LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as an Equity Shareholder of India Carbon Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer / Registrar to the Offer. In case you have recently sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement [which includes Form of Withdrawal] and transfer deed to the purchaser of Shares or the member of the stock exchange through whom the said sale was effected.

CASH OFFER

BY

Oxbow Carbon and Minerals Holdings Inc [“Oxbow” or “the Acquirer”]

Regd Office: CSC, 2711, Centerville Road, Suite 400, Wilmington, DE 19808. Tel: 00-561 640 - 8800; Fax: 00-561 697 – 1876

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Oxbow Calcining LLC (formerly Great Lakes Carbon LLC) [“Person Acting in Concert”/ “PAC”]

Regd Office : CSC, 2711, Centerville Road, Suite 400, Wilmington, DE 19808. Tel: 00-281-775-4700; Fax: 00-281-775-4722

to acquire

5,30,000 fully paid up equity shares of the face value of Rs. 10/- (Rupees Ten only) each, representing 20.00% of the voting paid up equity share capital, at a price of Rs. 28.03 (Rupees Twenty Eight and Paise Three only) per fully paid up equity share i.e. Rs. 25.00 (Rupees Twenty Five only) per fully paid up equity share **[“Offer Price”]** plus interest of Rs. 3.03 (Rupees Three and Paise Three only) per fully paid up equity share at the rate of 10% p.a for delay in the offer schedule, payable in cash of

INDIA CARBON LIMITED

[“the Company” / “ICL”]

Regd Office: Noonmati, Guwahati -781 020, Assam, India. Tel: 91 0361 2550289; Fax: 91 0361 2550313

Notes:

1. This Offer is being made pursuant to regulation 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto **[“SEBI Takeover Regulations”]** for the purpose of substantial acquisition of Shares and voting rights of the Company accompanied with change in control and management of the Company consequent to the indirect acquisition upon consummation of global transaction.
2. Pursuant to Press Note no. 4 (2006 Series) dated February 10, 2006 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, (a) transfer of shares from residents to non-residents in compliance of SEBI Takeover Regulations does not require a specific approval from FIPB, provided that the transfer of shares is within the sectoral FDI limits as specified therein. As per regulation 5(1) of Notification no. FEMA 20 / 2000 – RB dated May 3, 2000 issued by RBI, FDI is permitted up to 100% in the Company under the automatic route.
3. RBI, vide A.P. (DIR Series) Circular No. 62 dated May 24, 2007 decided to permit the Authorised Dealers to open escrow account and special account on behalf of non resident acquirers without prior approval of RBI. Accordingly, the Acquirer has opened a cash escrow account. For more details, please refer para 6.2 of this Letter of Offer.
4. The Manager to the offer filed an application with RBI for approval for transfer of Shares of ICL from eligible public Shareholders of ICL in favour of the PAC on September 21, 2007 and RBI, vide their letter dated October 24, 2007 granted approval to the PAC to acquire upto 5,30,000 shares of ICL through open offer.
5. <u>The Shareholders who have accepted the Offer by tendering the requisite documents in terms of the PA/ Letter of Offer can withdraw the same up to three working days prior to the date of the closure of the Offer i.e. up to Wednesday December 31, 2008.</u>
6. The Acquirer is permitted to revise the Offer Price upwards any time up to seven working days prior to the date of closure of the Offer i.e. up to Wednesday December 24, 2008 If there is an upward revision of the Offer Price in terms of Regulation 26 of SEBI Takeover Regulations, the same would be informed by way of a PA in the same newspapers where the original PA has appeared as mentioned in para no. 2.2.5 of this Letter of Offer. Such revised Offer Price would be payable by the Acquirer for all the Shares tendered anytime during the Offer.
7. This Offer is not conditional upon any minimum level of acceptances.
8. **There has been no competitive bid.**
9. **As the Offer Price cannot be revised during seven working days prior to the closing date of the Offer, it would be in the interest of the Shareholders to wait till the commencement of that period to know the final Offer Price and tender their acceptance accordingly.**
10. The Form of Acceptance cum Acknowledgement together with the Form of Withdrawal is enclosed with this Letter of Offer.
11. A copy of the PA and Letter of Offer (including Form of Acceptance-cum-Acknowledgement which includes Form of Withdrawal) are also available on SEBI’s website at www.sebi.gov.in from the date of opening of the Offer i.e., Wednesday - December 17, 2008.

MANAGER TO THE OFFER	**REGISTRAR TO THE OFFER**
YES BANK EXPERIENCE OUR EXPERTISE	
YES BANK Limited 12th Floor, Discovery of India Building Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018 Tel No: 91 22 6669 9000, Fax No: 91 22 2497 4158 Email ID: merchantbanking@yesbank.in SEBI Reg No: MB / INM 0000 10874 Contact : Dhanraj Uchil / Ajay Shete	**C B Management Services (P) Ltd.** P-22, Bondel Road, Kolkata 700 019 Tel: 033 2280 6692/93/94/2486, Fax : 033 2287 0263 E-mail : cbmsl1@cal2.vsnl.net.in SEBI Registration No: INR 00000 3324 Contact: P Basu / S Sengupta

Offer Opens : Wednesday - December 17, 2008	**Offer Closes :** Monday - January 5, 2009

Schedule of the Activities

Activities	Schedule as per PA	Revised Schedule
PA date	Wednesday - August 8 , 2007	Wednesday - August 8 , 2007
Specified Date *	Friday – August 10, 2007	Friday – August 10, 2007
Last date for Competitive Bid	Wednesday – August 29, 2007	Wednesday – August 29, 2007
Date by which Letter of Offer to be dispatched to the Shareholders	Saturday – September 22, 2007	Friday – December 12, 2008
Date of opening of the Offer	Wednesday - October 3, 2007	Wednesday – December 17, 2008
Last date for revising the Offer Price	Thursday – October 11, 2007	Wednesday – December 24, 2008
Last date up to which Shareholders may withdraw acceptance of the Offer	Wednesday – October 17, 2007	Wednesday – December 31, 2008
Date of closure of the Offer	Monday - October 22, 2007	Monday – January 5, 2009
Date for communicating acceptance/ rejection under the Offer and payment of consideration for applications accepted and / or return of Shares / Share certificates for applications rejected	Tuesday – November 6, 2007	Tuesday – January 20, 2009

* Specified Date is only for the purpose of determining the names of Shareholders of the Company as on such date to whom the Letter of Offer is sent.

Risk factors (a) relating to the transaction, (b) relating to the Offer and (c) involved in associating with the Acquirer and PAC and likely adverse effect of these risk factors on the Shareholders:

1. In the event that either (a) there is any litigation leading to a stay on the Offer or (b) SEBI instructing the Acquirer / PAC not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders of ICL whose Shares are accepted under this Offer as well as the return of Shares not accepted under this Offer by the Acquirer / PAC may get delayed. In case of delay, due to non-receipt of statutory approval(s), as per regulation 22(12) of the SEBI Takeover Regulations, SEBI, may, if satisfied, that non-receipt of approvals was not due to any willful default or negligence on the part of the Acquirer / PAC, grant an extension for the purpose of completion of the Offer subject to the Acquirer / PAC agreeing to pay interest to the Shareholders.
2. Further, the Shareholders should note that after the last date of withdrawal i.e. Wednesday – December 31, 2008, the 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, the payment of consideration and other Offer obligations are completed.
3. The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. The Acquirer / PAC make no assurance with respect to the market price of the Shares both during the Offer period and after completion of the Offer and disclaims any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.
4. The Acquirer makes no assurance with respect to the future financial performance of ICL.

