LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

ALK Holdings Private Limited

Registered Office: Laxmi Bldg, 6 S V Marg, 4th Floor, Ballard Estate, Mumbai - 400001, Maharashtra. Tel No: 022-22666764 Fax No:022-22632694

Along with

Brinan Investments Private Limited, Jayalaxmi Holdings Private Limited, Khatau Capital Services Pvt Limited, Khatau Exim Limited, Khatau Finance & Investments Pvt Limited, Khatau Stock & Investments Private Limited, Krishabh Chemical & Plastics Pvt Ltd, Prajakta Holdings Pvt Limited, Premjyot Finvest & Trading Limited, Rhiakoh Finance & Investments Pvt Limited, Romap Industries Pvt Limited, Sentouki Finance & Investment Pvt Limited and Yucca Finvest Pvt Limited

Persons Acting in Concert all having

Registered Office: Laxmi Bldg, 6 S V Marg, 4th Floor, Ballard Estate, Mumbai - 400001, Maharashtra. Tel No: 022-22666764 Fax No:022-22632694

And HA Khatau, HA Khatau (HUF), Purna Khatau, Maithili Khatau, Rohan Khatau - Persons Acting in Concert all having

Address: Khatau Bungalow, 6, Manav Mandir Road, MUMBAI-400006, Tel No: 22613796, 23675628

MAKES A CASH OFFER AT Rs. 10.07 (RUPEES TEN AND PAISE SEVEN ONLY)

PER FULLY PAID-UP EQUITY SHARE

pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent

amendments thereto upto the date of the PA (the "SEBI Takeover Code")

TO ACQUIRE 42,35,310 FULLY PAID-UP EQUITY SHARES

representing 20 % of present issued and voting equity share capital of

Registered Office: Laxmi Bldg, 6 S V Marg, 4th Floor, Ballard Estate, Mumbai – 400001, Maharashtra Tel No: 022-22666764 Fax No:022-22632694

Please Note:

1) This Offer is being made pursuant to Regulation 11(1) of the SEBI Takeover Code.

2) The Offer is subject to the approval(s) of Reserve Bank of India under the Foreign Exchange Management Act, 1999 for acquiring the shares tendered under the Offer.

3) If the aggregate of the valid response exceeds 42,35,310 equity shares, then ALK Holdings Private Ltd. (the "Acquirer") shall accept the shares equal to the Offer size i.e. 42,35,310 equity shares, on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.

4) If there is any upward revision in the Offer Price by the Acquirer till the last date of revision i.e. Thursday, May 12, 2005, or withdrawal of the Offer in terms of the SEBI Takeover Code, the same would be informed by way of a public announcement in the same newspapers where the original Public Announcement dated Tuesday, February 15, 2005 had appeared. Such revised offer price would be payable for all the equity shares of Cable Corporation of India Limited, tendered anytime during the Offer and accepted under the Offer.

5) The procedure for acceptance is set out in Section 9 of this Letter of Offer. A Form of Acceptance cum Acknowledgement and a Form of Withdrawal is enclosed with this Letter of Offer.

6) The Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal would also be available on SEBI's website

http://www.sebi.gov.in/

7) Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the Offer. Requests for such withdrawals should reach the designated collection centres before the close of business hours on Wednesday, May 18, 2005

8) If there is a competitive bid:

- **The public offers under all the subsisting bids shall close on the same date.**
- **As the offer price cannot be revised during the period after** Thursday, May 12, 2005**, it would therefore be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

9) As on the last date for a competitive bid i.e. Wednesday, March 9, 2005, there had been no competitive bid.

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

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
Stratcap Securities (India) Private Limited Strategic House, 44, Mint Road, Fort, Mumbai – 400 001 Tel: 022-56349946-49 Fax: 022-22642393 E-mail: info@strategicindia.net Contact Person: Anil Bhattar	**Intime Spectrum Registry Ltd.** C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (W) Tel: +91 22 5555 5454 Fax: +91 22 5555 5353 Email: nikunj@intimespectrum.com Contact person: Nikunj Daftary

OFFER OPENS ON: MONDAY, MAY 2, 2005 **OFFER CLOSES ON: SATURDAY, MAY 21, 2005**

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER:

Particulars	Original Schedule	Revised Schedule
Date of Public Announcement	Tuesday, February 15, 2005	Tuesday, February 15, 2005
Specified date (for the purpose of determining the names of shareholders to whom the Letter of Offer will be posted)	Wednesday, March 16, 2005	Wednesday, March 16, 2005
Date by which Letter of Offer, together with FOA / FOW will be posted to shareholders	Friday, April 1, 2005	Thursday, April 28, 2005
Date of Opening of the Offer	Monday, April 11, 2005	Monday, May 2, 2005
Date of Closure of the Offer	Saturday, April 30, 2005	Saturday, May 21, 2005
Last date for a Competitive Bid	Wednesday, March 9, 2005	Wednesday, March 9, 2005
Last date for revising the Offer Price/number of shares	Wednesday, April 20, 2005	Thursday, May 12, 2005
Last date for withdrawal by shareholders who have accepted the offer	Wednesday, April 27, 2005	Wednesday, May 18, 2005
Date of communicating acceptance/ payment of consideration for shares accepted	Saturday, May 14, 2005	Saturday, June 4, 2005

Attention of the shareholders is invited to the fact that May 21, 2005 being a Saturday, the collection centres would accept tenders upto 1 PM only. Shareholders holding equity shares in demat mode are also advised to check the timing of operation on Saturday with their respective depository participants.

RISK FACTORS

i. Acceptance of the equity shares of Cable Corporation of India Limited tendered in the Offer is subject to receipt of the statutory approvals, as mentioned in Section 8 of this Letter of Offer. In the event any of the required statutory approvals is refused, the Offer would stand withdrawn in terms of the SEBI Takeover Code. For further details, see Section 8 of this Letter of Offer.

ii. In the event that either (a) a regulatory approval is not received in a timely manner, (b) there is any litigation leading to a stay on the Offer, or (c) SEBI instructing 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 public shareholders of Cable Corporation of India Limited whose equity shares have been accepted in the Offer as well as the return of the shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of the SEBI Takeover Code, SEBI may, if satisfied that the non receipt of approvals was not due to willful default or negligence on part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI. Further, shareholders should note that after the last date of withdrawal i.e. May 18, 2005 shareholders who have lodged their acceptances would not be able to withdraw them even if the acceptance of shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.

iii.The Acquirer is making this Cash Offer at Rs. 10.07 per share pursuant to Regulation 11 (1) of the SEBI Takeover Code. This price includes interest at the rate of 10% for a period of 22 days due to delay in the Offer. CCIL had taken loans amounting to Rs. 21.28 crores from IDBI. The interest amount on such loans was Rs. 4.33 crores. IDBI had granted sanction by way of One Time Settlement of its dues from CCIL in respect of the various loans amounting to Rs. 21.28 crores together with interest of Rs. 2.17 crores aggregating to Rs. 23.45 crores to be paid in quarterly installments of varying amounts by 31 March 2004. The balance interest amount of Rs. 2.16 crores were to be converted into 21,60,000 Equity shares of Rs. 10 each. The aforesaid proposal was considered in The Corporate Debt Restructuring Cell and the same was approved by their letter dated 10th December 2004 and accordingly, these shares were allotted to IDBI on January 31 2005. The Promoters intend to acquire the shares so allotted to IDBI. Subsequently, on February 14, 2005 a Share Purchase Agreement (the “SPA”) was entered into between ALK Holdings Pvt. Ltd and IDBI with an intention to acquire the 21,60,000 shares of IDBI representing 10.2% of the issued and voting share capital of CCIL, at a price of Rs. 10 per share, payable in cash, thus triggering the Takeover Code. The transfer of such shares shall take place upon fulfillment of conditions mentioned in the SPA, including completion of this Offer, as per provisions of the Takeover Code.

iv. Further, the shares tendered in the Offer will be held in trust by the Registrar to the Offer, till the completion of the Offer formalities. Accordingly, the Acquirer disclaims any responsibility with respect to any decision by the shareholders on whether to participate or not to participate in the Offer.

v. The Acquirer makes no assurance with respect to the financial performance of Cable Corporation of India Limited. The Acquirer makes no assurance with respect to its investment / divestment decisions relating to its proposed shareholding in Cable Corporation of India Limited.

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

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1. DEFINITIONS:

Acquirer / ALKHPL	ALK Holdings Private Limited
ASE	Ahmedabad Stock Exchange
Stratcap	Stratcap Securities (India) Private Limited
CCIL / The Target Company	Cable Corporation of India Limited
BSE	The Stock Exchange, Mumbai
CDSL	Central Depository Services Limited
CDR	Corporate Debt Restructuring
DP	Depository Participant
DSE	Delhi Stock Exchange
Eligible Person(s) for the Offer	All owners (registered or unregistered) of equity shares of CCIL (other than Acquirer, PACs and other parties to the SPA) anytime before the closure of the Offer
FEMA	Foreign Exchange Management Act, 1999
FIPB	Foreign Investment Promotion Board of India
Form of Acceptance / FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
HUF	Hindu Undivided Family
Letter of Offer / LOO / LOF	This Letter of Offer
Manager / Manager to the Offer	Stratcap Securities (India) Private Limited
Mn / mn	Million
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
Offer Open	Cash Offer for acquisition of 42,35,310 fully paid-up equity shares of face value of Rs.10/- each, representing 20 % of the voting share capital of CCIL at a price of Rs.10 per fully paid-up equity share
Offer Price	Rs.10.07 (Rupees Ten and paise seven only) per fully paid-up equity share of Rs.10/- each
PAC	Persons Acting in Concert i.e.: Brinan Investments Private Limited (Brinan), Jayalaxmi Holdings Private Limited (Jayalaxmi), Khatau Capital Services Pvt Limited (KCSPL), Khatau Exim Limited (KEL), Khatau Finance & Investments Pvt Limited (KFIPL), Khatau Stock & Investments Private Limited (KSIPL), Krishabh Chemical & Plastics Pvt Ltd (Krishabh), Prajakta Holdings Pvt Limited (Prajakta), Premjyot Finvest & Trading Limited (Premjyot), Rhiakoh Finance & Investments Pvt Limited (Rhiakoh), Romap Industries Pvt Limited (Romap), Sentouki Finance & Investment Pvt Limited (Sentouki), Yucca Finvest Pvt Limited (Yucca), HA Khatau, HA Khatau (HUF), Purna Khatau, Maithili Khatau, Rohan Khatau
Public Announcement/ PA	Announcement of the Offer made by the Acquirer and the PAC on Tuesday, February 15, 2005 Corrigendum to the Public Announcement dated Thursday, 14th April 2005
RBI	Reserve Bank of India
Registrar/ Registrar to Offer	Intime Spectrum Registry Limited
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto upto the date of the PA
Share(s)	Fully paid-up equity shares of face value of Rs.10/- each of CCIL
SPA	The definitive Share Purchase Agreement entered into between IDBI and ALK Holdings Private Limited

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF CABLE CORPORATION OF INDIA LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF THE ACQUIRER, PAC 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY, AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, STRATCAP SECURITIES (INDIA) PVT. LTD. HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MONDAY, FEBRUARY 28, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER 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 Offer is being made in compliance with Regulation 11(1) of the Takeover Code, for the purposes of consolidation of holdings.

3.1.2 CCIL had taken loans amounting to Rs. 21.28 crores from IDBI (Registered Address: IDBI Tower WTC Complex, Cuffe Parade, Mumbai - 400005, Tel No: 91-022-22164385/22151051 Fax No: 91-022-22180930). The interest amount on such loans amounted to Rs. 4.33 crores. IDBI had granted sanction by way of One Time Settlement of its dues from CCIL in respect of the various loans amounting to Rs. 21.28 crores together with interest of Rs. 2.17 crores aggregating to Rs. 23.45 crores to be paid in quarterly installments of varying amounts by 31 March 2004. The balance interest amount of Rs. 2.16 crores were to be converted into 21,60,000 Equity shares of Rs. 10 each. These were allotted to IDBI on January 31 2005. The aforesaid proposal was considered in the CDR Cell and the same is approved by their letter dated December 10 2004 and accordingly, these shares were allotted to IDBI on January 31 2005. The Promoters intend to acquire the shares so allotted to IDBI. Subsequently, on February 14, 2005 a Share Purchase Agreement (the "SPA") was entered into between ALKHPL and IDBI with an intention to acquire the 21,60,000 shares of IDBI representing 10.2% of the issued and voting share capital of CCIL at a price of Rs. 10 per share, payable in cash, thus triggering the Takeover Code. The transfer of such shares shall take place upon fulfillment of conditions mentioned in the SPA, including completion of this Offer, as per provisions of the Takeover Code.

