematerialized form are requested to issue the necessary standing instructions for receipt of the credit in their DP account.
- h) Marketable lot for the Equity Shares of the Target will be one Share.

11.17 Investors should note that shares and other relevant documents should not be sent to the Acquirer/ Target Company.

11.18 The physical shares withdrawn by the shareholders tendered in open offer would be returned by the registered post to the respective shareholder.

11.19 Barring unforeseen circumstances and factors beyond their control, the Acquirer intend to complete all procedures relating to the offer, including payment of consideration to the shareholders who have accepted the Offer, within 15 days from the date of closing of the Offer and for the purpose open a special account as provided under regulation 29 of the Regulations.

Provided that where the Acquirer are unable to make the payment to the shareholders who have accepted the Offer before the said period of 15 days due to non – receipt of requisite statutory approvals , SEBI may, if satisfied that non – receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of the time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days , as may be specified by SEBI from time to time, in accordance with regulation 22(12) of the Regulations.

12. DECLARATION BY THE ACQUIRER

The Acquirer and their respective directors severally and jointly accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance, and Form of Withdrawal and also for ensuring compliance with the Regulations. All information contained in this document is as on the date of Public Announcement, unless stated otherwise. Mr. Mitul Shah, the director of the Acquirer Company i.e. **M/s. Pan Infosystems Private Limited** has been authorized by the Board of Directors to be their authorized signatory to the Letter of Offer.

For Pan Infosystems Private Limited

Sd/-

Authorized Signatory.

Place: Ahmedabad

Date: 17th November, 2008

Enclosed:

- a. Form of Acceptance –cum- Acknowledgement**
- b. Form of Withdrawal**
- c. Transfer Deed, if applicable.**

13. DOCUMENTS FOR INSPECTIONS

The following documents will be available for inspection to the shareholders of the Target at the registered office of the Target, on all working days, from the date of opening of the Offer till the date of closing of the Offer, between 10.00 am and 1.00 p.m., except Saturdays, Sundays and Holidays:

1. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
2. Copy of the SPA dated 20/08/2008.
3. Annual Reports of the Acquirer for the accounting years ended March 31, 2007, and 2008.
4. Report dated 21/08/2008 by the Auditors, certifying the financials of the Acquirer.
5. Certificate of Incorporation, Memorandum and Articles of Association of the Target.
6. Annual Reports of the Target for the accounting years ended March 2007, 2008.
7. Report dated 21/08/2008 by Auditors, certifying the financials of the Target.
8. Copy of the Board Resolution dated 20/08/2008 of the Acquirer Company authorizing Mr. Mitul Shah to is authorized signatory to the Letter of Offer.
9. Report dated 21/08/2008, Certified by Chartered Accountants, justifying the Offer Price justifying the Offer Price.
10. Letters from HDFC Bank Limited confirming cash deposit of Rs. 7.50 Lacs deposited in the Escrow Account and a lien marked in favour of the Manager to the Offer.
11. Agreement with depository participant for opening a special depository account.
12. A published copy of Public Announcement issued on 26/08/2008.
13. Copy of the observation letter vide no. CFD/DCR/TO/SS/142502/08 from SEBI, dated 24/10/2008 in terms of proviso to regulations 18(2) of the Regulations.