The indicative risk factors set forth above are in relation to the Offer and not in relation to the present or future business or operations of ICL 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 or in associating with the Acquirer / PAC. The Shareholders of ICL are advised to consult their stock broker or investment consultant or tax advisor, if any, for further risks with respect to their participation in the Offer.

DEFINITIONS

The Acquirer / Oxbow	Oxbow Carbon and Minerals Holdings Inc
Business Acquisition Agreement	Agreement dated March 28, 2007 entered into between Oxbow Carbon and Minerals Holdings Inc., USA and Great Lakes Carbon Income Fund, Canada
Board / Board of Directors / Directors	Board of Directors of ICL
CSE	The Calcutta Stock Exchange Association Limited
CDSL	Central Depository Services India Limited
DP	Depository Participant
Depositories	NSDL and CDSL
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FIIs	Foreign Institutional Investors
FIPB/SIA	Foreign Investment Promotion Board / Secretariat of Industrial Assistance
GOI	Government of India
GSE	The Guwahati Stock Exchange Limited
LOF	Letter of Offer
Manager to the Offer/ YES Bank	YES Bank Limited
NRI	Non Resident Indian
NSDL	National Securities Depository Limited
Offer	Offer to acquire 5,30,000 Shares representing 20.00% of the voting paid up equity share capital of ICL
Offer Price	Rs. 25.00 (Rupees Twenty five only) per fully paid up equity share
PAC / Person Acting in Concert	Oxbow Calcining LLC
PAT	Profit After Tax
Persons eligible to participate in the Offer	All owners (registered and unregistered) of Shares of ICL except (a) the Acquirer and (b) the PAC
Promoters	Promoters of ICL
Public Announcement/ PA	PA for the Offer released on behalf of the Acquirer and PAC on August 8 , 2007
Registrar / Registrar to the Offer	Mondkar Computers Private Limited
Regulations/ Takeover Regulations/ SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
RBI	Reserve Bank of India
RONW	Return on Net Worth
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
Shares	Fully paid up equity shares of Rs. 10/- (Rupees Ten only) each of ICL
Shareholders / Equity Shareholders	All owners (registered or un registered) of Shares
Stock Exchanges	CSE and GSE where the Shares are presently listed
Target Company/ The Company/ ICL	India Carbon Limited

1 DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ICL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs 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 ACQUIRER(S) 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 ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER YES BANK LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED AUGUST 22, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDEMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT , HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER"

2 DETAILS OF THE OFFER

2.1 Background of the Offer

2.1.1 This Offer is being made pursuant to regulations 10 and 12 of the SEBI Takeover Regulations for the purpose of substantial acquisition of Shares and voting rights of the Company as the aggregate equity stake of the Acquirer in the paid up equity share capital of ICL, pursuant to the indirect acquisition upon consummation of global transaction as detailed below, is more than the stipulated threshold of 15%. The Acquirer will be in substantial control of the management of the Company assuming 100% response to the open offer.

Therefore, the Offer is being made pursuant to Regulation 12 of the SEBI Takeover Regulations as well, even though the objective of the acquisition is not "Change in control" as this Offer is being made pursuant to the indirect acquisition upon consummation of global transaction.

2.1.2 Oxbow Carbon and Minerals Holdings Inc., USA (the "Acquirer") and Great Lakes Carbon Income Fund, a Canada based Fund (the **"Fund"**) entered into a definitive agreement dated March 28, 2007 (the **"Business Acquisition Agreement"**) pursuant to which the Acquirer, through its wholly owned subsidiary Oxbow GLC Canada Acquisition ULC, a Canadian company, agreed to acquire all of the assets of the Fund.

2.1.3 Acquirer, as part of the Business Acquisition Agreement, also agreed to acquire the wholly owned Canadian subsidiary of the Fund viz Carbon Canada Inc. Carbon Canada Inc held approximately 73.56% of the outstanding equity of GLC Carbon, USA and therefore the Acquirer's acquisition resulted in its indirectly acquiring shares, voting rights and control of GLC Carbon, USA. Further, the Acquirer purchased the remaining 26.44% shares of GLC Carbon, USA through an agreement with Rain Commodities (Canada) Inc.

2.1.4 Great Lakes Carbon LLC is a wholly owned subsidiary of GLC Carbon, USA and therefore, the Acquirer indirectly acquired 100% shares of Great Lakes Carbon LLC. Name of Great Lakes Carbon LLC was changed to Oxbow Calcining LLC on July 18, 2007. Oxbow Calcining LLC holds 29.96% of the paid up equity share capital of ICL.

2.1.5 The Acquirer and the Fund announced on May 8, 2007 that the Acquirer completed its acquisition of all of the assets of the Fund. Under the applicable Canadian regulations, the Acquirer was not required to make a formal official public announcement about its acquisition of the Fund but only a press release was required. Accordingly, the Acquirer issued a press release on May 8, 2007 and it was filed with Toronto Stock Exchange. Press Release is considered as the formal official public announcement. Oxbow GLC Canada Acquisition ULC was formed in Nova Scotia on March 15, 2007 solely for the purpose of the above mentioned acquisition and was therefore dissolved on May 8, 2007 pursuant to the completion of the acquisition.

2.1.6 The consideration paid by the Acquirer for the acquisition of all of the assets of the Fund in terms of Business Acquisition Agreement was a composite consideration and no specific value or consideration was allocated or ascribed for the indirect interest in ICL. As the global acquisition pursuant to Business Acquisition Agreement resulted in the Acquirer indirectly acquiring equity stake in ICL, this Offer is being made pursuant to relevant provisions of Regulations 10 and 12 of the SEBI Takeover Regulations.

2.1.7 Acquirer has not paid any other monetary consideration, whether by way of any non-compete fee or otherwise, or pursuant to any non-compete agreement for the indirect acquisition of the shares of ICL.

2.1.8 The Acquirer and the PAC have not acquired directly or through any person, any equity shares in ICL during the twelve months preceding the date of the PA except as per the details given above. The Acquirer and the PAC have not acquired any Equity Shares in ICL during the last 26 weeks period prior to the date of the PA by way of (a) allotment in public issue or (b) allotment in rights issue or (c) preferential allotment.

2.1.9 Oxbow has nominated Mr Eric P. Johnson and Mr. Gord McIntosh as their representatives on the board of ICL. They were inducted into the Board of ICL on June 29, 2007. Mr Eric P. Johnson and Mr. Gord McIntosh were replacements of existing nominee directors on the board of ICL and not new appointments to the board of ICL by Oxbow in view of the acquisition of indirect control by Oxbow over ICL.

Mr Eric P. Johnson and Mr. Gord McIntosh were inducted into the board of ICL as representatives of Oxbow as the replacements for the nominees of Great Lakes.

To be precise, Mr. J.D.McKenzie, President & CEO of Great Lakes Carbon LLC (Now Oxbow Calcining LLC) resigned from the Board of ICL. Simultaneously Mr. C.L.Beliharz, who was the Alternate Director to Mr. McKenzie, ceased to be a Director of ICL.

Consequent to resignation of Mr McKenzie, Mr. E.P.Johnson, Executive VP of Oxbow Carbon & Minerals LLC was inducted in the Board of ICL as a Director to fill the casual vacancy caused by resignation of Mr. McKenzie and Mr. Gord Mcintosh, Director (Supply and Marketing) of Oxbow Carbon & Minerals LLC was appointed as an alternate Director to Mr. E.P.Johnson.

2.1.10 The Acquirer, the PAC and the Company have not been prohibited by SEBI from dealing in securities in terms of directions issued under section 11B of SEBI Act or under any of the regulations made under the SEBI Act.