3.1.3 The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of CCIL except with the prior approval of the shareholders of CCIL.

3.1.4 During the offer period the Acquirer may purchase additional equity shares of CCIL in accordance with the Takeover Code, subject to availability of necessary approvals.

3.1.5 The equity shares of CCIL are currently listed on The Stock Exchange, Mumbai ("BSE"), The Delhi Stock Exchange ("DSE") and The Ahmedabad Stock Exchange ("ASE") (together referred to as "Stock Exchanges"). The BSE and DSE has suspended the trading in the securities of CCIL from 24th December 2001 and 6th May, 2002 respectively for non – resolving investor grievances in respect of debentures i.e. non-payment of principal amount of the Debentures and interest payable thereon. The company vide its notice dated 27th January 2005 had held a general meeting for debenture holders on 23rd February 2005. The payment of Principal amount of the Debentures and interest thereon has been rescheduled. Post reschedulement, there are no pending grievances of debenture holders. The Company is currently making efforts to resolve the issue and to obtain stock exchange approval for re – commencement of trading in the securities of CCIL. The Company's shares have not been traded on the ASE in the past 12 months. Based on this information, the shares of the Target Company are infrequently traded on BSE, within the meaning of Regulation 20(5) of the Takeover Code.

3.1.6 Presently, the Acquirer and the PAC hold 75,40,680 shares in CCIL representing 35.61% of the issued and voting equity share capital. Assuming full acceptance of the Offer and after acquisition of shares agreed to be acquired under the SPA, the total holding of the Acquirer and PAC would increase to 1,44,81,260 shares representing 65.81% of the issued and voting share capital of the Target Company.

3.1.7 The Manager to the Offer also did not hold any Shares in CCIL as on the date of the PA.

3.1.8 Neither the Acquirer nor the PAC or their directors have been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

3.1.9 The applicable provisions of Chapter II of the SEBI Takeover Code have been complied with by Krishabh. The provisions are not applicable to the Acquirer / other PACs.

3.1.10 The Acquirer reserves the right to seek reconstitution of the Board of Directors of the Target Company, in accordance with the provisions contained in the SEBI Takeover Code and the Companies Act, 1956.

3.2 Details of the offer

3.2.1 The Original Public Announcement dated February 15, 2004 was made in the following newspapers, in accordance with Regulation 15 of the SEBI Takeover Code:

3.2.2

Publication	Language	Editions
Financial Express	English	All
Jansatta	Hindi	All
Tarun Bharat	Marathi	Mumbai
Pudhari	Marathi	All

(The Public Announcement would be available at the SEBI website: http://www.sebi.gov.in/)

A Corrigendum to the Public Announcement notifying the public about the revised schedule and other changes was published in the same newspapers as above on Thursday, April 14 2005.

3.2.3 The Offer is for acquisition of upto 42,35,310 Shares (representing 20% of present issued and voting equity share capital of CCIL) from the shareholders of CCIL (other than the Sellers under the SPA). If the number of Shares offered by the shareholders are more than the Offer size of 42,35,310 Shares, then the acquisition from each shareholder will be as per Regulation 21(6) of the SEBI Takeover Code, on a proportional basis. The minimum marketable lot for the purposes of acceptance, for both physical and demat Shares would be one Share. The Acquirer and the PAC have not acquired any Shares since the date of the Public Announcement upto the date of this Letter of Offer

3.2.4 The Offer is not conditional on any minimum level of acceptance by the shareholders.

3.3 Object of the Offer and Acquirer's Future Plans for CCIL

3.3.1 This Offer is being made in compliance with Regulation 11(1) of the Takeover Code, for the purposes of consolidation of holdings.

3.3.2 CCIL had taken loans amounting to Rs. 21.28 crores from IDBI (Registered Address: IDBI Tower WTC Complex, Cuffe Parade, Mumbai - 400005, Tel No: 91-022-22164385/22151051 Fax No: 91-022-22180930). The interest amount on such loans was Rs. 4.33 crores. IDBI had granted sanction by way of One Time Settlement of its dues from CCIL in respect of various loans amounting to Rs. 21.28 crores together with interest of Rs. 2.17 crores aggregating to Rs. 23.45 crores to be paid in quarterly installments of varying amounts by 31 March 2004. The balance interest amount of Rs. 2.16 crores were to be converted into 21,60,000 Equity shares of Rs. 10 each. The aforesaid proposal was considered in CDR Cell and the same is approved by their letter dated 10th December 2004 and accordingly, these shares were allotted to IDBI on January 31 2005. The Promoters intend to acquire the shares so allotted to IDBI. Subsequently, on February 14, 2005 a Share Purchase Agreement (the "SPA") was entered into between ALKHPL and IDBI with an intention to acquire the 21,60,000 shares held by IDBI representing 10.2% of the issued and voting share capital of CCIL, at a price of Rs. 10 per share, payable in cash, thus triggering the Takeover Code.

3.3.3 The purpose of Acquisition of these 21,60,000 shares is fulfillment of the terms and conditions of the One Time Settlement of IDBI.

3.3.4 The Acquirer and PAC are already in control of the Target Company and there are no specific future plans for CCIL other than carrying out the normal business activities of CCIL.

3.3.5 The transfer of shares shall take place upon fulfillment of conditions mentioned in the SPA, including completion of this Offer, as per provisions of the Takeover Code.

3.3.6 The Acquirer undertakes not to sell, dispose of or otherwise encumber any substantial assets of CCIL except with the prior approval of the shareholders of CCIL.

3.3.7 During the offer period the Acquirer may purchase additional equity shares of CCIL in accordance with the Takeover Code, subject to availability of necessary approvals.

4. BACKGROUND OF THE ACQUIRER AND THE PAC

4.1 Details of the Acquirer and PAC

The Acquirer and the PAC belong to the same Promoter group

4.1.1 Details of ALK Holdings Private Limited, the Acquirer

ALKHPL, a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The company is an investment company .The present issued and subscribed capital of ALKHPL comprises of 9,200 fully paid up equity shares of Rs. 10 each aggregating to Rs. 92,000 and 800, 0% Redeemable Cumulative Preference shares of Rs. 10 each aggregating to Rs. 8,000. There are neither any partly paid up equity shares nor outstanding convertible instruments.

4.1.1.1 The board of directors of ALKHPL as on the date of the Public Announcement, was as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mrs. N. H. Khatau	Khatau Bungalow, 6, Manav Mandir Road. Mumbai-400006	18-9-1991	Commerce Graduate	Over 20 years Exposure In General Administration
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	11-2-2000	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Purna H. Khatau	Khatau Bungalow, 6, Manav Mandir Road. Mumbai-400006	22-11-2002	Graduate	Two years experience in General Administration

4.1.1.2 Mrs. N. H. Khatau is on the Board of Directors of the Target Company, CCIL.

4.1.1.3 None of the Directors of ALKHPL have acquired any Shares of CCIL during the last 12 months.

4.1.1.4 The shares of ALKHPL are not listed on any stock exchanges.

4.1.1.5 Key financials of ALKHPL (Rs. Lakhs)

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.18	0.18	0.37	0.33
Total Expenditure	0.33	26.49	0.43	0.43
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.15)	(26.31)	(0.06)	(0.10)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.15)	(26.31)	(0.06)	(0.10)
Profit/ (Loss) After Tax	(0.15)	(26.31)	(0.06)	(0.10)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	0.92	0.92	0.92	0.92
Preference Share Capital	0.08	0.08	0.08	0.08
Total Paid Up Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus	(9.83)	(9.68)	16.63	16.69
Networth	(8.83)	(8.68)	17.63	17.69
Secured Loans	-	-	-	-
Unsecured Loans	**1785.38**	**1786.88**	**1780.93**	**56.11**
Total	1776.55	1778.20	1798.56	73.80
Applications Of Funds				
Investments	42.73	42.73	61.21	67.49
Net Current Assets	1733.82	1735.47	1737.35	6.31
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**1776.55**	**1778.20**	**1798.56**	**73.80**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(1.63)	(285.93)	(0.70)	(1.09)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(96.85)	(95.22)	190.76	191.41

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

4.1.1.6 Comparison of results: Total Income for the year ending on March 31, 2004 decreased by approximately 51% as compared to the previous year ending on March 31, 2003. The total expenditure incurred for the same period showed an increase of over 6000%. This was because of loss on sale of investments to the tune of Rs. 26.04 Lacs.

Consequently, the net loss showed an increase of approximately 437.5 times.

4.1.1.7 According to the financial statements for the year ended March 31, 2004, the total contingent liabilities of ALKHPL comprise of:

The company has made investment of Rs.51,053/- in unquoted Equity Shares of group companies only. Since the shares are of group companies only, the management is of the view that the fall in its value thereof, if any is not permanent in nature. As such, no provision has been made in the accounts for fall in market value as required by the Accounting Standards for Investments (AS-13) issued by the Institute of Chartered Accountants of India.

The Company has invested Rs. 42,13,059/- in quoted equity shares and securities. There has been a diminution in the market value of these Securities aggregating to Rs. 32,37,179/- on the basis of their market value as on 31st March 2004. In the opinion of the management, no provision is considered necessary in the accounts at this stage, since these investments are not held for immediate re-sale and significant improvements are expected in the long run. As such, the decline in the market value is considered to be temporary and accordingly no provision has been made in accounts for fall in the market value of these investments.

4.1.1.8 The summarised significant accounting policies of ALK Holdings Private Limited, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2 Details of PAC

4.1.2.1 Brinan a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The shares of the company are not listed on any stock exchange. The present issued and subscribed capital of Brinan comprises of 300 fully paid up equity shares of Rs. 100 each aggregating to Rs. 30,000 and 700 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 70,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mrs. N. H. Khatau	Khatau Bungalow, 6, Manav Mandir Road. Mumbai-400006	18-9-91	Commerce Graduate	Over 20 years Exposure In General Administration
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	14-2-00	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Maithili H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	22-11-02	Graduate	2 years Experience In General Administration
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	5-5-04	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Mrs. N. H. Khatau is on the Board of Directors of CCIL.

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.19	0.18	0.23	0.24
Total Expenditure	0.34	0.46	0.45	0.44
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.15)	(0.28)	(0.22)	(0.20)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.15)	(0.28)	(0.22)	(0.20)
Profit/ (Loss) After Tax	(0.15)	(0.28)	(0.22)	(0.20)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	0.30	0.30	0.30	0.30
Preference Share Capital	0.70	0.70	0.70	0.70
Total Paid Up Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus	18.46	18.60	18.89	19.10
Networth	19.46	19.60	19.89	20.10
Secured Loans	-	-	-	-
Unsecured Loans	295.76	301.45	276.00	306.90
Total	**315.22**	**321.05**	**295.89**	**327.00**
Applications Of Funds				
Investments	280.20	280.20	251.15	287.37
Net Current Assets	35.02	40.85	44.74	39.63
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**315.22**	**321.05**	**295.89**	**327.00**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(50.00)	(93.33)	(73.33)	(66.67)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	6253.33	6300.00	6396.67	6466.67

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Brinan, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.2 Jayalaxmi a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764.The present issued and subscribed capital of Jayalaxmi comprises of 9,600 fully paid up equity shares of Rs. 10 each aggregating to Rs. 96,000 and 400 0% Redeemable Cumulative Preference shares of Rs. 10 each aggregating to Rs. 4,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mrs. N. H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	18-9-91	Commerce Graduate	Over 20 years Exposure In Handling General Administration
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	27-3-95	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Purna H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	22-11-02	Graduate	2 years Experience In General Administration

Mrs. N. H. Khatau is on the Board of Directors of CCIL.