ANNEXURE - I

Year of Sale Purchase	Name of Promoters	Holding of the promotor	Number of Shares purchased/s old	% of Shares purchased sold	Balance of shares with the promoters	Cummulative Number of shares with promoters & promoters Group	Cummulative Share holding of promoters in (%)	Status of Compliance under Regulation Chapter II
01/04/94 -31/03/04 Note : There has been no change, acquisition or inter se transfer in Promoter's Shareholding during the period from 1994 to 2004.								
18/04/97	Suvijay Exports Ltd	63706	0	0	63706	63706	17.03	Complied with Regulation (6)
18/04/97	Gleam Trading & Investment Pvt Ltd.	58000	0	0	58000	121706	32.54	Complied with Regulation (6)
18/04/97	Tiara Trading & Investment Pvt Ltd.	61000	0	0	61000	182706	48.85	Complied with Regulation (6)
18/04/97	Santosh Trading & Investment Pvt Ltd.	60000	0	0	60000	242706	64.89	Complied with Regulation (6)
18/04/97	Brite Merchants Limited	29200	0	0	29200	271906	72.70	Complied with Regulation (6)
18/04/97	Quaretz Trading & Investment Pvt Ltd.	41800	0	0	41800	313706	83.88	Complied with Regulation (6)
18/04/97	Transoceanic Proprties Limited	31000	0	0	31000	344706	92.17	Complied with Regulation (6)
18/04/97	Janpriya Traders Limited	12600	0	0	12600	357306	95.54	Complied with Regulation (6)
31/03/2005	Closing Balance					357306	95.54	
1/4/2005	Opening Balance					357306	95.54	
	Suvijay Exports Limited	63706	200	0.05	63906	357506	95.59	N.A
	Transoceanic Properties Limited	31000	3100	0.83	34100	360606	96.42	N.A
Note : M/s. Janpriya Traders Limited (12,600 equity shares) was deleted from the list of Promoters, as the directors of the Company resigned from the post of Director, who were considered as a part of Promoters & Promoter Group.								
31/03/2006	Closing Balance					360606	96.42	
1/4/2006	Opening Balance					360606	96.42	
19/12/06	Gleam Trading & Investment Pvt Ltd.	58000	-17000	-4.55	41000	343606	91.87	Complied with Regulation (7)
19/12/06	Tiara Trading & Investment Pvt Ltd.	61000	-17000	-4.55	44000	326606	87.33	Complied with Regulation (7)
19/12/06	Sapphire Advisors Pvt Ltd.	41800	-17000	-4.55	24800	309606	82.78	Complied with Regulation (7)
27/12/06	Gleam Trading & Investment Pvt Ltd.	41000	-13000	-3.48	28000	296606	79.31	Complied with Regulation (7)
27/12/06	Tiara Trading & Investment Pvt Ltd.	44000	-14000	-3.74	30000	282606	75.56	Complied with Regulation (7)
27/12/06	Sapphire Advisors Pvt Ltd.	24800	-17000	-4.55	7800	265606	71.02	Complied with Regulation (7)
20/01/07	Transoceanic Proprties Limited	34100	-34100	-9.12	0	231506	61.90	Complied with Regulation (7)
20/01/07	Janpriya Traders Limited	12600	-12600	-3.37	0	218906	58.53	Complied with Regulation (7)
14/03/07	Gleam Trading & Investment Pvt Ltd.	28000	-11200	-2.99	16800	207706	55.54	Complied with Regulation (7)
14/03/07	Tiara Trading & Investment Pvt Ltd.	30000	-11200	-2.99	18800	196506	52.54	Complied with Regulation (7)
14/03/07	Sapphire Advisors Pvt Ltd.	7800	-2800	-0.75	5000	193706	51.79	Complied with Regulation (7)
14/03/07	Santosh Trading & Investment Pvt Ltd.	60000	-11200	-2.99	48800	182506	48.80	Complied with Regulation (7)
14/03/07	Brite Merchants Limited	29200	-6300	-1.68	22900	176206	47.11	Complied with Regulation (7)
16/03/07	Gleam Trading & Investment Pvt Ltd.	16800	-8400	-2.25	8400	167806	44.87	Complied with Regulation (7)
16/03/07	Tiara Trading & Investment Pvt Ltd.	18800	-9800	-2.62	9000	158006	42.25	Complied with Regulation (7)
16/03/07	Sapphire Advisors Pvt Ltd.	5000	-2660	-0.71	2340	155346	41.54	Complied with Regulation (7)
16/03/07	Santosh Trading & Investment Pvt Ltd.	48800	-11200	-2.99	37600	144146	38.54	Complied with Regulation (7)
16/03/07	Brite Merchants Limited	22900	-11200	-2.99	11700	132946	35.55	Complied with Regulation (7)
19/03/07	Brite Merchants Limited	11700	-2940	-0.79	8760	130006	34.76	Complied with Regulation (7)
19/03/07	Santosh Trading & Investment Pvt Ltd.	37600	-11200	-2.99	26400	118806	31.77	Complied with Regulation (7)

Note : A Letter received from Mr. Rohitashwa Poddar intimated in his resignation from the directorship of M/s. Janpriya Traders Limited as required u/s 299 of the Companies Act, 1956, and same was placed before the Board in their meeting held on 29/01/2006. The Board noted the same and its was resolved that M/s. Janpriya Traders Limited be and is hereby removed from Promoters Group.