2.2 Details of the proposed Offer

2.2.1 As the aggregate equity stake of the Acquirer in the paid up equity share capital of ICL, pursuant to the above mentioned indirect acquisition upon consummation of global transaction, is more than the stipulated threshold of 15%, in compliance with Regulations 10 and 12 of the SEBI Takeover Regulations, the Acquirer made a public announcement of the Offer to acquire 5,30,000 equity shares of Rs. 10/- each, representing 20.00% of the issued, subscribed and paid-up equity share capital of ICL, from the public shareholders of ICL, at a price of Rs. 25.00 per share. Interest of Rs. 3.03 per share is payable for delay in the offer schedule. The total consideration is thus Rs. 28.03 per share (Offer Price Rs. 25.00 per share plus interest for delay Rs 3.03 per share) payable in cash subject to the terms and conditions mentioned hereinafter. Equity shares that would be tendered in the valid form in terms of this Offer will be transferred in favour of Oxbow Calcining LLC. This is not a competitive bid.

2.2.2 As on As on March 31, 2007 and as on today, the paid up equity share capital of ICL is Rs. 2,65,00,000/- comprising of 26,50,000 equity shares of Rs. 10/- each. Therefore, while determining 20% of the paid up equity share capital for the purpose of minimum public offer, paid up equity share capital of Rs. 2,65,00,000/- comprising of 26,50,000 equity shares of Rs. 10/- each is considered in terms of Regulation 21(5) of SEBI Takeover Regulations which provides that for the purpose of determining minimum 20% of the voting capital of the Company, voting rights as at the expiration of 15 days after the closure of the proposed public offer shall be reckoned. There are no partly paid up equity shares in the books of ICL.

2.2.3 The Offer is not conditional on any minimum level of acceptance and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 5,30,000 equity shares that are tendered in the valid form in terms of this Offer subject to the terms and conditions mentioned in the PA and this Letter of Offer ("LOF").

2.2.4 The Acquirer may purchase additional shares of ICL from the open market or through negotiation or otherwise, after the date of the PA in accordance with regulation 20(7) of Takeover Regulations and the details of such acquisition, if any, will be disclosed by the Acquirer within 24 hours of such acquisition to the Stock Exchanges where the equity shares of ICL are listed and to the Manager to the Offer in terms of regulation 22(17) of the Takeover Regulations.

2.2.5 The PA was published in the newspapers in terms of regulation 15(1) of SEBI Takeover Regulations on August 8, 2007 and the details of the same are as follows:

Language	Name of Newspaper	Editions
English	Financial Express	All editions
Hindi	Jansatta	All editions
Assamese	Amar Asom	Guwahati *

* Shares of ICL are listed but presently are not traded on Calcutta Stock Exchange and Guwahati Stock Exchange.

* * Registered Office of ICL is situated at Guwahati in Assam.

A copy of the PA is also available on SEBI web site at www.sebi.gov.in

The contents of the PA completely cover each and every detail specified in the Format of the disclosure to be made in the PA as required in terms of the SEBI Takeover Regulations. The PA has also been sent not only to every stock exchange where the shares are listed, but also to ICL as per the requirements of regulation 15(2) of SEBI Takeover Regulations.

2.2.6 In case of any upward revision in the Offer Price by the Acquirer at any time up to seven working days prior to the date of closure of the Offer i.e. Wednesday – December 24, 2008, the same would be announced in the above mentioned newspapers and the revised Offer Price would be payable by the Acquirer for all Shares tendered at anytime during the Offer and accepted under the Offer.

2.2.7 The Acquirer and the PAC do not hold any Shares or securities convertible into Shares of ICL as on the date of the PA other than as mentioned above, and have not acquired any Shares of ICL from the date of PA till the date of this Letter of Offer.

2.2.8 The Shares acquired by the Acquirer, pursuant to this Offer, will be free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared hereafter.

2.2.9 There has been no competitive bid.

2.2.10 As the Offer Price can not be revised during seven working days prior to the date of closure of this Offer, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final Offer Price and tender their acceptance accordingly.

2.2.11 This Offer is being made to all Shareholders of ICL except the Acquirer and the PAC.

2.2.12 As on the date of this Letter of Offer Mr. Eric Johnson and Mr. Gord McIntosh are the representatives of Oxbow Calcining LLC on the board of ICL. They were inducted into the Board of ICL on June 29, 2007. Therefore, they have recused and have not participated in any matter(s) concerning or relating to the offer including any preparatory steps leading to the offer, in terms of Regulation 22(9) of SEBI Takeover Regulations.

2.3 Reasons for the acquisition, rationale/ object of the Offer and future plans

2.3.1 Oxbow Carbon and Minerals Holdings Inc., USA, the Acquirer and Great Lakes Carbon Income Fund entered into a definitive agreement dated March 28, 2007 pursuant to which the Acquirer through its wholly owned subsidiary, Oxbow GLC Canada Acquisition ULC, agreed to acquire all of the assets of Great Lakes Carbon Income Fund. The Acquirer and Great Lakes Carbon Income Fund announced on May 8, 2007 that the Acquirer completed its acquisition of all of the assets of Great Lakes Carbon Income Fund.

2.3.2 This global acquisition resulted in the Acquirer indirectly acquiring equity stake in ICL. As the aggregate equity stake of the Acquirer in the paid up equity share capital of ICL, pursuant to the above mentioned indirect acquisition upon consummation of global transaction, is more than the stipulated threshold of 15%, in compliance with Regulation 10 and 12 of the SEBI Takeover Regulations, the Acquirer made a public announcement of the Offer.

2.3.3 Post acquisition of Shares in ICL, the Acquirer will be in substantial control of the management of the Company assuming 100% response to the open offer.

2.3.4 Acquirer does not currently have any plans to dispose of or otherwise encumber any assets of ICL in the two years from the date of the closure of this Offer except in the ordinary course of business to the extent permitted by applicable laws.

2.3.5 Acquirer will take decisions regarding the future course of ICL including with regard to disposal of assets of ICL in the next two years in the ordinary course of business with the approval of the shareholders. Acquirer hereby undertakes not to sell, dispose of or otherwise encumber any substantial assets of ICL except with the prior approval of the shareholders.

2.3.6 Acquirer will take appropriate decisions in the aforesaid matters as per the requirements of business and in line with opportunities or changes in the economic scenario, from time to time.

2.3.7 Mr. Eric Johnson and Mr. Gord McIntosh are the representatives of Oxbow Calcining LLC on the board of ICL. They were inducted into the Board of ICL on June 29, 2007. Mr Eric P. Johnson and Mr. Gord McIntosh were replacements of existing nominee directors on the board of ICL and not new appointments to the board of ICL by Oxbow in view of the acquisition of indirect control by Oxbow over ICL.

3. BACKGROUND OF THE ACQUIRER

Oxbow Carbon and Minerals Holdings Inc., USA is the Acquirer and Oxbow Calcining LLC, formerly known as Great Lakes Carbon LLC is the PAC. No other person / entity is acting as the PAC with Oxbow Carbon and Minerals Holdings Inc., USA and Oxbow Calcining LLC for the purpose of this open offer. Oxbow GLC Canada Acquisition ULC, a wholly owned subsidiary of Oxbow Carbon and Minerals Holdings Inc., USA was formed in Nova Scotia on March 15, 2007 solely for the purpose of the above mentioned acquisition and was therefore dissolved on May 8, 2007. As Oxbow GLC Canada Acquisition ULC no longer exists, it is not deemed as the PAC for the purpose of this offer. Further, Great Lakes Carbon Income Fund was wound up / liquidated upon completion of acquisition exercise and therefore it is not deemed as the PAC.