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.18	0.19	-	-
Total Expenditure	0.34	0.45	0.44	0.86
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.16)	(0.26)	(0.44)	(0.86)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.16)	(0.26)	(0.44)	(0.86)
Profit/ (Loss) After Tax	(0.16)	(0.26)	(0.44)	(0.86)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	0.96	0.96	0.96	0.96
Preference Share Capital	0.04	0.04	0.04	0.04
Total Paid Up Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus	7.12	7.28	7.54	7.98
Networth	8.12	8.28	8.54	8.98
Secured Loans	-	-	-	-
Unsecured Loans	42.28	45.62	41.77	45.69
Total	**50.40**	**53.90**	**50.31**	**54.67**
Applications Of Funds				
Investments	38.60	38.60	33.62	33.62
Net Current Assets	11.80	15.30	16.69	21.05
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**50.40**	**53.90**	**50.31**	**54.67**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(1.67)	(2.71)	(4.58)	(8.96)
Return on Net Worth				

(RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	84.17	85.83	88.54	93.13

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Brinan, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.3 KEL a Trading and Investment company, is a Public Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of KEL comprises of 2,49,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 24,90,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are listed on the Bombay Stock Exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mrs. N. B. Pasta	6, Shiv Aram , Dr. M. B. Raut Marg, Shivaji Park, Mumbai-400028	14-1098	C.A.	22 Years Of Experience In The Field Of Finance & Taxation Matters
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	13-8-90	Graduate	Experience Of 20 Years In Accounts & Tax Matters
Mrs. K. P. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	14-10-98	Graduate	Over 15 Years Of Experience General Administration

Mrs. NB Pasta is on the Board of Directors of CCIL.

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	-	0.57	0.01	0.01
Total Expenditure	0.81	2.14	1.23	2.14
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.81)	(1.57)	(1.22)	(2.13)
Depreciation	0.44	0.59	0.54	0.43
Interest	0.10	0.27	0.29	-
Profit/ (Loss) Before Tax	(1.35)	(2.43)	(2.05)	(2.56)
Profit/ (Loss) After Tax	(1.35)	(2.43)	(2.05)	(2.56)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid Up Share Capital	24.90	24.90	24.90	24.90
Reserves & Surplus	(3.59)	(2.24)	0.19	2.24
Networth	21.31	22.66	25.09	27.14
Secured Loans	0.36	1.26	2.34	-
Unsecured Loans	222.36	220.67	220.52	251.25

Total	**244.03**	**244.59**	**247.95**	**278.39**
Applications Of Funds				
Fixed Assets	3.40	3.84	4.43	0.51
Investments	0.44	0.44	3.38	3.38
Net Current Assets	240.19	240.31	240.14	274.50
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**244.03**	**244.59**	**247.95**	**278.39**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(0.54)	(0.98)	(0.82)	(1.03)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	8.56	9.10	10.08	10.90

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of KEL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.3.1 Corporate Governance: The provisions of corporate governance are not applicable as paid up Capital is Rs. 24,90,000. There are no pending litigations.

4.1.2.3.2 Name of company was changed from Nirbhoy Export to Khatau Exim Limited W.e.f. 23.01.1985

4.1.2.3.3 Compliance Officer: PC Dalal Address: Laxmi building, 6 S. V. Marg, Ballard Estate, Mumbai-400001, phone no: 022-22615115, Fax no: 022-22632694

4.1.2.3.4 Shareholding pattern as at the date of Public Announcement pursuant to clause 35 of the listing agreement:

CATEGORY PROMOTER'S HOLDING	**SHARES HELD**	**% OF HOLDING**	**TOTAL SHARES**	**%**
INDIAN PROMOTERS	224,075	89.98		
FOREIGN PROMOTERS	NIL	NIL		
PERSONS ACTING IN CONCERN	NIL	NIL		
SUB TOTAL			224,075	89.98
NON-PROMOTERS HOLDING				
INSTITUTIONAL INVESTORS	NIL	NIL		
PRIVATE CORPORATE BODIES	24,800	9.96		
INDIAN PUBLIC	125	0.06		
SUB TOTAL			24,925	10.02
TOTAL			249,000	100

4.1.2.4 KSIPL a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of KSIPL comprises of 2,00,000 fully paid up equity shares of Rs. 10 each aggregating to Rs.

20,00,000 and 1,80,000 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 180,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	23-10-98	Graduate	Experience Of 20 Years In Accounts & Tax Matters
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai – 400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.20	0.36	-	-
Total Expenditure	0.39	0.52	0.55	0.59
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.19)	(0.16)	(0.55)	(0.59)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.19)	(0.16)	(0.55)	(0.59)
Profit/ (Loss) After Tax	(0.19)	(0.16)	(0.55)	(0.59)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	20.00	20.00	20.00	20.00
Preference Share Capital	180.00	180.00	180.00	180.00
Total Paid Up Share Capital	200.00	200.00	200.00	200.00
Reserves & Surplus	(53.17)	(52.98)	(52.81)	(52.27)
Networth	146.83	147.02	147.19	147.73
Secured Loans	-	-	-	-
Unsecured Loans	143.79	143.75	114.46	110.04
Total	**290.62**	**290.77**	**261.65**	**257.77**

Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	290.89	261.75	261.53	256.70
Net Current Assets	(0.43)	28.76	(0.27)	0.55
Miscellaneous Expenditure Not Written Off	0.16	0.26	0.39	0.52
Total	**290.62**	**290.77**	**261.65**	**257.77**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(0.10)	(0.08)	(0.28)	(0.30)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(16.67)	(16.62)	(16.60)	(16.40)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of KSIPL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.5 KCSPL a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of KCSPL comprises of 2,00,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 20,00,000 and 1,80,000 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 180,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	**Residential Address**	**Appointment Date**	**Qualification**	**Experience**
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	23-2-95	Graduate	Experience Of 20 Years In Accounts & Tax Matters
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.19	0.36	-	-
Total Expenditure	0.39	0.51	0.55	0.63
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.20)	(0.15)	(0.55)	(0.63)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.20)	(0.15)	(0.55)	(0.63)
Profit/ (Loss) After Tax	(0.20)	(0.15)	(0.55)	(0.63)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	20.00	20.00	20.00	20.00
Preference Share Capital	180.00	180.00	180.00	180.00
Total Paid Up Share Capital	200.00	200.00	200.00	200.00
Reserves & Surplus	(147.52)	(147.32)	(147.17)	(146.63)
Networth	52.48	52.68	52.83	53.37
Secured Loans	-	-	-	-
Unsecured Loans	238.35	238.27	208.81	203.61
Total	**290.83**	**290.95**	**261.64**	**256.98**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	291.15	291.15	261.53	256.70
Net Current Assets	(0.48)	(0.46)	(0.28)	(0.24)
Miscellaneous Expenditure Not Written Off	0.16	0.26	0.39	0.52
Total	**290.83**	**290.95**	**261.64**	**256.98**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(0.10)	(0.08)	(0.28)	(0.33)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(63.84)	(63.79)	(63.78)	(63.58)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of KCSPL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.6 KFIPL a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of KFIPL comprises of 2,00,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 20,00,000 and 1,80,000 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 180,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	**Residential Address**	**Appointment Date**	**Qualification**	**Experience**
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai – 400004	23-2-95	Graduate	Experience Of 20 Years In Accounts & Tax Matters
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement:	9 months ended 31-	Year ended	Year ended	Year ended

Particulars	12.04 (Certified review)	31.3.2004 (Audited)	31.3.2003 (Audited)	31.3.2002 (Audited)
Total Income	0.18	0.38	-	-
Total Expenditure	0.39	0.54	0.65	0.64
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.21)	(0.16)	(0.65)	(0.64)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.21)	(0.16)	(0.65)	(0.64)
Profit/ (Loss) After Tax	(0.21)	(0.16)	(0.65)	(0.64)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	20.00	20.00	20.00	20.00
Preference Share Capital	180.00	180.00	180.00	180.00
Paid Up Share Capital	200.00	200.00	200.00	200.00
Reserves & Surplus	(165.53)	(165.32)	(165.15)	(164.51)
Networth	34.47	34.68	34.85	35.49
Secured Loans	-	-	-	-
Unsecured Loans	267.42	267.40	236.84	261.14
Total	**301.89**	**302.08**	**271.69**	**296.63**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	292.29	292.29	261.93	277.19
Net Current Assets	9.44	9.53	9.37	18.92
Miscellaneous Expenditure Not Written Off	0.16	0.26	0.39	0.52
Total	**301.89**	**302.08**	**271.69**	**296.63**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(0.11)	(0.08)	(0.33)	(0.32)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(72.85)	(72.79)	(72.77)	(72.52)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of KFIPL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.7 Krishabh a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Krishabh comprises of 2,000 fully paid up equity shares of Rs.100 each aggregating to Rs. 2,00,000 There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	**Residential Address**	**Appointment Date**	**Qualification**	**Experience**
Mrs. N. H. Khatau	Khatau Bungalow, 6, Manav Mandir Road, Mumbai-400006	26-11-81	Commerce Graduate	Over 20 years Exposure In General Administration
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	11-2-00	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Purna H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	20-11-02	Graduate	2 years Experience In General Administration
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	5-5-04	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Mrs. N. H. Khatau is on the Board of Directors of CCIL.

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.21	0.35	2.98	9.37
Total Expenditure	0.57	0.55	3.19	144.11
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.36)	(0.20)	(0.21)	(134.74)
Depreciation	-	-	-	-
Interest	-	-	-	2271.00
Profit/ (Loss) Before Tax	(0.36)	(0.20)	(0.21)	(2405.74)
Profit/ (Loss) After Tax	(0.21)	(0.16)	(0.28)	(2405.74)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid Up Share Capital	2.00	2.00	2.00	2.00
Reserves & Surplus	(285.41)	(285.04)	(284.85)	(284.57)
Networth	(283.41)	(283.04)	(282.85)	(282.57)
Secured Loans	-	-	-	-

Unsecured Loans	751.48	768.28	781.65	385.42
Total	**468.07**	**485.24**	**498.80**	**102.85**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	134.87	54.92	54.92	88.55
Net Current Assets	333.20	430.32	443.88	14.30
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**468.07**	**485.24**	**498.80**	**102.85**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(18.00)	(10.00)	(14.00)	(120287.00)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(14170.50)	(14152.00)	(14142.50)	(14128.50)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Krishabh, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.8 Prajakta a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Prajakta comprises of 16,500 fully paid up equity shares of Rs. 10 each aggregating to Rs. 1,65,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	**Residential Address**	**Appointment Date**	**Qualification**	**Experience**
Mrs. K. P. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	13-10-98	Graduate	Experience Of Over 15 Years In General Administration
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	14-2-00	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Maithili H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	22-11-02	Graduate	2 years Experience in General Administration
Mr. P. H. Udeshi	363, Girgaum Road, D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	5-5-04	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters
Ms. Purna H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	20-11-02	Graduate	2 years Experience in General Administration

Key financials (Rs. Lakhs)

Income Statement:	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)

Particulars				
Total Income	9.68	22.58	16.78	13.50
Total Expenditure	11.20	11.88	19.30	16.94
Profit/ (Loss) Before Depreciation, Interest & Tax	(1.52)	10.70	(2.52)	(3.44)
Depreciation	6.72	11.15	11.42	0.37
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(8.24)	(0.45)	(13.94)	(3.81)
Profit/ (Loss) After Tax	(8.24)	(0.46)	(13.94)	(3.81)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid Up Share Capital	1.65	1.65	1.65	1.65
Reserves & Surplus	(354.82)	(346.58)	(346.12)	(332.17)
Networth	(353.17)	(344.93)	(344.47)	(330.52)
Secured Loans	-	-	-	-
Unsecured Loans	524.31	1277.17	1261.98	1251.08
Total	**171.14**	**932.24**	**917.51**	**920.56**
Applications Of Funds				
Fixed Assets	40.02	46.74	57.89	60.95
Investments	279.04	279.04	250.46	250.46
Net Current Assets	(147.92)	606.46	609.16	609.15
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**171.14**	**932.24**	**917.51**	**920.56**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(49.94)	(2.79)	(84.48)	(23.09)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(2140.42)	(2090.48)	(2087.70)	(2003.15)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Prajakta, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.9 Premjyot a Trading and Investment company, is a Public Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Premjyot comprises of 10,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 1,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	30-9-94	Graduate	Experience Of Over 25 Years In Banking and Finance