ANNEXURE – II

Status Of Compliance With The Provisions Of Chapter II Of The Takeover Regulations:

By the Company :

Sr. NO	Regulations/ Sub regulations	Due date for for compliance as mentioned in the regulations	Actual date of compliance	Delay, if any (in No. of days) Col. 4, Col. 3	Remarks
1	6(2)	20/05/1997	9/02/2004*	2456	N.A
2	6(4)	20/05/1997	9/02/2004*	2456	N.A
3	8(3)	30/04/1998	9/02/2004*	2111	N.A
4	8(3)	30/04/1999	9/02/2004*	2111	N.A
5	8(3)	30/04/2000	9/02/2004*	1380	N.A
6	8(3)	30/04/2001	9/02/2004*	1015	N.A
7	8(3)	30/04/2002	9/02/2004*	650	N.A
8	8(3)	30/04/2003	29/07/2003	92	N.A
9	8(3)	30/04/2004	15/07/2004	76	N.A
10	8(3)	30/04/2005	06/10/2005	159	N.A
11	8(3)	30/04/2006	04/09/2006	127	N.A
12	7(3)	26/12/2006	20/12/2006	-	N.A
13	7(3)	03/01/2007	28/12/2006	-	N.A
14	7(3)	27/01/2007	22/01/2007	-	N.A
15	7(3)	30/01/2007	23/01/2007	-	N.A
16	7(3)	21/03/2007	14/03/2007	-	N.A
17	7(3)	23/03/2007	16/03/2007	-	N.A
18	7(3)	26/03/2007	19/03/2007	-	N.A
19	8(3)	30/04/2007	02/04/2007	-	N.A
20	8(3)	30/04/2008	01/04/2008	-	N.A

**Status Of Compliance With The Provisions Of Chapter II Of The Take Over Regulations:
By the Promoters/ Sellers & Major Shareholders :**

Sr. NO	Regulations/ Sub regulations	Due date for for compliance as mentioned in the regulations	Actual date of compliance	Delay, if any (in No. of days) Col. 4, Col. 3	Remarks
1.	6(1)	20/04/1997	09/02/2004	2486	N.A
2.	6(3)	20/04/1997	09/02/2004	2486	N.A
3.	8(1)	21/04/1998	09/02/2004	2120	N.A
4.	8(2)	21/04/1998	09/02/2004	2120	N.A
5.	8(1)	21/04/1999	09/02/2004	1755	N.A
6.	8(2)	21/04/1999	09/02/2004	1755	N.A
7.	8(1)	21/04/2000	09/02/2004	1389	N.A
8.	8(2)	21/04/2000	09/02/2004	1389	N.A
9.	8(1)	21/04/2001	09/02/2004	1024	N.A
10.	8(2)	21/04/2001	09/02/2004	1024	N.A
11.	8(1)	21/04/2002	09/02/2004	659	N.A
12.	8(2)	21/04/2002	09/02/2004	659	N.A
13.	8(1)	21/04/2003	29/07/2003	99	N.A
14.	8(2)	21/04/2003	29/07/2003	99	N.A
15.	8(1)	21/04/2004	15/07/2004	85	N.A
16.	8(2)	21/04/2004	15/07/2004	85	N.A
17.	8(1)	21/04/2005	06/10/2005	168	N.A
18.	8(2)	21/04/2005	06/10/2005	168	N.A
19.	8(1)	21/04/2006	04/09/2006	136	N.A
20.	8(2)	21/04/2006	04/09/2006	136	N.A
21.	7(1A)	21/12/2006	20/12/2006	-	N.A
22.	7(1A)	29/12/2006	28/12/2006	-	N.A
23.	7(1A)	22/01/2007	22/01/2007	-	N.A
24.	7(1A)	25/01/2007	23/01/2007	-	N.A
25.	7(1A)	16/03/2007	14/03/2007	-	N.A
26.	7(1A)	18/03/2007	16/03/2007	-	N.A
27.	7(1A)	21/03/2007	19/03/2007	-	N.A
28.	8(1)	21/04/2007	02/04/2007	-	N.A
29.	8(2)	21/04/2007	02/04/2007	-	N.A
30.	7(1),7(2)	23/01/2007	23/01/2007	-	N.A
31.	7(1A)/7(2)	23/01/2007	23/01/2007	-	N.A

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INTENTIONALLY**

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 Registrar to the Offer)