Oxbow Carbon and Minerals Holdings Inc., USA - Acquirer

3.1 Oxbow Carbon & Minerals Holdings, Inc, USA was incorporated under the name of Oxbow Carbon & Minerals, Inc as a Corporation on October 24, 1986 in the State of Delaware, USA under Delaware jurisdiction in terms of Charter No. 2105479 for carrying on the business of trading and processing bulk carbonaceous raw materials and other minerals in domestic and international markets. The name of the Company was changed to Oxbow Carbon & Minerals Holdings, Inc on July 14, 2003.

3.2 It has its registered office at CSC, 2711, Centerville Road, Suite 400, Wilmington, DE 19808 whereas the primary address is 1601, Forum Place, Suite P2, West Palm Beach, FL 33401. It is not listed on any Stock Exchange.

3.3 Oxbow group is owned and operated by Mr. William I. Koch who founded the Company in 1984. Oxbow Carbon & Minerals Holdings, Inc, USA is part of the Oxbow Group, a private energy company based in West Palm Beach, Florida, USA. It is the world's largest marketer of petroleum coke, a by product of the oil refinery process. It trades in other carbon and industrial products such as coal, gypsum, bauxite, and clinker. It owns and operates Oxbow Calcining LLC which manufactures calcined petroleum coke. It does not belong to any group.

3.4 Oxbow's management is vested with the Board of Directors. The composition of the Board of Directors as on the date of this Letter Of Offer is as under:

Name of Director	Designation	Residential Address	Date of Appointment	Qualification	Experience
Mr. William I. Koch	President and Chief Executive Officer	974 South Ocean Boulevard, Palm Beach, FL 33480	30.6.1998	Bachelors, Masters and Doctoral degrees in chemical engineering - Massachusetts Institute of Technology	Given below
Mr. Richard P Callahan	Secretary	345 Seaspray Avenue, Palm Beach, FL 33480	30.6.1988	BSBA - Georgetown University	Given below
Mr. Zachary K Shipley	Treasurer	c/o Oxbow Corporation, 1601 Forum Place, Suite 1400, West Palm Beach, FL 33401	30.6.1988	MA, M.B.A - Harvard Business School	Given below

Mr. Zachary Shipley is currently living on his boat and has no home address in the customary sense, hence the use of the office address for him.

Experience details of Directors of Oxbow are as follows:

1) **William I. Koch** – In his role as founder, owner and president of the Oxbow Group, Koch has helped finance, build, manage and operate clean-energy power plants throughout the United States, the Philippines and Costa Rica. Oxbow Carbon and Minerals, a trading company Koch founded almost two decades ago, now has offices across the globe, operating in Canada, Brazil, Mexico, St. Croix, China, Egypt, Belgium, the Netherlands, the United Kingdom, Germany, and India.

2) **Richard P. Callahan** – Mr. Callahan has been General Counsel and a Director and Executive Vice President of Oxbow Corporation since 1985. Before joining Oxbow Corporation, Mr. Callahan was a partner in a Boston, MA law firm. In addition to his Oxbow Corporation duties, Mr. Callahan serves as a Board member of the America³ Foundation. Mr. Callahan received his BSBA degree from Georgetown University in 1967 and his law degree from Suffolk University in 1971. He is admitted to the Bar in Massachusetts and New York and is also a member of the American Bar Association. Mr. Callahan serves on the Board of Directors of the Palm Beach Civic Association and is a vice president of Hospice for the town of Palm Beach.

3) **Zachary K. Shipley** – Mr. Shipley is the Chief Financial Officer of Oxbow Corporation and has been an officer and Director since 1983. In addition to his positions with Oxbow Corporation, Mr. Shipley holds positions as Treasurer and a member of the Board of Directors with numerous affiliated companies and foundations. Before joining Oxbow Corporation, Mr. Shipley was a consultant with Bain & Company in Boston, MA. Mr. Shipley received his A.B. degree cum laude from Harvard College in Cambridge, MA in 1974 and his M.B.A. from Harvard Business School in 1980.

3.5 As on June 30, 2007 its paid up share capital was USD 47,508,411 and 76.02% was held by majority shareholder Mr. Mr. William I. Koch whereas the balance 23.96% was held by other Koch Family Trusts, Joan Granlund and Employees. The face value of its shares is USD 0.01 per share.

3.6 Brief financial details of Oxbow, certified by the Controller of Oxbow, are as follows:

(Rs. in lakhs)

Profit & Loss Statement for the period ended	December 31, 2005	December 31, 2006	December 31, 2007	September 30, 2008
Revenues	6,44,434.84	6,64,621.59	8,21,056.20	15,83,790.09
Other Income	2,006.78	46,917.99	7,758.80	3,595.52
Total Income	6,46,441.62	7,11,539.57	8,28,814.99	15,87,385.61
Total Expenditure	5,99,947.01	6,22,909.97	7,68,256.64	14,15,562.90
Profit before Depreciation, Interest and tax	46,494.62	88,629.61	60,558.35	1,71,822.71
Depreciation	8,163.81	10,372.69	16,427.34	20,055.59
Interest	9,621.58	6,137.46	23,775.81	24,154.78
Minority Interest	230.25	381.61	6,486.40	44,012.78
Profit before tax	28,478.98	71,737.84	13,868.81	83,599.55
Profit / (Loss) from Discontinued operations	(3,959.02)	5,994.55	4,943.44	7,956.01
Provision for tax	-	-	5,998.14	16,140.64
Net Income	24,519.96	77,732.39	12,814.11	75,414.93

(Rs. in lakhs)

Balance Sheet Statement as at	December 31, 2005	December 31, 2006	December 31, 2007	September 30, 2008
Sources of funds				
Common stock & contributed capital	19,812.34	19,443.08	20,110.56	24,734.08
Reserves and Surplus (excluding revaluation reserves)	18,341.95	66,943.56	5,891.73	39,376.58
Networth	38,154.28	86,386.64	26,002.30	64,110.66
Loans & other Liabilities	82,415.98	31,138.84	6,20,031.70	7,60,813.23
Total	**1,20,570.27**	**1,17,525.48**	**6,46,034.00**	**8,24,923.90**
Uses of funds				
Net fixed assets	63,610.12	55,477.06	2,66,300.14	3,16,947.07
Investments/Other Assets	12,529.74	16,892.86	2,37,085.02	2,74,082.94
Net current assets	44,430.41	45,155.56	1,42,648.84	2,33,893.89
Total	**1,20,570.27**	**1,17,525.48**	**6,46,034.00**	**8,24,923.90**

Notes:

(a) Conversion Rates applied: 1US$=Rs.46.94 [September 29, 2008]; 1US$=Rs.39.41 [December 31, 2007]; 1US$=Rs.44.23 [December 29, 2006]; 1US$=Rs.45.07 [December 30, 2005] ; Source: www.rbi.org.in

(b) Oxbow Carbon & Minerals Holdings, Inc is a privately owned company and therefore does not have audited financial statements as, under the applicable statutes and laws of the State of Delaware, it is not required to prepare audited financial statements. The above statements are un audited and have been certified by the Controller of Oxbow.

(c) In view of above, the requirement with respect to adjustments to financial statements, required as per Clause 11 (a) to (e) of Standard Letter of Offer format of Securities and Exchange Board of India with respect to Open Offer as per Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 1997 as amended, are not applicable and therefore are not relevant.

Some of the significant Accounting Policies followed by Oxbow are as follows:

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries in which the Company owns more than 50% of the voting stock or has control through other means.

All significant intercompany accounts and transactions have been eliminated.

The portion of capital of consolidated entities not directly owned by the Company is presented in the accompanying consolidated financial statements as minority interest.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) disclosure of contingent assets and liabilities at the date of the financial statements and (iii) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates made include the assessment of collectibility of receivables, net realizable value of inventories, recoverability of intangibles, depreciation and amortization, asset lives, the asset retirement obligation and pensions and workers' compensation liabilities.