Mrs. K. P. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	13-10-98	Graduate	Experience Of Over 15 Years In General Administration
Ms. Maithili H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	20-11-02	Graduate	2 years Experience in General Administration
Ms. Purna H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	20-11-02	Graduate	2 years Experience in General Administration

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	4.50	6.00	3.03	0.00
Total Expenditure	0.25	6.31	3.37	0.25
Profit/ (Loss) Before Depreciation, Interest & Tax	4.25	(0.31)	(0.34)	(0.25)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	4.25	(0.31)	(0.34)	(0.25)
Profit/ (Loss) After Tax	4.25	(0.31)	(0.34)	(0.25)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid Up Share Capital	1.00	1.00	1.00	0.01
Reserves & Surplus	(165.75)	(170.00)	(169.70)	(169.65)
Networth	(164.75)	(169.00)	(168.70)	(169.64)
Secured Loans	-	-	-	-
Unsecured Loans	840.00	845.36	1095.18	256.65
Total	**675.25**	**676.36**	**926.48**	**87.01**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	77.97	77.97	84.00	87.02
Net Current Assets	597.28	598.39	842.47	(0.04)
Miscellaneous Expenditure Not Written Off	-	-	0.01	0.03
Total	**675.25**	**676.36**	**926.48**	**87.01**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	42.50	(3.10)	(3.40)	(2.50)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(1647.50)	(1690.00)	(1687.10)	(1696.70)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Premjyot, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.10 Rhiakoh a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Rhiakoh comprises of 10,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 1,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	13-2-95	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Maithili H. Khatau	Khatau Bungalow 6, Manav Mandir Road. Mumbai-400006	20-11-02	Graduate	2 years Experience in General Administration
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.19	0.23	0.54	1.03
Total Expenditure	0.33	3.52	0.74	29.88
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.14)	(2.29)	(0.20)	(28.85)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.14)	(2.29)	(0.20)	(28.85)
Profit/ (Loss) After Tax	(0.14)	(2.29)	(0.20)	(28.85)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)

Sources Of Funds				
Paid Up Share Capital	1.00	1.00	1.00	0.50
Reserves & Surplus	(275.94)	(275.80)	(272.51)	(272.32)
Networth	(274.94)	(274.80)	(271.51)	(271.82)
Secured Loans	-	-	-	-
Unsecured Loans	764.27	763.15	762.99	870.31
Total	**489.33**	**488.35**	**491.48**	**598.49**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	66.82	66.82	70.16	177.11
Net Current Assets	422.51	421.53	421.32	421.38
Miscellaneous Expenditure Not Written Off	-	-	0.01	0.03
Total	**489.33**	**488.35**	**491.48**	**598.49**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(1.40)	(22.90)	(2.00)	(288.50)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(2749.40)	(2748.00)	(2715.10)	(2718.20)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Rhiakoh, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.11 Romap a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Romap comprises of 2,00,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 20,00,000 and 1,80,000 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 180,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	10-6-99	Graduate	Experience Of Over 25 Years In Banking and Finance
Mrs. K. P. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	14-10-98	Graduate	Experience Of Over 15 Years In General Administration

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	-	-	1.91	0.07
Total Expenditure	0.45	0.64	1.82	0.75
Profit/ (Loss) Before Depreciation, Interest				

& Tax	(0.45)	(0.64)	0.09	(0.68)
Depreciation	-	0.01	0.02	0.02
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.45)	(0.65)	0.07	(0.70)
Profit/ (Loss) After Tax	(0.45)	(0.65)	(0.03)	(0.70)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	20.00	20.00	20.00	20.00
Preference Share Capital	180.00	180.00	180.00	180.00
Total Paid Up Share Capital	200.00	200.00	200.00	200.00
Reserves & Surplus	(95.85)	(95.40)	(94.75)	(94.72)
Networth	104.15	104.60	105.25	105.28
Secured Loans	-	-	-	-
Unsecured Loans	5689.77	5688.88	5688.88	3440.61
Total	**5793.92**	**5793.48**	**5794.13**	**3545.89**
Applications Of Funds				
Fixed Assets	0.07	0.08	0.09	0.11
Investments	91.86	91.86	91.86	91.86
Net Current Assets	5701.82	5701.27	5701.77	3453.37
Miscellaneous Expenditure Not Written Off	0.17	0.27	0.41	0.55
Total	**5793.92**	**5793.48**	**5794.13**	**3545.89**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(0.23)	(0.33)	(0.02)	(0.35)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(37.93)	(37.70)	(37.38)	(37.36)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Romap, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.12 Sentouki a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001 Phone No: 022-22666764. The present issued and subscribed capital of Sentouki comprises of 5,000 fully paid up equity shares of Rs. 10 each aggregating to Rs. 50,000 and 64,000 0% Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 64,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	**Residential Address**	**Appointment Date**	**Qualification**	**Experience**
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	13-8-90	Graduate	Experience Of Over 25 Years In Banking and Finance
Ms. Maithili H. Khatau	Khatau Bungalow 6, Manav Mandir	20-11-02	Graduate	2 years Experience in General

	Road. Mumbai-400006			Administration
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.20	0.22	1.70	3.08
Total Expenditure	0.58	3.55	2.35	28.73
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.38)	(3.33)	(0.65)	(25.65)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.38)	(3.33)	(0.65)	(25.65)
Profit/ (Loss) After Tax	(0.38)	(3.33)	(0.65)	(25.65)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid up Equity Share Capital	0.50	0.50	0.50	0.50
Preference Share Capital	64.00	64.00	64.00	64.00
Total Paid Up Share Capital	64.50	64.50	64.50	64.50
Reserves & Surplus	(247.01)	(248.63)	(243.31)	(242.53)
Networth	(182.51)	(184.13)	(178.81)	(178.03)
Secured Loans	-	-	-	-
Unsecured Loans	527.83	527.93	520.47	644.42
Total	**345.32**	**343.80**	**341.66**	**466.39**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	91.34	91.32	87.48	297.76
Net Current Assets	253.98	254.48	254.18	168.63
Miscellaneous Expenditure Not Written Off	-	-	-	-
Total	**345.32**	**343.80**	**341.66**	**466.39**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(7.60)	(66.60)	(15.40)	(513.00)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(4930.20)	(4962.60)	(4856.20)	(4840.60)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Sentouki, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.1.2.13 Yucca a Trading and Investment company, is a Private Limited company with its Registered Address at Laxmi Building, 6, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai – 400001. The present issued and subscribed capital of Yucca comprises of 1,000 fully paid up equity shares of Rs. 100 each aggregating to Rs. 1,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments. The shares of the company are not listed on any stock exchange.

Details of Board of Directors as at the date of PA are as follows:

Name	Residential Address	Appointment Date	Qualification	Experience
Mr. P. C. Dalal	175, Amrit Wadi, V. P. Road, Mumbai-400004	29-10-96	Graduate	Experience Of Over 25 Years In Banking and Finance
Mr. P. H. Udeshi	363, Girgaum Road, R. D. Bhatia Nivas, 2nd Floor. Room 26-27, Mumbai-400002	20-11-02	C.A., C.S.	Experience Of 20 Years In Accounts & Tax Matters

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Total Income	0.15	0.38	-	-
Total Expenditure	0.24	0.49	0.54	0.40
Profit/ (Loss) Before Depreciation, Interest & Tax	(0.09)	(0.11)	(0.54)	(0.40)
Depreciation	-	-	-	-
Interest	-	-	-	-
Profit/ (Loss) Before Tax	(0.09)	(0.11)	(0.54)	(0.40)
Profit/ (Loss) After Tax	(0.09)	(0.11)	(0.54)	(0.40)

Balance Sheet Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				
Paid Up Share Capital	1.00	1.00	1.00	0.01
Reserves & Surplus	(149.53)	(149.44)	(149.35)	(148.81)
Networth	(148.53)	(148.44)	(148.35)	(148.80)
Secured Loans	-	-	-	-

Unsecured Loans	686.61	687.26	660.22	660.76
Total	**538.08**	**538.82**	**511.87**	**511.96**
Applications Of Funds				
Fixed Assets	-	-	-	-
Investments	44.20	44.20	17.39	17.39
Net Current Assets	493.86	494.59	494.44	494.52
Miscellaneous Expenditure Not Written Off	0.02	0.03	0.04	0.05
Total	**538.08**	**538.82**	**511.87**	**511.96**

Other Financial Data Particulars	9 months ended 31-12.04 (Certified review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Earnings Per Share (EPS) (Rs.)	(9.00)	(11.00)	(54.00)	(40.00)
Return on Net Worth (RONW) (%)	NA	NA	NA	NA
Book Value Per Equity Share (BVPS) (Rs.)	(14853.00)	(14844.00)	(14839.00)	(14885.00)

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves) / Number of Equity Shares

The summarised significant accounting policies of Yucca, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

4.2 Details of PAC (Other than Companies): All the individuals / Kartas of HUFs are members of the same family

4.2.1 HA Khatau: Address: Khatau Bungalow, 6, MANAV MANDIR ROAD, MUMBAI-400006, Tel No: 22613796, 23675628. He is a Chartered Accountant with more than 20 years Industry experience. The Networth of HA Khatau as at 28th February 2005, as certified by SA Sangani, Proprietor of SA Sangani & Associates, 411, Dattani Trade Centre, Chandavarkar Road, Borivli (W), Mumbai 400 092, Phone No.: 022 - 2863 5053, Telefax No: 022 - 2863 5053 Membership Number: 37843, was around Rs. 6.91 crores.

4.2.2 HA Khatau (HUF): Address: Khatau Bungalow, 6, Manav Mandir Road, Mumbai-400006, Tel No: 22613796, 23675628. Mr. HA Khatau is the Karta. The Networth of HA Khatau as at 28th February 2005, as certified by SA Sangani, Proprietor of SA Sangani & Associates, 411, Dattani Trade Centre, Chandavarkar Road, Borivli (W), Mumbai 400 092, Phone No.: 022 - 2863 5053, Telefax No: 022 - 2863 5053 Membership Number: 37843, was around Rs. 6.91 crores.

4.2.3 Purna Khatau: Address: Khatau Bungalow, 6, Manav Mandir Road, Mumbai -400006, Tel No: 22613796, 23675628. She is a graduate. The Networth of Purna Khatau as at 28th February 2005, as certified by SA Sangani, Proprietor of SA Sangani & Associates, 411, Dattani Trade Centre, Chandavarkar Road, Borivli (W), Mumbai 400 092, Phone No.: 022 - 2863 5053, Telefax No: 022 - 2863 5053 Membership Number: 37843, was around Rs. 14.22 Lakhs.

4.2.4 Maithili Khatau: Address: Khatau Bungalow, 6, Manav Mandir Road, Mumbai -400006, Tel No: 22613796, 23675628. She is a student. The Networth of Maithili Khatau as at 28th February 2005, as certified by SA Sangani, Proprietor of SA Sangani & Associates, 411, Dattani Trade Centre, Chandavarkar Road, Borivli (W), Mumbai 400 092, Phone No.: 022 - 2863 5053, Telefax No: 022 - 2863 5053 Membership Number: 37843, was around Rs. 12.95 Lakhs.

4.2.5 Rohan Khatau: Address: Khatau Bungalow, 6, Manav Mandir Road, Mumbai -400006, Tel No: 22613796, 23675628. He is a student. The Networth of Rohan Khatau as at 28th February 2005, as certified by SA Sangani, Proprietor of SA Sangani & Associates, 411, Dattani Trade Centre, Chandavarkar Road, Borivli (W), Mumbai 400 092, Phone No.: 022 - 2863 5053, Telefax No: 022 - 2863 5053 Membership Number: 37843, was around Rs. 31.94 Lakhs.

Details of the applicable provisions of Chapter II of SEBI Takeover Regulations are given as Annexure.

4.3 Disclosures in terms of Regulation 16(ix) of the SEBI Takeover Code

Please refer to paragraph 3.3 of this Letter of Offer.