OFFER OPENS ON	:	Wednesday, 26TH November ,2008
OFFER CLOSES ON	:	Monday, 15th December,2008
Please read the Instructions overleaf before filling-in this Form of Acceptance		

From:

FOR OFFICE USE ONLY

Acceptance Numbers
 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,
M/s MONOTONA SECURITIES LIMITED
C/o, Corporate Strategic Allianz Private Limited,
 806, Saffron Complex, Nr. Panchwati Circle,
 Ambawadi Road, Ahmedabad.-380006

Dear Sirs,

Sub: Open Offer to acquire upto 74,800 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital and resultant voting rights of Target Company at a price of Rs. 40/- (Rupees forty Only) per fully paid equity share payable in cash by Pan Infosystems Private Limited(hereinafter referred to As the "Acquirer").

I / We, refer to the Letter of Offer dated 6th September, 2008 for acquiring the equity shares held by me / us in **MONOTONA SECURITIES LIMITED.**

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

I / We, unconditionally offer to sell to **PAN INFOSYSTEMS PRIVATE LIMITED** the following equity shares of MONOTONA SECURITIES LIMITED. (Hereinafter referred to as "MSL"), held by me / us, at **price of 40.00 (Rupees forty Only)** per fully paid equity share.

SHARES HELD IN PHYSICAL FORM

- 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 AINL		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				

Total no. of Equity Shares

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARES OFFERED	NAME OF BENEFICIARY

3. I/We have done an off market transaction for crediting the equity Shares to the special depository account in CDSL styled “CSAPL –Takeover of- Monotona Securities Limited- Escrow A/c” (“Depository Escrow Account”) details of which are as under:

DP Name : Mangal Keshav Securities Limited
DP ID : 12024700
Client ID : 00342539
Depository : Central Depository Services India Limited- (“CDSL”)

4. We will provide an option for Electronic Clearing System (ECS) facility to shareholders whose shares being acquired in the Open Offer along with payment by way of Crossed A/c Payee Cheques/ Demand Draft/ Pay Orders.
5. I / We confirm that the equity shares of MSL which are being tendered here with by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
6. I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer 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 Acquirer 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 Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
7. 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 / we 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 Acquirer harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer 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.
8. 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 Acquirer make 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.
9. I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer make payment of purchase consideration as mentioned in the Letter of Offer.
10. 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.
11. I / We irrevocably authorise the Acquirer 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 MSL/D P :

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with MONOTONA SECURITIES LIMITED:_____

_____Place: _____ Date: _____ Tel. No(s) : _____ Fax No.: _____

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial owner will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.

Bank Account No.: _____ Type of Account: _____
(Savings / Current / Other (please specify))

Name of the Bank: _____

Name of the Branch and Address: _____

IFSC CODE : _____

MICR CODE : _____

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

1 st Shareholder	2 nd Shareholder	3 rd 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 Gujarati, and thumb impressions must be attested by a Notary Public under his Official Seal.
- 4 **Mode of tendering the Equity Shares Pursuant to the Offer:**
 - I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of MSL.
 - II. Shareholders of MSL to whom this Offer is being made, are free to offer his / her / their shareholding in MSL for sale to the Acquirers and PAC, in whole or part, while tendering his / her / their equity shares in the Offer.
5. Business Hours : Mondays to Friday : 10:30 hours to 5:30 hours
Saturday : 10:30 to 1:30 hours
Holidays : Sundays and Bank Holidays

----- **TEAR HERE** -----

ACKNOWLEDGEMENT SLIP

Sub: Open Offer to acquire upto 74,800 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital and resultant voting rights of Target Company at a price of Rs. 40/(Rupees Forty Only) per fully paid equity share payable in cash by PAN INFOSYSTEMS PRIVATE LIMITED(hereinafter referred to As the "Acquirer").