Cash and Cash Equivalents: Cash and cash equivalents include all cash and highly liquid investments with original maturities of three months or less at the time of purchase. The Company maintains its cash and cash equivalents in various financial institutions and the balances of its accounts at times may exceed federally insured limits.

Revenue Recognition: Revenue from material sales is recognized at the point title is transferred. Service revenue is recognized when the services are provided to customers. Commission revenue is recognized when the commissions are earned.

The Company requires certain customers to prepay for shipments. Revenues collected prior to transfer of title are recorded as deferred revenue and are recognized as revenue at the point title is transferred.

Shipping and Handling Costs: Shipping and handling costs related to the shipment of product to customers are charged to cost of sales.

Allowance for Doubtful Accounts: The Company generally does not require collateral. In cases where collateral is required, usually letters of credit in favor of the Company are obtained. The Company maintains an allowance for doubtful accounts to provide for losses due to certain customers' inability to make required payments. The allowance for doubtful accounts is an estimate based on the aging of accounts receivable, the financial condition of customers and their payment history, historical loss experience and other assumptions. If the Company made different judgments of the financial condition of its customers, or the financial condition of its customers deteriorated, the allowance would differ from management's estimate. The Company reviews collectibility and establishes or adjusts the allowance as necessary using the specific identification method. In general, each account balance is charged off against the related allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Inventories: Inventories are stated at the lower of cost or fair market value. Cost is determined using the average cost method or the first-in, first-out basis. Fair market values are estimates of the net realizable value in the inventory's current location.

Property, plant and equipment: Purchases of property, plant and equipment, including additions, improvements and expenditures for repairs and maintenance that significantly add to productivity or extend the economic lives of assets, are capitalized at cost and depreciated using the straight line method or the units of production method over their estimated useful lives.

Routine maintenance, repairs and minor replacements are charged to expense as incurred.

Long-Lived Assets: The Company reviews recoverability of the carrying value of its long-lived assets based on the related projected undiscounted future operating cash flows, and reserves for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be fully recoverable.

Goodwill: Goodwill represents the excess of the purchase price over the fair value of net tangible assets and identified intangible assets acquired. Goodwill is not amortized, but is tested annually for impairment or, more frequently, whenever events or changes in circumstances indicate that goodwill may be impaired. No impairment of goodwill was recognized in 2007.

Asset Retirement Obligation: The Company records asset retirement obligations for the estimated present value of the future cost associated with the retirement of tangible long-lived assets. When such obligations are recognized, the carrying value of the related asset is increased by an equal amount. Accretion of the obligation is recognized as an operating expense. The additional cost of the asset is depreciated over the expected useful life of the related asset.

Capitalized Interest: Interest incurred is capitalized to qualifying assets during the active development period. Capitalized interest is transferred to property, plant and equipment when the assets are ready for their intended use and is amortized over the life of such assets as depreciation expense.

Investments: The Company accounts for its investment in an entity using the equity method when the Company's interest is greater-than-20 percent and the Company does not have the ability to control the entity.

The Company accounts for its investment in an entity using the cost method when the Company holds a less-than-20 percent interest and readily determinable fair values are not available.

Marketable securities in which the Company holds a less-than-20 percent interest are classified as available-for-sale or trading based upon the Company's intentions for holding the investment. Changes in the fair value of available-for-sale securities are included in comprehensive income in the consolidated statements of changes in members' equity. Changes in fair value of trading securities are included in earnings.

The Company classifies its investments with an original maturity of less than one year and those investments it intends to sell within one year in other current assets. Investments that the Company does not intend to sell within one year are classified in non-current assets.

Significant Concentrations of Risk: Concentration of credit risk with respect to trade accounts receivable is limited due to the large number of customers in various geographic regions and industry segments comprising the Company's customer base. No single customer accounted for more than 10% of the Company's revenue in 2008 and 2007.

The Company is also subject to risks associated with its international operations including changes in exchange rates and longer payment cycles.

The Company depends upon common carrier rail transportation systems to deliver coal and certain other bulk materials to its customers. Disruption of rail transportation services due to weather related problems, mechanical difficulties, strikes, lockouts, bottlenecks and other events could temporarily impair the Company's ability to supply coal to its customers, resulting in decreased shipments. During 2008 and 2007, the Company did not experience any disruptions in rail service which resulted in missed shipments or production interruptions.

Fair Value of Financial Instruments: The estimated fair values of financial instruments are determined by the Company using reasonably available market information and reasonable valuation methodologies. Estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange or the value that the Company ultimately will realize upon maturity or disposition.

The carrying amounts of the Company's current financial assets and liabilities including cash and cash equivalents, restricted investments, accounts receivable, accounts payable and current portion of long-term debt approximate fair value because of the short maturity of these instruments. The Company's borrowings under the credit agreement, if any, are at a variable interest rate and therefore the carrying amount approximates fair value. The fair value of the interest rate cap, coal forward contracts, and any forward foreign exchange contract are based on valuation models and represent the estimated amounts the Company would pay or receive to terminate the contracts existing as of the balance sheet date.

Foreign Currency Transactions: The Company translates revenues and expenses at average rates prevailing during the period presented and assets and liabilities at year end exchange rates. Translation adjustments are reported as a component of comprehensive income within members' equity when the functional currency is other than the U.S. dollar.

Discontinued Operations: For those businesses where management has committed to a plan to divest, each business is valued at the lower of its carrying amount or estimated fair value less cost to sell. If the carrying amount of the business exceeds its estimated fair value, a loss is recognized. The fair values are estimated using accepted valuation techniques such as a discounted cash flow model, earnings multiples, or indicative bids, when available. Management considers historical experience and all available information at the time the estimates and assumptions are made; however, the fair values that are ultimately realized upon the sale of the businesses to be divested may differ from the estimated fair values reflected in the consolidated financial statements.

For businesses classified as discontinued operations, the balance sheet and statement of operations are reclassified from their historical presentation to assets and liabilities of discontinued operations on the consolidated balance sheet for the year of disposal and to discontinued operations in the consolidated statement of operations for all periods presented. The Company does not expect any continuing involvement with these businesses following the sales, and these businesses are expected to be disposed of within one year.

Income Taxes: The Company is treated as a pass through entity for U.S. federal income tax purposes. Certain of the Company's subsidiaries are taxable entities for U.S. federal income tax purposes. Some states and some foreign jurisdictions treat the Company as a pass-through entity and others treat the Company as a taxable entity.

As a result, the Company may be liable for U.S. federal as well as state and foreign income taxes in some jurisdictions and the members may be liable for taxes in other jurisdictions. Accordingly, provisions, if any, for income taxes reflect only the Company's tax expense in jurisdictions where the pass through treatment is not available or does not apply.

The provision for income tax expense applicable to the Company is determined using the liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse.

There are no major contingent liabilities in the books of Oxbow as on December 31, 2007.

3.7 The Acquirer did not hold any Shares in the equity share capital of ICL prior to the date of the PA and as of the date of this Letter of Offer, the Acquirer does not hold any Shares in ICL. Therefore, the provisions of Chapter II of SEBI Takeover Regulations are not applicable.

3.8 The Acquirer has not promoted any companies.

Oxbow Calcining LLC - PAC

3.9 Great Lakes Carbon LLC was incorporated as a limited liability company on August 11, 2003 in the State of Delaware, USA under Delaware jurisdiction in terms of Charter No. 2277974. The name of the Company was changed to Oxbow Calcining LLC on July 18, 2007 and the Company filed Certificate of Amendment with the Delaware Secretary of State for name change. Oxbow Calcining LLC is engaged in the manufacture and sale of calcined petroleum coke.