4.4 None of the persons mentioned in 4.2 above hold Positions on the Board of Directors of any Listed Company

4.5 None of the persons mentioned in 4.2 above are full time Directors in any company.

4.6 None of the persons mentioned in 4.2 above have made earlier acquisitions in the Target Company.

5. DISCLOSURE IN TERMS OF REGULATION 21(3)

The Acquirer and the PAC have not acquired any Shares since the date of the PA upto the date of this Letter of Offer. Acquisitions, if any, by the Acquirer / PAC from the open market or through negotiations, in terms of the SEBI Takeover Code, would be limited to such number, such that the public shareholding shall not be reduced to 20% or less of the voting share capital of the Target Company.

6. BACKGROUND OF CABLE CORPORATION OF INDIA LIMITED

6.1 CCIL is a public limited company with its registered office located at Laxmi Bldg 6 S V Marg 4th Floor, Ballard Estate, Mumbai - 400001, Maharashtra. Tel: 022 – 2266 6764 / 67 Fax: 2263 2694

6.2 The Company was incorporated on 1st November 1957. The Company manufactures Power cables. It began commercial production of electrical cables and wires in February 1960 at its factory at Borivali, Bombay. Promoted by two well-known industrial houses from Bombay, Khataus and Thackerseys and two renowned companies from West Germany, Siemens AG and Felten & Guleeaume AG, The Company secured technical collaboration from Siemens AG. The Hiten A Khatau group, comprising of, Hiten A Khatau, Nandini Khatau, Purna Khatau, Maithili Khatau and Rohan Khatau, is the present promoter of the Company.

6.3 Locations: Regional Offices: Western Region: Dattapada Road, Borivali (East), Mumbai 400066. Tel: 022-2870 2341; Fax: 022- 2854 0624; Northern Region: Milap Niketan, 2nd Floor, 8A Bahadur Shah Zafar Marg, PO Box: 7111, New Delhi – 110 002. Tel: 011- 5150 9010, Fax: 011- 23317478; Eastern Region: 34, Allenby Road, 2nd Floor, II – A, Kolkata – 700 020. Tel: 033-2545 2671; Fax: 033-2474 592; Southern Region: Temple Towers, Wing No. 1, Fourth Floor, 476 Anna Salai, Chennai – 600 035. Tel: 044- 2434 3217, Fax: 044- 2434 5150; Works: Dattapada Road, Borivali (East), Mumbai 400066. Tel: 022-2870 2341; Fax: 022- 2854 0624; Plot No. F-3/1, MIDC, Sinnar Industrial Area, (Malegaon), Dist. Nashik – 422 103. Tel: 95-2551-230328 Fax: 95-2551-230038

6.4 The Company has been incurring losses continuously in the past few years due to non-availability of adequate working capital and failure of its efforts to inject long-term funds into the business.

6.5 The present issued and subscribed capital of the Target Company comprises of 2,11,76,550 fully paid up equity shares of Rs. 10 each aggregating to Rs. 21,17,65,500 and 5,25,000 12.5 % Redeemable Cumulative Preference shares of Rs. 100 each aggregating to Rs. 5,25,00,000. There are neither any partly paid-up equity shares nor outstanding convertible instruments.

6.6 The Company has approached CDR Cell for restructuring of its debt and got approval from the Empowered Group in the meeting held on 10th December 2004. As per the approval of CDR Cell, the company has restructured its debt with all the financial institution in terms of either rescheduled or one time settlement. With regard to the Debentures held by public, the company vide its notice dated 27th January 2005 had held a general meeting for debenture holders on 23rd February 2005 for re-schedulement of their repayment structure. The payment of Principal amount of the Debentures and interest thereon has thus been rescheduled. Post reschedulement, there are no pending grievances of debenture holders.

6.7 Subsidiaries of CCIL: CCIL does not have any subsidiaries.

6.8 Material merger / acquisition /de-merger/spin-off in the last 3 years: Pursuant to Bombay High Court order dated 13th December 2002 Cable Care Telecom Limited Merged with the company w.e.f. 1-7-2002

6.9 The share capital structure of CCIL is as follows:

	No. of Shares	% of Voting Shares
Authorised capital	2,50,00,000 equity shares	Nil
Issued & subscribed capital	2,11,76,550 equity shares	100%
Paid-up Equity Shares	2,11,76,550 equity shares	100%
Total Voting Rights	2,11,76,550 equity shares	100%

6.10 As on the date of the Public Announcement, the Shares of CCIL are listed on The Stock Exchange, Mumbai ("BSE"), The Delhi Stock Exchange (DSE) and The Ahmedabad Stock Exchange ("ASE"). The BSE and DSE has suspended the trading in the securities of CCIL from 24th December 2001 and 6th May, 2002 respectively for non – resolving investors grievances in respect of debentures i.e. non-payment of principal amount of the Debentures and interest payable thereon. The company vide its notice dated 27th January 2005 had held a general meeting for debenture holders on 23rd February 2005 for re-schedulement of their repayment structure. The payment of Principal amount of the Debentures and interest thereon has thus been rescheduled. Post reschedulement, there are no pending grievances of debenture holders. The Company is currently making efforts to obtain stock exchange approval for re – commencement of trading in the securities of CCIL.

6.11 As per the information provided by CCIL, there has been no penal action initiated against CCIL by any of the stock exchanges in respect of the compliance matters and that CCIL has complied with relevant clauses of the stock exchange listing agreements from time to time. Further, CCIL has confirmed that they have complied with the provisions of clause 49 of the stock exchange listing agreement in respect of corporate governance norms. CCIL has been posting EDIFAR filings regularly on SEBI website.

6.12 There are neither any partly paid-up equity shares nor outstanding convertible instruments as on date of the Public Announcement.

6.13 The Board of Directors of CCIL as on the date of the Public Announcement was as under:

Name	Date Of Appointment	Residential Address	Qualification	Experience
Mrs. N. H. Khatau	20-6-96	6, Manav Mandir Road, Malabar /hill, Mumbai-400006	Commerce Graduate	Exposure In Handling Corporate Affairs
Mr. A. S. Supanekar (Nominee of UTI)	2-11-2000	694/2 Swami Kripa Apt, Market yard Road, Pune -411037	Chartered Engineer	Over 40 Years Of Experience In Industrial Engineering & Project Consultancy
Mr. S. K. Pai	7-9-2001	B-33 Maker Kundan garden, Juhu Road, Santacruz(West), Mumbai-400049	Graduate	Nominee Of IDBI
Mrs. N. B. Pasta	27-5-2002	8, Shiv Aram, Dr. M. B. Raut Marg. Shivaji Park, Mumbai-400028	C,A.	Over 28 Years Of Experience In The Field Of Finance Project & Taxation Matters

Mr. G. D. Bhingarkar (Whole Time Director)	1-2-2002	B-9 Madhur Milan, 14th B Road, Khar (West), Mumbai-400052	L.L.B, L.L.M	Over 30 Years Of Experience In The Field Of Industrial Relation, Human Resources And Administration

Note:

Mrs. NH Khatau also holds directorships in ALKHPL, Brinan, Jayalaxmi and Krishabh.

Mrs. NB Pasta also holds directorship in KEL.

Other than the above, there are no directors representing the Acquirer or the PAC on the board of CCIL

6.14 The details of the changes in shareholding of the Promoter Group as and when it took place, is as follows:

			REMARKS
PROMOTERS HOLDING AS ON 20-2-97		**3,789,050**	
DETAILS OF PURCHASES			
FINANCIAL YEAR 00-01			
From market on 14-8-2000	100,700		
TOTAL	100,700	**100,700**	
FINANCIAL YEAR 02-03			
Purchased from			
Taib Securities P Ltd on 19-12-02	720,000		
Grant trading & Services P Ltd on 21-6-02	260,000		
Grant trading & Services P Ltd on 25-3-03	102,500		
Himanandi trading & Services P Ltd on 21-6-02	153,500		
Nobiletto Finlease & Inv P Ltd on 21-6-02	222,100		
Brinda Khatau and Nandita Anjaria purchased	900		
TOTAL	**1,459,000**	**1,459,000**	
FINANCIAL YEAR 03-04			
Public in June-03	31,900		
Reissue of forfeited shares 2-2-2004	39,100		
Allotment of shares against warrants 30-3-2004	1,575,450		The promoters filed report under Regulation 3(4) of SEBI (Substantial acquisition of shares & Takeover) Regulation 1997
TOTAL	**1,646,450**	**1,646,450**	
FINANCIAL YEAR 04-05			

Allotment of shares against warrants 5-4-2004	1,090,750		The promoters filed report under Regulation 3(4) of SEBI (Substantial acquisition of shares & Takeover) Regulation 1997
TOTAL	**1,090,750**	**1,090,750**	
Shareholding as at date of Original PA		**8,085,950**	

There has been a change in the promoter group subsequent to the Original Public Announcement. AL Khatau, AL Khatau (HUF), Mrs. BA Khatau and NK Anjaria are no longer part of the Promoter Group. This is in accordance with the filings made with the Bombay Stock Exchange as at the period ended 31st March 2005 and a disclosure about the same has also been made in the Corrigendum to the Public Announcement published on 14th April 2005. The total shareholding of promoters thus stands reduced to 75,40,680 shares in CCIL representing 35.61% of the issued and voting equity share capital.

The above table does not include inter-se transfers within the Promoter Group. Further, the sale and purchase transactions shown above are the net figures of all the purchases and sales during the periods disclosed. CCIL has confirmed that applicable legal provisions, in particular the provisions of the SEBI Takeover Code, as in force at the relevant times and SEBI (Prohibition of Insider Trading) Regulations, 1992 were complied with by the promoters / persons acting in concert with them and CCIL, at the time of each change in the promoters' shareholding, including changes in the shareholding of the persons acting in concert.

6.15 CCIL has complied with the applicable requirements of the listing agreement of BSE. However, with respect to DSE the company has not paid listing fees for FY 2004-05 amounting to Rs. 30,000. As regards ASE, the company has not paid listing fees Rs. 30,000 per annum from the year 2001-02 till date. Listing application of 27 lakh Equity shares allotted in the year 2001 is pending with the DSE and ASE. Further, no listing application has been filed with DSE and ASE with respect to 17,01,450 Equity shares allotted in March 2004 and 11,15,100 Equity shares allotted in June 2004. Details of further increase in capital of Rs. 2.16 crores, to take the total Equity Capital as at the date of the public Announcement to Rs. 21.18 crores has not been intimated to DSE and ASE. The ASE and DSE have not been informed about the forfeiture and subsequent reissue of 39,100 Equity Shares. All required Listing Applications have been filed with BSE. Also, Details of further increase in capital of Rs. 2.16 crores, to take the total Equity Capital as at the date of the public Announcement to Rs. 21.18 crores has been intimated to BSE.

6.16 The details of the corporate governance for the company are as follows:

6.15.1 Company's Philosophy on Code of Governance

The philosophy of the Company is to enhance the long-term economic value of the Company, its shareholders, customers and the society at large by adopting better corporate practices in fair and transparent manner.

6.15.2 Board of Directors

a) Composition of the Board as on 31st March 2004.

The Board of Directors comprises of Five Directors. Apart from the Whole-time Director, all the other four Directors are Non- Executive Directors of which three are independent Directors. The number of independent Directors is more than one-third of total strength of the Board. IDBI and UTI have each nominated one Director on the Board.

b) During the period under review, five Board Meetings were held – on 30th June, 2003, 31st July, 2003, 31st October, 2003, 10th December, 2003, and 2nd February, 2004.

The time gap between any two consecutive meetings is not more than 4 months. The last Annual General Meeting was held on 27th September 2003.

Attendance of each Director at the Board Meetings and the last Annual General Meeting:

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM
Mrs. N. H. Khatau	Chairperson – NED Not Independent	4	YES
Mr. A. S. Supanekar	NED / Independent Nominee of UTI	4	NO
Mr. S. K. Pai	NED / Independent Nominee of IDBI	4	NO
Mr. G. D. Bhingarkar	Executive WTD / Not Independent	4	YES
Mrs. N.B. Pasta	NED / Independent	5	YES

NED - Non-Executive Director

WTD - Whole time Director

Number of other Directorships and Chairmanship/Memberships of Committees of each Director:

Name of Director	No. of Directorships in other Boards *	Committee Positions	
		Member	Chairman
Mrs. N.H. Khatau	Nil	Nil	Nil
Mr. A.S. Supanekar	5	Nil	Nil
Mr. S.K. Pai	1	1	Nil
Mr. G.D. Bhingarkar	Nil	Nil	Nil
Mrs. N. B. Pasta	1	Nil	Nil

* Directorships in Private Companies are excluded.