Received from Mr. / Ms. / Mrs. Ledger Folio No/ Client ID.
.....DP ID.....Number of certificates enclosed under the Letter of Offer dated May 5, 2008, 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:**

M/s. Corporate Strategic Allianz Private Limited.
806, Saffron Complex, Nr. Panchwati Circle,
Ambawadi Road, Ahmedabad.380006
Phone :+91-79- 2642 4138 Fax no. : +91 - 079 -40024670
Email: info@csapl.com & sonia@csapl.com
Contact person: Ms. Sonia Kakani

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INTENTIONALLY**

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

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

OFFER OPENS ON	:	Wednesday – 26th November, 2008
LAST DATE OF WITHDRAWAL	:	Wednesday- 10th December, 2008
OFFER CLOSES ON	:	Monday- 15th December, 2008

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.:
To,

Fax No.:

E-mail:

M/s MONOTONA SECURITIES LIMITED.
C/o, Corporate Strategic Allianz Private Limited,
 806, Saffron Complex, Nr. Panchwati Circle,
 Ambawadi Road, Ahmedabad.-380006

Dear Sirs,

Sub: Open Offer to acquire upto 74,800 equity shares of Rs. 10/- each representing 20.00 % of the total paid up capital and resultant voting rights of Target Company at a price of Rs.40(Rupees forty Only) per fully paid equity share payable in cash by PAN INFOSYSTEMS PRIVATE LIMITED(hereinafter referred to As the "Acquirer").

I/We refer to the Letter of Offer dated 6TH September, 2008 for acquiring the equity shares held by me/us in

MONOTONA SECURITIES LIMITED (MSL).

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

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

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

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

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.

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARES OFFERED	NAME OF BENIFICIARY

I/We have done an off market transaction for crediting the equity Shares to the special depository in CDSL styled “**CSAPL – Takeover of-Monotona Securities Limited- Escrow A/c.**” (“**Depository Escrow Account**”) details of which are as under:

DP Name	Mangal Keshav Securities Limited
DP ID	12024700
Client ID	00342539
Depository	Central Depository Services India Limited- (“CDSL”)

We will provide an option for Electronic Clearing System (ECS) facility to shareholders whose shares being acquired in the Open Offer along with payment by way of Crossed A/c Payee Cheques/ Demand Draft/ Pay Orders.

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

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

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

Yours faithfully,

Signed and Delivered:

	FULL NAME 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 HERE

Folio No.\DP ID Client ID:

Serial No.:
(Acknowledgement Slip)

Received from Mr./Ms. _____

Address _____

Form of withdrawal in respect of _____ Number of Share Certificates representing _____ number of shares.

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

M/s. Corporate Strategic Allianz Private Limited.
806, Saffron Complex, Nr. Panchwati Circle,
Ambawadi Road, Ahmedabad.380006
Phone :+91-79- 2642 4138 Fax no. : +91 - 079 - 40024670
Email: info@csapl.com & sonia@csapl.com
Contact person: Ms. Sonia Kakani

INSTRUCTIONS

1. 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 1730 hours upto the last date of withdrawal i.e Monday, 15th December, 2008.

2. Shareholders should enclose the following:-

a. For Equity Shares held in demat form:

Beneficial owners should enclose

- i. Duly signed and completed Form of Withdrawal.
- ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
- iii. Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

b. For Equity Shares held in physical form:

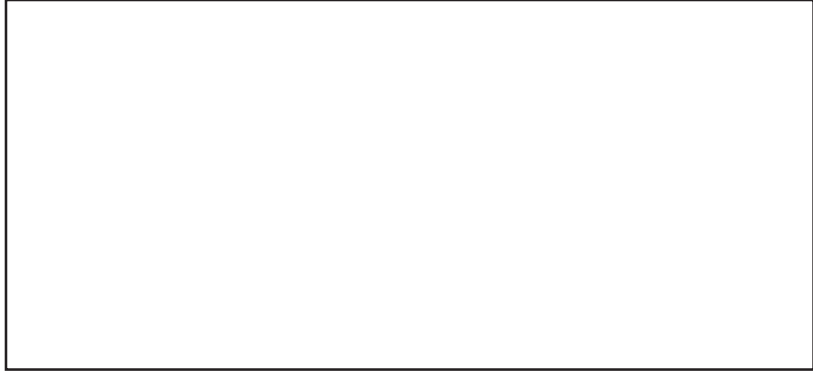
Registered Shareholders should enclose:

- i. Duly signed and completed Form of Withdrawal.
- ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
- iii. In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- 1 Duly signed and completed Form of Withdrawal.
- 2 Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from L. The MSL facility of partial withdrawal is available only on to Registered shareholders.
7. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

To,



If undelivered Please return to,

M/s Corporate Strategic Allianz Private Limited

806, Saffron Complex, Nr. Panchwati Circle,
Ambawadi Road, Ahmedabad-380006