3.10 As stated earlier, the Acquirer and Great Lakes Carbon Income Fund entered into Business Acquisition Agreement pursuant to which the Acquirer, through its wholly owned subsidiary Oxbow GLC Canada Acquisition ULC, agreed to acquire all of the assets of Great Lakes Carbon Income Fund. The Acquirer, as part of the Business Acquisition Agreement, also agreed to acquire the wholly owned Canadian subsidiary of the Fund viz Carbon Canada Inc which held approximately 73.56% of the outstanding equity of GLC Carbon, USA. Great Lakes Carbon LLC is a wholly owned subsidiary of GLC Carbon, USA.

3.11 Great Lakes Carbon LLC held 29.96% of the paid up equity share capital of ICL and pursuant to name change, Oxbow Calcining LLC holds 29.96% of the paid up equity share capital of ICL.

3.12 It has its registered office at CSC, 2711, Centerville Road, Suite 400, Wilmington, DE 19808 whereas the principal office / primary address is 1601, Forum Place, Suite P2, West Palm Beach, FL 33401.

3.13 As on June 30, 2007 its paid up share capital was USD 191,061,120. Oxbow Carbon & Minerals Holdings owns and operates Oxbow Calcining LLC. The face value of its shares is USD 1.00.

3.14 Under the statutory requirements for a limited liability company, the governing method is through “Managers”. Accordingly, the managers viz Mr. Brian L. Acton, Mr. Richard P. Callahan, Mr. Zachary K. Shipley, Mr. Steven E. Fried and Mr. Eric P. Johnson exercise the rights that one would usually consider are the responsibility of a Board of Directors. Details of the Managers, as on the date of this Letter Of Offer are as follows:

Name of Manager	Residential Address	Date of Appointment	Qualification	Experience
Mr. Brian L. Acton	141 Rockingham Drive, Jupiter, FL 33458	8.5.2007	Bachelors of Applied Science and MBA - Queen’s University, Kingston, Ontario	Given below
Mr. Richard P. Callahan	345 Seaspray Avenue, Palm Beach, FL 33480	8.5.2007	BSBA - Georgetown University	Given below
Mr. Zachary K. Shipley	c/o Oxbow Corporation, 1601 Forum Place, Suite 1400, West Palm Beach, FL 33401	8.5.2007	MA, M.B.A - Harvard Business School	Given below
Mr. Steven E. Fried	177 Helios Drive, Jupiter, FL 33477	8.5.2007	BA - Dartmouth College.	Given below
Mr. Eric P. Johnson	47 N. Regent Oak, The Woodlands, Texas	8.5.2007	B.S. in Business Administration - University of Oklahoma.	Given below

Mr. Zachary Shipley is currently living on his boat and has no home address in the customary sense, hence the use of the office address for him.

Experience details of Managers of Oxbow Calcining LLC are as follows:

1) **Brian Acton** – Mr. Acton has been the President and Chief Operating Officer of Oxbow Carbon and Minerals since 1995. He has more than 30 years experience in the mining and bulk materials distribution industry, primarily devoted to marketing coal, petroleum coke and other raw materials. Prior to becoming President and Chief Operating Officer, Mr. Acton was the President of Pacific Basin Resources, which handled all U.S. West Coast and Pacific Rim sales for Oxbow Holdings. He has extensive experience as a distribution and logistics provider to the coal industry throughout Canada and South America, Asia and Europe. Born in Canada, Mr. Acton received his Bachelors of Applied Science and MBA degrees from Queen’s University, Kingston, Ontario. A registered professional engineer, Mr. Acton is a member of the Canadian Institute of Mining and Metallurgy as well as the Western Coal Advisory Board.

2) **Richard P. Callahan** – Mr. Callahan has been General Counsel and a Director and Executive Vice President of Oxbow Corporation since 1985. Before joining Oxbow Corporation, Mr. Callahan was a partner in a Boston, MA law firm. In addition to his Oxbow Corporation duties, Mr. Callahan serves as a Board member of the America³ Foundation. Mr. Callahan received his BSBA degree from Georgetown University in 1967 and his law degree from Suffolk University in 1971. He is admitted to the Bar in Massachusetts and New York and is also a member of the American Bar Association. Mr. Callahan serves on the Board of Directors of the Palm Beach Civic Association and is a vice president of Hospice for the town of Palm Beach.

3) **Zachary K. Shipley** – Mr. Shipley is the Chief Financial Officer of Oxbow Corporation and has been an officer and Director since 1983. In addition to his positions with Oxbow Corporation, Mr. Shipley holds positions as Treasurer and a member of the Board of Directors with numerous affiliated companies and foundations. Before joining Oxbow Corporation, Mr. Shipley was a consultant with Bain & Company in Boston, MA. Mr. Shipley received his A.B. degree cum laude from Harvard College in Cambridge, MA in 1974 and his M.B.A. from Harvard Business School in 1980.

4) **Steven E. Fried** – Mr. Fried is Executive Vice President of Operations and Corporate Development for Oxbow Carbon. He is responsible for all calcining plants and terminals. Mr. Fried joined Oxbow in 1996 and worked in a number of business development and operational capacities through 2004, including leadership of the 2003 AIMCOR acquisition and integration. From 2004 until the end of 2006, he held leadership positions at a number of divisions at Foster Wheeler, including CEO Foster Wheeler Power Systems, CEO Foster Wheeler Environmental and EVP Foster Wheeler Global Manufacturing. Mr. Fried's 17 years of experience in the energy industry also include 4 years on staff to the US Secretary of Energy. Mr. Fried received his BA degree from Dartmouth College.

5) **Eric P. Johnson** – Mr. Johnson is Executive Vice President of Oxbow Carbon's calcined petcoke business, responsible for worldwide calcinable grade green petcoke and calcined pet coke. He served in the same capacity at AIMCOR prior to its acquisition by Oxbow. From 1998 to 2002, Mr. Johnson was Global Commercial Manager of Alcoa's Carbon Products Division (formerly Reynolds Metals Company), where he was responsible for worldwide carbon procurement, planning, logistics and sales. From 1990 to 1998, he held a variety of positions at Koch Industries, primarily in global supply and marketing serving clients in the aluminum, energy and steel industries. Mr. Johnson has a B.S. in Business Administration from the University of Oklahoma.

3.15 Brief audited financial details of Oxbow Calcining LLC certified by the Controller of the Oxbow are as follows:

(Rs. in lakhs)

Profit & Loss Statement for the period ended	**January 1, 2007 to May 7,2007 (Predecessor Company)**	**May 8, 2007 to December 31, 2007**	**September 30, 2008**
Revenues	64,405.09	1,22,045.49	89,876.94
Other Income	24.31	133.72	8,208.49
Total Income	64,429.40	1,22,179.21	98,085.43
Total Expenditure	62,403.23	1,22,346.47	58,429.11
Profit before Depreciation, Interest and tax	2,026.17	(167.26)	39,656.32
Depreciation	2,908.09	5,704.72	7,692.03
Interest	8,498.35	17,069.91	21,339.87
Profit before tax	(9,380.27)	(22,941.89)	10,624.42
Income Tax expense/(benefit)	(2,768.99)	(7,273.89)	6,411.90
Net Income	(6,611.28)	(15,667.99)	4,212.52

(Rs. in lakhs)

Balance Sheet Statement as on	**December 31, 2007**	**September 30, 2008**
Sources of funds		
Member Capital	1,41,187.23	1,54,244.24
Reserves and Surplus (excluding revaluation reserves)	(15,667.99)	-
Networth	1,25,519.24	1,54,244.24
Loans & other Liabilities	3,17,047.91	3,39,902.99
Total	4,42,567.15	4,94,147.23
Uses of funds		
Net fixed assets	1,20,738.27	1,42,850.21
Investments/Other Assets	2,76,899.40	3,24,865.14
Net current assets	44,929.48	26,431.87
Total	4,42,567.15	4,94,147.23

Notes:

(a) Conversion Rates applied: 1US$=Rs.46.94 [September 29, 2008]; 1US$=Rs.39.41 [December 31, 2007]; 1US$=Rs.40.57 [May 7, 2007]; Source: www.rbi.org.in

(b) Oxbow Calcining LLC is a privately owned company and therefore does not have audited financial statements as, under the applicable statutes and laws of the State of Delaware, it is not required to prepare audited financial statements. The above statements are un audited and have been certified by the Controller of Oxbow.