As required by the Companies Act, 1956 and Clause 49 of the Listing Agreement, none of the Directors hold directorships in more than 15 public companies, memberships of Board Committees (Audit / Shareholders Grievance and Remuneration Committees) in excess of 10 and Chairmanship of Board Committees as aforesaid in excess of 5.

6.15.3 Committees:

I. Audit Committee

The Audit Committee re-constituted with effect from 16th July, 2003 comprises of Mrs. N.B. Pasta (Non Executive Independent Director), Mr. A.S. Supanekar (Non Executive Independent Director) and Mrs. N. H. Khatau (Non Executive Director). The terms of reference of the Audit Committee are as stipulated in Clause 49 of the Listing Agreement and under Section 292 A of the Companies Act, 1956. During the period under review, two Audit Committee Meetings were held i.e. on 31st July 2003 and 2nd February 2004.

II. Shareholders Grievances and Transfer Committee

1) The Shareholders Grievances and Transfer Committee comprises of Mrs. N. H. Khatau as Chairperson and Mr. G. D. Bhingarkar as a member. The Committee approves the share transfers, transmissions and issue of duplicate share certificates and also reviews the overall complaints received from investors. During the period under review, 263 complaints were received from the shareholders / debenture holders and out of that none were pending for redressal as certified by M/s Intime Spectrum Registry Ltd., the Registrar & Transfer Agents of the Company.

2) Compliance Officer: Mr. A T. Khemchandani, Company Secretary

III. Remuneration Committee

The Remuneration Committee comprising of all independent Non-Executive Directors, viz. Mrs. N. B. Pasta, (Chairperson), Mr. A. S. Supanekar and Mr. S. K. Pai was constituted on 21st April 2004.

Presently the Company does not pay any remuneration to Non-Executive directors other than sitting fees of Rs.5000/- for attending each Meeting of the Board / Committee.

Remuneration to Directors (In Rupees)

Name	Salary & allowances	Contribution to P.F/Superannuation	Perquisites	Sitting Fees	Total
Mr. G. D. Bhingarkar **	8,85,779	60,990	1,24,705	-	10,71,474
Mrs. N. H. Khatau	-	-	-	30,000	30,000
Mr. A. S. Supanekar	-	-	-	35,000	35,000
Mr. S. K. Pai *	-	-	-	20,000	20,000

Mrs. N.B. Pasta	-	-	-	40,000	40,000

* Sitting fees are directly paid to IDBI, being nominee of IDBI.

** Subject to the approval of the Central Government.

The Notice period for termination of the appointment of Whole- time Director by either side is three months or the Company paying three months salary in lieu of notice.

IV. Asset Sale Committee

The Asset Sale Committee comprises of Mrs. N.H. Khatau, Mrs. N. B. Pasta and Mr. A S. Supanekar. The Committee was formed to advise and recommend to the Board the proposals for commercial development of the Company's property and also to monitor the progress of the projects entrusted to the developers as approved by the Board.

V Share Allotment Committee – Warrant Conversion

The Board of Directors of the Company constituted the 'Share Allotment Committee – Warrant Conversion' comprising of Mrs. N. B. Pasta (Chairperson) and Mr. A. S. Supanekar. The Committee met twice i.e. on 30th March, 2004 and 5th April, 2004 for the purpose of allotment of equity shares to the Warrant holders who exercised their right for allotment of equity shares.

6.15.4 Means of Communication

Quarterly and Annual results are published in one English daily newspaper (Free Press Journal) and one Marathi newspaper (Navshakti) published from Mumbai. So far, the Company has not displayed the results on its website. During the period under review, the Company has not made any presentation to the institutional investors or analysts.

6.15.5 Management Discussion and Analysis is a part of the annual report.

6.15.6 General Body Meetings

The details of the Annual General Meetings (AGM) held in the last three years are as under:

AGM	Date of AGM	Relevant financial year	Time of Meeting	Venue
44th	6th March, 2002	2000 – 2001 (18 months)	12.15.p.m.	Sir Sitaram and Lady Shantabai Patkar Convocation Hall of S.N.D.T. Women's University, 1 Nathibai Thackersey Road, Mumbai -400 020
45th	13th March, 2003	2001 – 2002	12.15.p.m.	Sir Sitaram and Lady Shantabai Patkar Convocation Hall of S.N.D.T. Women's University, 1 Nathibai Thackersey Road, Mumbai -400 020
46th	27th September, 2003	2002 – 2003 (6 months)	11.15.a.m.	Sheth Goculdas Tejpal Auditorium, Tejpal Road, August Kranti Marg, Mumbai – 400 007

No special resolutions were put through Postal Ballot last year.

6.15.7 Disclosures

A. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

The Board has received disclosures from Directors and key managerial personnel relating to material financial and commercial transactions where they and / or their relatives have personal interest and have ascertained that there are no materially significant related party transactions, which have potential conflict with the interests of the Company at large.

During the last three years no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on matters related to capital markets except that the trading in the securities of the Company has been suspended by BSE (w.e.f. 24-12-2001) And Delhi Stock Exchange (w.e.f. 6-5-2002).

Listing on Stock Exchanges	The Stock Exchanges at Mumbai, Delhi and Ahmedabad.
ISIN No. allotted to Equity Shares	INE 475A01016
Market Price data	The trading in the securities of the Company has been suspended by BSE w.e.f. 24th December, 2001.
Registrars and Transfer Agents	Intime Spectrum Registry Limited , C-13, Pannalal Silk Mills Compound , L.B.S Marg, Bhandup (West), Mumbai 400 078.
Share Transfer System	All share transfers received are processed by the Registrar & Transfer Agents and are approved by the Shareholders Grievances and Transfer Committee.

6.15.8 Distribution of Shareholding as on 31st March 2004

Total Nominal Value of Equity Shares (Rs.)	No. Of Shareholders	% Of total	Share Amount	% of total
10 - 5000	12277	90.11	19406860	10.84

5001 - 10000	697	05.11	5976020	03.34
10001 - 20000	333	02.44	5233780	02.92
20001 - 30000	95	00.70	2427750	01.36
30001 - 40000	53	00.39	1897420	01.06
40001 - 50000	44	00.32	2094300	01.17
50001 - 100000	61	00.45	4364740	02.44
100001 and above	65	00.48	137613630	76.87
T O T A L	13625	100.00	179014500	100.00

6.15.8 Dematerialisation of Shares and Liquidity

Nearly 80% of the total Equity Share Capital is held in demat form.

6.17 Compliance Certificate of the Auditors The statutory auditors of CCIL, vide their letter dated 30th July 2004 have certified that BDEL has complied with the conditions of corporate governance as stipulated in Clause 49 of the listing agreements.

6.18 Following are the material legal cases involving CCIL, to the best of the knowledge of the company:

Litigation against CCIL:

The Federal Bank Limited (FBL) has an investment of Rs. 2 crores in Cumulative Redeemable Preference Shares with the company. CCIL has not repaid the amount as due on October 28, 2002. FBL has filed a suit against CCIL and the same is pending in DRT – Mumbai.

The company has filed an appeal at the Appellate Tribunal on the ground that the case is not maintainable under section 80 of the Companies Act, 1956 at DRT due to a) the company has not taken any loan / working capital facility and hence it is not debt within the purview of the definition of debts; b) as no redeemable preference shares may be redeemed except out of profits of the company or out of proceeds of fresh issue of shares and since CCIL has incurred losses for the last five years and has not made any fresh issue of shares. The Appellate Tribunal DRT has admitted the appeal and the date of hearing is fixed during June 2005.

6.19 Equity History of CCIL:

DATE OF ALLOTMENT	NO. OF SHARES ISSUED	FACE VALUE Rs	CUMULATIVE PAID UP CAPITAL Rs.	MODE OF ALLOTMENT
27-12-57	80,000	100	8,000,000	
29-9-66	80,000	100	16,000,000	Bonus 1:1
24-11-75	160,000	100	32,000,000	Bonus 1:1
17-12-81	160,000	100	48,000,000	Bonus 1:1
22-6-87	4,800,000	10	48,000,000	Subdivided Into Face Value Of Rs. 10 Each
23-7-87	2,400,000	10	72,000,000	Bonus 1:2
29-9-87	1,800,000	10	90,000,000	Public Issue @ Premium Of Rs. 7 Per Share
1-4-96	4,500,000	10	135,000,000	Part "A" Of The Debentures Converted At A Premium Of Rs. 60

				Per Share
21-1-2000	(39,100)	10	134,609,000	Shares Forfeited
1-2-2001	2,700,000	10	161,609,000	Conversion Of Part Of Loan Of Financial Institution Into Equity Shares @Rs. 10
2-2-2004	39,100	10	162,000,000	Forfeited Shares Reissued
30-3-2004	1,701,450	10	179,014,500	Shares Issued To Warrant Holders @ Rs. 10
5-4-2004	1,115,100	10	190,165,500	Shares Issued To Warrant Holders @ Rs. 10
31-1-2005	2,160,000	10	211,765,500	Shares Allotted To IDBI

6.20 The shareholding and voting pattern of CCIL prior to and following the proposed acquisition under the SPA and the Offer, is as under:

Shareholders' Category	Shareholding & Voting Rights Prior To The Agreement / Acquisition & Offer (A)	Shares /Voting Rights Agreed To Be Acquired Which Triggered Off The Regulations (B)	Shares /Voting Rights To Be Acquired In Open Offer (Assuming Full Acceptances) (C)	Shareholding / Voting Rights After The Acquisition & Offer (D)
1) Promoters' group				
a) Parties to the agreement- ALKHPL	243,100 shares 1.15%	2,160,000 shares 10.20%		
b) Promoters other than (a) above			4,235,310 shares 20.00%	13,935,990 shares 65.81%
HA Khatau	55,200 shares 0.26%			
HA Khatau HUF	44,250 shares 0.21%			
Purna Khatau	500 shares			
Maithili Khatau	500 shares			
Rohan Khatau	1,000 shares			
Brinan	735,485 shares 3.47%			
Jayalaxmi	267,800 shares 1.26%			
KCSPL	362,900 shares 1.71%			
KEL	NIL			
KFIPL	372,750 shares 1.76%		Promoter and PAC shall acquire these 20% shares. The exact number of	

KSIPL	362,800 shares 1.71%		shares that each of them shall acquire shall be decided post completion of the offer.	
Krishabh	1,522,950 shares 7.19%			
Prajakta	700,755 shares 3.31%			
Premjyot	NIL			
Rhiakoh	905,000 shares 4.27%			
Romap	792,600 shares 3.74%			
Sentouki	348,190 shares 1.64%			
Yucca	824,900 shares 3.90%			
Total of b	7,297,580 shares 34.46%			
TOTAL 1 (a + b)	**7,540,680 shares** **35.61%**	**2,160,000 shares** **10.20%**	**4,235,310 shares** **20.00%**	**13,935,990 shares 65.81%**
2) Acquirers	NIL			NIL
3) Parties to agreement other than 1(a) & 2 - **IDBI**	**2,160,000 shares** **10.20%**	**(2,160,000) Shares** **-10.20%**		**NIL**
4) Public (other than parties to agreement, acquirers & PACs)				
FIs/ MFs/ BANKS/SFIs				
Unit Trust of India	437,599 shares 2.07%			
United India Assurance	81,600 shares 0.39%			
General Insurance Corporation	903,100 shares 4.26%			
Life Insurance Corporation	1,475,900 shares 6.97%			
	600 shares			

Bank of India			(4,235,310) Shares -20.00 %	7,240,560 shares 34.19%
Oriental Insurance	1,200 shares 0.01%			
Mutual Funds	98,900 shares 0.47%			
FIIS	100 shares 0.0005%			
PUBLIC No. of shareholders: 13,540	8,476,871 shares 40.03%			
TOTAL OF 4	**11,475,870 shares** **54.19%**		**(4,235,310) Shares** **-20.00 %**	**7,240,560 shares 34.19%**
GRAND TOTAL	**21,176,550 shares** **100.00%**		**-**	**21,176,550 shares** **100.00%**

6.21 Key audited financials of CCIL as a standalone legal entity. The results as on December 31, 2004 have been certified by the statutory auditors of CCIL, as per the provisions of clause 41 of the listing agreements of CCIL.