(c) In view of above, the requirement with respect to adjustments to financial statements, required as per Clause 11 (a) to (e) of Standard Letter of Offer format of Securities and Exchange Board of India with respect to Open Offer as per Securities and Exchange Board of India [Substantial Acquisition of Shares and Takeovers] Regulations, 1997 as amended, are not applicable and therefore are not relevant.

Some of the significant Accounting Policies followed by Oxbow Calcining LLC are as follows:

Principles of Consolidation: The consolidated financial statements include the accounts of the Company and its subsidiaries in which the Company owns more than 50% of the voting stock or has control through other means. All significant intercompany accounts and transactions have been eliminated.

The portion of capital of consolidated entities not directly owned by the Company is presented in the accompanying consolidated financial statements as minority interest.

Use of Estimates: The preparation of financial statements requires management to make estimates and assumptions that affect (i) the reported amounts of assets and liabilities, (ii) disclosure of contingent assets and liabilities at the date of the financial statements and (iii) the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. Significant estimates made include the assessment of collectibility of receivables, net realizable value of inventories, recoverability of intangibles, depreciation and amortization, asset lives, the asset retirement obligation and pensions and workers' compensation liabilities.

Cash and Cash Equivalents: Cash and cash equivalents include all cash and highly liquid investments with original maturities of three months or less at the time of purchase. The Company maintains its cash and cash equivalents in various financial institutions and the balances of its accounts at times may exceed federally insured limits.

Revenue Recognition: Revenue from material sales is recognized at the point title is transferred. Service revenue is recognized when the services are provided to customers. Commission revenue is recognized when the commissions are earned.

The Company requires certain customers to prepay for shipments. Revenues collected prior to transfer of title are recorded as deferred revenue and are recognized as revenue at the point title is transferred.

Shipping and Handling Costs: Shipping and handling costs related to the shipment of product to customers are charged to cost of sales.

Allowance for Doubtful Accounts: The Company generally does not require collateral. In cases where collateral is required, usually letters of credit in favor of the Company are obtained. The Company maintains an allowance for doubtful accounts to provide for losses due to certain customers' inability to make required payments. The allowance for doubtful accounts is an estimate based on the aging of accounts receivable, the financial condition of customers and their payment history, historical loss experience and other assumptions. If the Company made different judgments of the financial condition of its customers, or the financial condition of its customers deteriorated, the allowance would differ from management's estimate. The Company reviews collectibility and establishes or adjusts the allowance as necessary using the specific identification method. In general, each account balance is charged off against the related allowance after all means of collection have been exhausted and the potential for recovery is considered remote.

Inventories: Inventories are stated at the lower of cost or fair market value. Cost is determined using the average cost method or the first-in, first-out basis. Fair market values are estimates of the net realizable value in the inventory's current location.

Property, plant and equipment: Purchases of property, plant and equipment, including additions, improvements and expenditures for repairs and maintenance that significantly add to productivity or extend the economic lives of assets, are capitalized at cost and depreciated using the straight line method or the units of production method over their estimated useful lives.

Routine maintenance, repairs and minor replacements are charged to expense as incurred.

Long-Lived Assets: The Company reviews recoverability of the carrying value of its long-lived assets based on the related projected undiscounted future operating cash flows, and reserves for impairment whenever events or changes in circumstances indicate the carrying amount of the assets may not be fully recoverable.

Goodwill: Goodwill represents the excess of the purchase price over the fair value of net tangible assets and identified intangible assets acquired. Goodwill is not amortized, but is tested annually for impairment or, more frequently, whenever events or changes in circumstances indicate that goodwill may be impaired. No impairment of goodwill was recognized in 2007.

Asset Retirement Obligation: The Company records asset retirement obligations for the estimated present value of the future cost associated with the retirement of tangible long-lived assets. When such obligations are recognized, the carrying value of the related asset is increased by an equal amount. Accretion of the obligation is recognized as an operating expense. The additional cost of the asset is depreciated over the expected useful life of the related asset.

Capitalized Interest: Interest incurred is capitalized to qualifying assets during the active development period. Capitalized interest is transferred to property, plant and equipment when the assets are ready for their intended use and is amortized over the life of such assets as depreciation expense.

Investments: The Company accounts for its investment in an entity using the equity method when the Company's interest is greater-than-20 percent and the Company does not have the ability to control the entity.

The Company accounts for its investment in an entity using the cost method when the Company holds a less-than-20 percent interest and readily determinable fair values are not available.

Marketable securities in which the Company holds a less-than-20 percent interest are classified as available-for-sale or trading based upon the Company's intentions for holding the investment. Changes in the fair value of available-for-sale securities are included in comprehensive income in the consolidated statements of changes in members' equity. Changes in fair value of trading securities are included in earnings.

The Company classifies its investments with an original maturity of less than one year and those investments it intends to sell within one year in other current assets. Investments that the Company does not intend to sell within one year are classified in non-current assets.

Significant Concentrations of Risk: Concentration of credit risk with respect to trade accounts receivable is limited due to the large number of customers in various geographic regions and industry segments comprising the Company's customer base. No single customer accounted for more than 10% of the Company's revenue in 2008 and 2007.

The Company is also subject to risks associated with its international operations including changes in exchange rates and longer payment cycles.

The Company depends upon common carrier rail transportation systems to deliver coal and certain other bulk materials to its customers. Disruption of rail transportation services due to weather related problems, mechanical difficulties, strikes, lockouts, bottlenecks and other events could temporarily impair the Company's ability to supply coal to its customers, resulting in decreased shipments. During 2008 and 2007, the Company did not experience any disruptions in rail service which resulted in missed shipments or production interruptions.

Fair Value of Financial Instruments: The estimated fair values of financial instruments are determined by the Company using reasonably available market information and reasonable valuation methodologies. Estimates are not necessarily indicative of the amounts that the Company could realize in a current market exchange or the value that the Company ultimately will realize upon maturity or disposition.

The carrying amounts of the Company's current financial assets and liabilities including cash and cash equivalents, restricted investments, accounts receivable, accounts payable and current portion of long-term debt approximate fair value because of the short maturity of these instruments. The Company's borrowings under the credit agreement, if any, are at a variable interest rate and therefore the carrying amount approximates fair value. The fair value of the interest rate cap, coal forward contracts, and any forward foreign exchange contract are based on valuation models and represent the estimated amounts the Company would pay or receive to terminate the contracts existing as of the balance sheet date.

Foreign Currency Transactions: The Company translates revenues and expenses at average rates prevailing during the period presented and assets and liabilities at year end exchange rates. Translation adjustments are reported as a component of comprehensive income within members' equity when the functional currency is other than the U.S. dollar.

Discontinued Operations: For those businesses where management has committed to a plan to divest, each business is valued at the lower of its carrying amount or estimated fair value less cost to sell. If the carrying amount of the business exceeds its estimated fair value, a loss is recognized. The fair values are estimated using accepted valuation techniques such as a discounted cash flow model, earnings multiples, or indicative bids, when available. Management considers historical experience and all available information at the time the estimates and assumptions are made; however, the fair values that are ultimately realized upon the sale of the businesses to be divested may differ from the estimated fair values reflected in the consolidated financial statements.