Key financials (Rs. Lakhs)

Income Statement: Particulars	9 months ended 31.12.2004 (Certified Review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (6 months) (Audited)	Year ended 31.3.2002 (Audited)
Income from Operations	5177	6191	3645	7914
Other Income	205	542	431	330
Total Income	5382	6733	4076	8244
Total Expenditure	5404	7345	4225	8827
Profit/ (Loss) Before Depreciation, Interest & Tax	(22)	(612)	(149)	(583)
Depreciation	574	741	383	723
Interest	1015	1026	336	1683
Profit/ (Loss) Before Tax	(1820)	(204)	468	1201
Provision for Tax	0	853	1083	654
Profit/ (Loss) After Tax	(1820)	(1057)	(618)	547

Balance Sheet Particulars	9 months ended 31.12.2004 (Certified Review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Sources Of Funds				

Paid up Equity Share Capital	1790	1790	1616	1616
Preference Share Capital	525	525	525	525
Share Application Money	112	112	-	-
Amount Paid up on forfeited Shares	-	-	2	2
Total Paid Up Share Capital	2427	2427	2143	2143
Reserves & Surplus (excluding revaluation reserves)	2285	4105	5162	5779
Revaluation Reserves		221	537	705
Networth	4712	6753	7842	8627
Secured Loans	13663	12550	11020	11832
Unsecured Loans	3096	2871	3048	3570
Total	**21471**	**22174**	**21910**	**24029**
Uses Of Funds				
Net Fixed Assets	13109	13958	15067	15722
Investments	272	272	350	350
Net Current Assets	8062	7861	6337	7765
Miscellaneous Expenditure Not Written Off	28	83	156	192
Total	**21471**	**22174**	**21910**	**24029**

Other Financial Data Particulars	9 months ended 31.12.2004 (Certified Review)	Year ended 31.3.2004 (Audited)	Year ended 31.3.2003 (Audited)	Year ended 31.3.2002 (Audited)
Dividend (%)	NIL	NIL	NIL	NIL
Earnings Per Share (EPS) (Rs.)	(10.17)	(5.91)	(3.82)	3.38
Return on Net Worth (RONW) (%)	NA	NA	NA	0.07
Book Value Per Equity Share (BVPS) (Rs.)	22.77	32.93	41.94	45.96

Formulae:

EPS: (Net Profit or Loss for the year) / Number of Equity Shares

RONW: Net Profit for the year / (Paid up Equity Capital + Reserves)

BVPS: (Paid up Equity Capital + Reserves - Revaluation Reserves) / Number of Equity Shares

The summarised significant accounting policies of CCIL, as per the audited financial statements for the year ended March 31, 2004, are as follows:

ACCOUNTING CONCEPTS:

The Company follows Mercantile System of accounting and recognizes Income and Expenditure on accrual basis. Inspite of the entire net worth of the Company, the Directors are of the opinion that the company is in a position to make up the losses and continue its activities in the future. Accordingly, the accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with the generally accepted accounting principles.

INVESTMENTS:

Investments being of long-term nature are stated at their cost of acquisition. Cost of investments sold is determined on the basis of its average cost upto the date of sale.

PROVISION FOR TAXATION:

Provision for current tax is based on the taxable profits of the Company computed in accordance with the provision of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent period.

CONTINGENT LIABILITIES:

Contingent Liabilities are not provided for and are disclosed by way of notes.

Comparison of previous years figures: the previous year ended 31.3.2003 comprised of 6 months and hence the results are not comparable to those as at 31.3.2004

6.22 The compliance officer of CCIL is Mr. H. K. Bijlani, Company Secretary. His contact details are as follows: Telephone - +91 22 2266 6764, Fax - +91 22 2263 2694

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 Equity shares of CCIL are listed on the Bombay Stock Exchange, Ahmedabad Stock Exchange and Delhi Stock Exchange.

7.1.2 The BSE and DSE had suspended the trading in the securities of CCIL from 24th December 2001 and 6th May, 2002 respectively for non – resolving investor grievances in respect of debentures i.e. non-payment of principal amount of the Debentures and interest payable thereon. The shares continue to remain suspended and have not been reinstated for trading. The Company’s shares have not been traded on the ASE in the past 12 months. Thus, there has been no exit opportunity available to the public shareholders. The last traded price of the shares on the BSE was Rs 1.55 per equity share on 21st December 2001.

7.1.3 The shares of CCIL are thus deemed to be infrequently traded in terms of the SEBI (SAST) Regulations.

7.1.4 Justification of Offer Price of Rs. 10 per fully paid up equity share:

Parameters as per Regulation 20(5)

Negotiated Price	Rs. 10 per share	
Highest paid price by Acquirer / PAC for any acquisitions including public or rights issue or preferential issue	Not Applicable	
Other Parameters:	31.3.2004	31.3.2003
Return on Net Worth (%)	NA	NA
Book Value per Share (Rs.) (Excluding Revaluation Reserves)	32.93	41.94
Earnings per Share (Rs.)	(5.91)	(3.82)

Since the EPS of CCIL is negative, the comparison with Industry Price Earning Ratio has not been considered.

M/s. Sorab S. Engineer & Co., Chartered Accountants (Membership No. 10250) have undertaken a Valuation Exercise to determine the value of the equity shares of CCIL based on the Book Value and PECV method and have furnished a report in this regard.

The shares of Cable Corporation of India Limited are to be valued in terms of Regulation 20(5). While a number of valuation methods are feasible, the following approach has been considered:

Book Value:

The Calculation has been done based on the latest Audited Balance Sheet of CCIL for the year ended March 31, 2004. The Book Value per share (without considering Revaluation Reserve) works out to Rs. 32.93.

Profit Earning Capacity Value (PECV):

The Profit after Tax for the last 3 years (FY 2004, 2003 and 2002) based on Audited Profit and Loss Account has been considered. The Average Loss for the last three years works out to Rs. 376 Lakhs. The future earning capacity of the company is hence taken as zero. Also, the company continues to make losses as seen in the certified results for 31st December 2004. Hence, the Profit Earning Capacity of the company is taken at Zero.

The other methods available are as follows:

Market Price:

As mentioned in point 7.1.2 above, as the shares of CCIL have not been traded on BSE, DSE or ASE in the past twelve months, the Market based value is taken at Zero.

Considering the Supreme Court Decision in the Hindustan Lever Employee Union vs. Hindustan Lever Limited, (1995) (83 Com Case 30), wherein the Honourable Court had opined that the Fair Value for a Listed company could be assessed based on the following weightages:

Sr. No.	Particulars	Weight	Price
a)	Market Based Value	2	0
b)	Earnings Based Value	2	0
c)	Net Asset Value	1	32.93
	TOTAL	5	32.93
	Weighted Average Price		6.58

Given the Book Value per equity share of Rs. 32.93, average market price for the last 26 weeks Rs. Zero (as shares have not been traded), and a PECV of Zero as assessed above, if one were to apply this approach, the share price based on the weighted average would be Rs. 6.58 per share.

Based on the aforementioned information, in the opinion of the Manager to the Offer and the Acquirers, the Offer Price of Rs. 10 per fully paid up Equity Share is justified in terms of Regulation 20(5).

However, due to delay of 22 days in the Offer, the shareholders shall receive an amount of Rs. 10 plus interest @ 10% per annum for the said delay, totaling to Rs. 10.07 per share in cash.

7.1.5 No additional payments are being made by the Acquirer / PAC as non-compete fees.

7.1.6 In the opinion of the Manager to the Offer and the Acquirer, the Offer Price is justified.

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

7.2 Financial Arrangements

7.2.1 The total requirement of funds for acquisition of 42,35,310 equity shares of CCIL under the Offer at a price of Rs. 10.07 per equity share would amount to Rs. 4,26,49,572/- assuming full acceptance.

7.2.2 In accordance with Regulation 28 of the Takeover Code, ALKHPL has created an Escrow Account in the form of a cash deposit to the tune of Rs. 1,06,65,000 (Rupees One Crore, Six Lakhs, Sixty five thousand only) with HDFC Bank, Fort branch, Maneckji Wadia Building, Fort, Mumbai-400001, Maharashtra, which is the amount calculated in terms of Regulation 28(2)(a) of the Takeover Code.

7.2.3 The Manager to the Offer has been authorised to realize the value of the Escrow Account in terms of the Takeover Code.

7.2.4 Contractor, Nayak & Kishnadwala, Address: Jash Chambers, 3rd floor, Sir PM Road, Fort Mumbai-400001, phone no 022-56359681; fax no 022-22615814, the statutory auditors of the Acquirer, Membership Number of Mr. Hakim (Partner): 49043 have certified vide their letter dated February 14, 2005 that the Acquirer has sufficient funds to implement the Offer. Based on this, the Manager to the Offer has satisfied itself about the Acquirer's ability to implement the Offer in accordance with the Takeover Code.

8. TERMS AND CONDITIONS OF OFFER

8.1.1 The Offer is subject to the following regulatory approvals:

Approval, if required, of the Reserve Bank of India under the Foreign Exchange Management Act, 1999 for approving the transfer of shares from non residents to the Acquirer at the Offer Price. No other statutory approvals are required for the Offer process.

8.1.2 The Offer will also be subject to such other statutory approvals as may become applicable subsequently.

8.1.3 ALKHPL will not proceed with the Offer, in terms of Regulation 27 of the SEBI Takeover Code, in case any of the approvals indicated above are refused.

8.1.4 Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the date of closure of the Offer. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12), SEBI may, if satisfied that the non receipt of approvals was not due to willful default or negligence on part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.

8.1.5 Other terms

8.1.5.1 The Offer is being made to the public shareholders of CCIL and the Letter of Offer together with the Form of Acceptance cum Acknowledgement & Form of Withdrawal will be mailed to all shareholders of the Target Company (except the Acquirer, PAC AND sellers under the SPA) whose names appear in the register of members of the Target Company and the beneficial owners of the Shares, whose names appear on the beneficial records of the respective share depositories, at the close of the business on Wednesday, March 16, 2005, the Specified Date.

8.1.5.2 All owners of shares, registered or unregistered (except the Acquirer, PAC and Sellers under the SPA), are eligible to participate in the Offer, any time before the closure of the Offer, as per the procedure set out in Section 9 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

8.1.5.3 Accidental omission to dispatch this Letter of Offer or the non-receipt or delayed receipt of this Letter of Offer will not invalidate the Offer in any way.

8.1.5.4 Shares issued by way of conversion of warrants, being 857200 numbers allotted on 30th March 2004 and 267800 numbers on 5th April 2004 are subject to lock-in as per SEBI guidelines for a period of 5 years from the date of allotment.

8.1.5.5 Any Shares of CCIL that are the subject matter of litigation wherein the Shareholder(s) may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case directions/ orders to the contrary regarding these Shares are not received together with the equity shares tendered under the Offer.

8.1.5.6 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.1.5.7 Incomplete applications, including non-submissions of necessary enclosures, if any, are liable to be rejected.

8.1.5.8 Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

8.1.5.9 The instructions and provisions contained in the FOA and FOW constitute an integral part of the terms of this Offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 Shareholders of CCIL who wish to avail of this Offer are free to offer their shareholding in whole or in part and they should forward the under mentioned documents by hand delivery at the Collection Centers mentioned below, on or before the close of business hours on Saturday, May 21, 2005, but not later than 1 PM on Saturday, May 21, 2005. Shareholders are advised to ensure that the FOA and other documents are complete in all respect; otherwise the same are liable to be rejected.

No.	Address	Mode of Delivery	Contact Person	Tel. No. Fax No	E-mail ID
1.	Intime Spectrum Registry Ltd., C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai 400 078	Hand delivery / Registered Post	Nikunj Daftary	022-55555454 Cell: 9323797902 022-5555 5353	nikunj@ intimespectrum.com
2.	Intime Spectrum Registry Ltd. 203 Davar House, D.N. Road, Mumbai 400 001	Hand delivery	Vivek Limaye	022-2269 4127 Cell: 9322270272 022-2567 2693	vivek@ intimespectrum.com
3.	Intime Spectrum Registry Ltd., 3rd Floor, A-31, Naraina Industrial Area, Phase I, New Delhi 110028	Hand delivery	Sanjiv Kapoor	011-51410592/3/4 Cell: 9312432265 011-5141 0591	delhi@ intimespectrum.com
4.	Intime Spectrum Registry Limited, 1/17 Prince Gulam Mohammad Road, Kolkata 700 026	Hand delivery	S.P. Guha	033-464 5145 Cell: 31023044 033-464 5145	kolkata@ intimespectrum.com
5.	Intime Spectrum Registry Limited, 211 Sudarshan Complex, Near Mithakhali Underbridge, Navrangapura, Ahmedabad 380 009	Hand delivery	Hitesh Patel	079-646 5179 Cell: 9327032901 079-646 5179 (Telefax)	ahmedabad@ intimespectrum.com
6.	The Investment Trust Of India Ltd, Mashkur Buildings, No.1, Krishnamma Road, Nungambakkam, Chennai 600034.	Hand delivery	G. Krishnamurthy	044-28276297 /1691 044-28272072	t_remasunil@theiti.com
7.	Intime Spectrum Registry Limited, 102, Shree Vidyanand, Nagarkar, Dr. Ketkar Path, Erandawane, Near Old Karnataka High	Hand delivery	Sandeep	020- 5458397 Cell: 9373308077 020- 5458397	pune@ intimespectrum.com

	School, Pune 411 004				
8.	Intime Spectrum Registry Ltd., C/o Times Data & Technical Center, 40/3, Second Floor, Geetha Mansion, K.G. Road, Bangalore 560 009	Hand delivery	S. Vijayagopal	080-235 0351 Cell: 9341282369 080-235 0351 (Telefax)	bangalore@ intimespectrum.com
9.	Intime Spectrum Registry Limited, 201 Sidcup Tower, Near Marble Arch, Race Course Circle, Alkapuri, Vadodara 390 007	Hand delivery	Sunil S. Joshi	0265-2332474 Cell: 9376229460 0265-2332474	vadodara@ intimespectrum.com

Timing: Monday to Friday (10 AM to 1PM and 2 PM to 4PM), Saturday (10 AM to 1PM)

The Shareholders who cannot hand deliver their documents should send the same by registered post, at their own risk, to the Registrar to the Offer at their office at Intime Spectrum Registry Limited, C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078, to reach before 1 PM on Saturday, May 21, 2005.

Attention of the shareholders is invited to the fact that May 21, 2005 being a Saturday, the collection centres would accept tenders upto 1PM only. Shareholders holding equity shares in demat mode are also advised to check the timing of operation on Saturday with their respective depository participants.

9.2 Shareholders who wish to tender their shares under this Offer should enclose the following documents duly completed:

9.2.1 For equity shares held in physical form:

Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.

- Original share certificate(s).

- Valid share transfer deed / form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with CCIL and duly witnessed at the appropriate place. A blank share transfer form is enclosed along with this Letter of Offer.

Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.

- Original share certificate(s).

- Original broker contract note.

- Valid share transfer deed(s) as received from market. The details of buyer should be left blank failing which the same will be invalid under the Offer. Unregistered shareholders should not sign the transfer deed. The transfer deed should be valid for transfer. No indemnity is required from unregistered shareholders. All other requirements for valid transfer will be precondition for acceptance.

9.2.2 For Equity shares held in demat form:

Beneficial owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the respective depository.

- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off market" mode, duly acknowledged by DP in favour of the special depository account (please see below) before the close of business hours on Saturday, May 21, 2005.

The Registrar to the Offer has opened a special depository account. The details of the special depository account are as under:

DP Name: HDFC Bank Limited

DP ID: 12400

Client ID: 1301240000094741

Account Name: ISRL-Escrow Account CCIL Open Offer

Depository: Central Depository Services Limited

For each delivery instruction, the beneficial owner should submit a separate FOA. In the case of demat shares, the shareholders are advised to ensure that their shares are credited in favor of the special depository account, before the closure of the Offer, i.e. no later than close of business on Saturday, May 21, 2005. Beneficial owners having their beneficiary accounts with NSDL have to use inter-depository delivery instruction slip for the purposes of crediting their shares in favour of the special depository account. The Forms of Acceptance of such demat shares not credited in favor of the special depository account, before the closure of the Offer will be rejected.

9.3 Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the shares in respect of which the application is being sent failing which the tender would be considered invalid and would be liable to be rejected.

9.4 The share certificate(s), share transfer form, FOA and other documents, if any should be sent only to the Registrar to the Offer, at the collection centres mentioned above. They should not be sent to the Manager to the Offer or the Acquirer or the PAC or the Target Company. The above-mentioned documents can be sent to the collection centres (as mentioned in clause 9.1 above) by hand delivery on all days except Sundays and public holidays.

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

9.6 In case of non-receipt of the Letter of Offer, the eligible Shareholders may obtain a copy of the same from any of the collection centres mentioned above on providing suitable documentary evidence of acquisition of shares of CCIL.

The Letter of Offer and Form of Acceptance cum Acknowledgment will be available on SEBI's website: http://www.sebi.gov.in/, from the Offer Opening Date. The eligible Shareholders, desirous of participating in the Offer, can download these documents from the SEBI's website and apply on the same. Alternately, they may send their consent to participate in the Offer, to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, folio number, distinctive numbers of the shares held, number of shares offered, along with documents as mentioned above, so as to reach the Registrar to the Offer on or before the close of the Offer. Unregistered owners should not sign the transfer deed and the transfer deed should be valid. In case of beneficial owners, they may send their application in writing to the Registrar to the Offer, on a plain paper stating their name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP in favor of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer. The application should be signed by all the shareholders as per the registration details available with CCIL and should be sent to the Registrar to the Offer in an envelope clearly marked “Cable Corporation of India Ltd- Open Offer”.

9.7 Non-Resident shareholders should also enclose a copy of permission received from RBI for the shares held by them in CCIL. The tenders from non-resident shareholders, where the aforesaid permission is not submitted are liable to be rejected.

9.8 Non-Resident shareholders should also enclose a copy of ‘no-objection’ certificate / tax clearance certificate from the income tax authorities under Income Tax Act, 1961, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid ‘no-objection’ certificate is not submitted, the Acquirer shall arrange to deduct tax at the maximum marginal rate as may be applicable to the shareholder, on the entire consideration amount payable. The Acquirer also reserves the right to reject such tenders from non-resident shareholders, where the aforesaid ‘no-objection’ certificate is not submitted.

9.9 In case of delay in receipt of statutory approvals beyond Saturday June 4, 2005, SEBI has the power to grant extension of time to Acquirer for payment of consideration to shareholders, subject to the Acquirer agreeing to pay interest for the delayed period, as directed by SEBI in terms of Regulation 22(12) of the Regulations.

9.10 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.

a) The withdrawal option can be exercised by submitting the documents as per the instruction below, so as to reach the Registrar to the Offer at any of the collection centres, mentioned below under PROCEDURE FOR ACCEPTANCE AND SETTELEMENT, on or before May 18, 2005.

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

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

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

ii. In case of dematerialized shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary Account no., and a photocopy of delivery instructions in “off market” mode or counterfoil of the delivery instruction in “off market” mode, duly acknowledged by the DP in favor of the Depository Escrow

Account.

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

e) The withdrawal of Shares will be available only for the share certificates/ Shares that have been received by the Registrar to the Offer/ Special Depository Account.

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

g) The Form of Withdrawal should be sent only to the Registrar to the Offer, at the collection centres mentioned above.

h) 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 CCIL.

i) 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.

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

9.11 Payment of consideration will be made by crossed account payee cheque/demand draft / pay order and sent by Registered Post, to those shareholders/unregistered owners and at their risk, whose shares/ share certificates and other documents are found in order and accepted by Acquirer in part or in full. In case of joint holders cheques/ demand drafts will be drawn in the name of the first holder. **It is advised that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that the same can be incorporated in the cheque/demand draft/pay order.**

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

9.13 Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the FOA. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit, if any, in their DP account.

9.14 The Registrars to the Offer will hold in trust the shares/share certificates, shares lying in credit of the special depository account, FOA, and the transfer form(s), if any, on behalf of the shareholders of CCIL who have accepted the Offer, till the cheques/ drafts for the consideration and/or the unaccepted shares/ share certificates are dispatched or credited back to the beneficial owners' DP accounts.

9.15 In case any person has lodged shares of CCIL for transfer and such transfer has not yet been effected, the concerned person may apply as per instruction contained in paragraph 9.6 above together with the acknowledgement of the lodgement of shares for transfer. Such persons should also instruct CCIL and its registrar & transfer agents to send the transferred share certificate(s) directly to the collection centre located at Mumbai. The applicant should ensure that the certificate(s) reach the designated collection centre on or before the Offer closing date.

9.16 In case any person has tendered his physical shares in CCIL for dematerialization and such dematerialization has not yet been effected the concerned shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialisation request form acknowledged by shareholder's DP. Such shareholders should ensure the credit of the shares to the special depository account on or before the Offer closing date. A copy of delivery instructions acknowledged by the DP in favour of the special depository account should be forwarded to the collection centre where the FOA and other documents were tendered, before the close of the Offer.

9.17 If the aggregate of the valid response exceeds 42,35,310 Shares, then the Acquirer shall accept the tenders received from the Shareholders on a proportionate basis, in consultation with the Manager to the Offer, in accordance with Regulation 21(6) of the SEBI Takeover Code.

10. DOCUMENTS FOR INSPECTION

The following material documents are available for inspection by shareholders of CCIL at the office of the Manager to the Offer, 1st Floor, Marshall Building, Shoorji Vallabhdas Marg, Ballard Estate, Mumbai 400038, from 10.30 a.m. to 1.00 p.m. on any day, except Saturdays, Sundays and public holidays, from the date of opening of the Offer until the Offer closes:

1. SPA dated February 14, 2005 between the Acquirer and IDBI

2. Certificate(s) of Incorporation and the Memorandum and Articles of Association of the Acquirer and the PAC.

3. Certificate of Incorporation and the Memorandum and Articles of Association of the Target Company.

4. Copy of published Public Announcement dated February 15, 2005.

5. Corrigendum to the Original Public Announcement dated Thursday, April 14, 2005.

6. The annual reports of the Acquirer for the financial years ended March 31, 2004, 2003 and 2002 and the certified results for 9 months period ended December 31, 2004.

7. The annual reports of the PAC for the financial years ended March 31, 2004, 2003 and 2002 and the certified results for 9 months period ended December 31, 2004.

8. The annual reports of the Target Company for the financial years ended March 31, 2004, 2003 and 2002 and the certified results for 9 months period ended December 31, 2004.

9. Copy of the letter from Auditors dated February 14, 2005 confirming the availability of funds with the Acquirer.

10. Copy of the agreement between the escrow bankers, the Acquirer and the Manager to the Offer in terms of the SEBI Takeover Code.

11. Valuation Report by the M/s. Sorab S. Engineer & Co., Chartered Accountants as regards Book Value and Price Earning Capacity Value of CCIL.

12. SEBI observation letter no ------------------ dated ------------------.

13. A copy of the agreement entered into by the Registrar to the Offer with depository participant for opening a special depository account for the purposes of the Offer.

11. DECLARATION BY THE ACQUIRER AND THE PAC

The Acquirer and the PAC, represented by their respective board of directors, accept the responsibility for the information contained in this Letter of Offer. Further, the Acquirer and the PAC are severally and jointly responsible for fulfillment of their obligations under the SEBI Takeover Code.

For and on behalf of ALK Holdings Private Limited

Sd/-

Mr. Pradeep C Dalal

Authorized Person

Place: Mumbai

Date: April 11 2005

Encl:

1. Form of Acceptance cum Acknowledgement

2. Form of Withdrawal

3. Transfer deed for shareholders holding Shares in physical form