For businesses classified as discontinued operations, the balance sheet and statement of operations are reclassified from their historical presentation to assets and liabilities of discontinued operations on the consolidated balance sheet for the year of disposal and to discontinued operations in the consolidated statement of operations for all periods presented. The Company does not expect any continuing involvement with these businesses following the sales, and these businesses are expected to be disposed of within one year.

Income Taxes: The Company is treated as a pass through entity for U.S. federal income tax purposes. Certain of the Company's subsidiaries are taxable entities for U.S. federal income tax purposes. Some states and some foreign jurisdictions treat the Company as a pass-through entity and others treat the Company as a taxable entity.

As a result, the Company may be liable for U.S. federal as well as state and foreign income taxes in some jurisdictions and the members may be liable for taxes in other jurisdictions. Accordingly, provisions, if any, for income taxes reflect only the Company's tax expense in jurisdictions where the pass through treatment is not available or does not apply.

The provision for income tax expense applicable to the Company is determined using the liability method of accounting for deferred income taxes. Under this method, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the years in which the differences are expected to reverse.

There are no major contingent liabilities in the books of Oxbow Calcining LLC as on December 31, 2007.

As on the date of this Letter of Offer Mr. Eric Johnson and Mr. Gord McIntosh are the representatives of Oxbow Calcining LLC on the board of ICL. They were inducted into the Board of ICL on June 29, 2007.

3.16 Oxbow Calcining LLC has not promoted any companies.

3.17 The Acquirer and the PAC have not acquired directly or through any person, any equity shares in ICL during the twelve months preceding the date of the PA except as per the details given above. The Acquirer and the PAC have not acquired any Equity Shares in ICL during the last 26 weeks period prior to the date of the PA by way of (a) allotment in public issue or (b) allotment in rights issue or (c) preferential allotment.

3.18 Great Lakes Carbon LLC held 29.96% of the paid up equity share capital of ICL and pursuant to name change, Oxbow Calcining LLC holds 29.96% of the paid up equity share capital of ICL. The PAC has clarified that in spite of their best of efforts, they could not trace the records relating to their compliances with the provisions of Chapter II of the SEBI Takeover Regulations. Therefore, non submission / non availability of the copies of the records relating to their compliances with the provisions of Chapter II of the SEBI Takeover Regulations may be construed as their non compliance with the provisions of Chapter II of the SEBI Takeover Regulations and SEBI may initiate appropriate action against them for the non compliances in this regard.

Relationship between Acquirer and PAC

Oxbow Calcining LLC, formerly known as Great Lakes Carbon LLC, is a wholly owned subsidiary of GLC Carbon, USA. Oxbow Carbon & Minerals Holdings, Inc, USA, the Acquirer, as part of the Business Acquisition Agreement entered into with Great Lakes Carbon Income Fund on March 28, 2007, also agreed to acquire the wholly owned Canadian subsidiary of Great Lakes Carbon Income Fund viz Carbon Canada Inc which held approximately 73.56% of the outstanding equity of GLC Carbon, USA. Further, the Acquirer purchased the remaining 26.44% shares of GLC Carbon, USA through an agreement with Rain Commodities (Canada) Inc.

Oxbow Carbon & Minerals Holdings, Inc, USA and Oxbow Calcining LLC are referred to as the Acquirer and PAC only for the purposes of this Offer. No agreement was entered into between or amongst themselves for the direct / indirect acquisition of equity stake in ICL and acquisition of shares of ICL in the open offer except that it has been mutually decided the Acquirer and the PAC that the equity shares that would be tendered in the valid form in terms of this Offer will be transferred in favour of Oxbow Calcining LLC.

Disclosure in terms of Regulation 16(ix) of Takeover Regulations and future plans / strategies of the acquirer with regard to ICL:

Post acquisition of Shares in ICL, the Acquirer will be in substantial control of the management of the Company assuming 100% response to the open offer.

Acquirer does not currently have any plans to dispose of or otherwise encumber any assets of ICL in the two years from the date of the closure of this Offer except in the ordinary course of business to the extent permitted by applicable laws.

Acquirer will take decisions regarding the future course of ICL including with regard to disposal of assets of ICL in the next two years in the ordinary course of business with the approval of the shareholders. Acquirer hereby undertakes not to sell, dispose of or otherwise encumber any substantial assets of ICL except with the prior approval of the shareholders.

Acquirer will take appropriate decisions in the aforesaid matters as per the requirements of business and in line with opportunities or changes in the economic scenario, from time to time. As on date, the Acquirer and the PAC have no specific future plans for ICL.

4. DISCLOSURE WITH REGARD TO CONTINUOUS LISTING

The minimum public shareholding required for continuous listing of the equity shares of ICL is 25% (twenty five) of the total issued equity share capital. Pursuant to indirect acquisition and this Offer, there will be no violation of Clause 40A of the listing agreement of ICL with the stock exchanges on which its equity shares are listed and the equity shares will continue to be listed. Post open offer, if the public shareholding falls to a level below the minimum public holding required for continuous listing, the Acquirer has undertaken to take necessary steps to facilitate compliance of ICL with the relevant provisions thereof in terms of the provisions of regulation 21(2) of SEBI Takeover Regulations (i.e., to enable ICL to raise the level of public shareholding, to the levels specified for continuous listing specified in the listing agreement with the stock exchanges, within the prescribed period).

5. BACKGROUND OF THE TARGET COMPANY – ICL

5.1 India Carbon is a public limited company incorporated on June 12, 1961 under the Companies Act, 1956 to carry on manufacture and supply of high quality Calcined Petroleum Coke (CPC). Along with the Calcined Coke, the Company also specializes in the production of Electrode Carbon Paste (ECP) and Tamping Paste used widely in the Ferro Alloys and Allied industries and also in the production of Carbide. The registered office of the Company is situated at Noonmati, Guwahati -781 020, Assam, India. Tel No: (0361) 2550289/ 2550290/ 2550291; Fax No: (0361) 2550313. ICL has manufacturing units at Guwahati and Budge Budge. The manufacturing units are located at (a) Noonmati, Guwahati, Assam – 781020, Tel: 91 (361) 2550289 / 290 / 291 and (b) 35, Deshbandhu Chittaranjan Road, Budge Budge, 24 Parganas (South) – 700137, West Bengal, Tel: 91 - 33 - 2470 1831/ 32.

5.2 ICL entered the capital market in December 4, 1961 with a public issue of 4,00,000 equity shares of Rs. 10/- (Rupees Ten only) each at par aggregating to Rs 40,00,000/-. The issue was fully subscribed and the Shares were listed on CSE and GSE. Further, ICL issued 2,00,000 fully paid up equity shares of Rs. 10/- each at par aggregating to Rs. 20,00,000/- to the existing shareholders of the Company on a rights basis in 1969. These shares were listed on CSE and GSE. In the year 1976, the Company issued 6,00,000 bonus shares in the ratio of 1:1 to the existing shareholders. The company also issued 12,00,000 fully paid up equity shares of Rs 10/- each on a rights basis to the existing shareholders in the ratio of 1:1 in the year 1981.

5.3 The main objects of the Company are –

a. To manufacture, calcine, refine, process, import, export, buy, sell and deal in petroleum coke, calcined petroleum coke, anthracite coal, calcined anthracite coal, and to draw out, manufacture and deal in coal tar and other by-products as may be possible and to utilize waste gases for industrial uses and purposes.

b. To carry or operate a technical service to provide development and research work on petroleum coke , calcined petroleum coke, anthracite coal, coal – tar and other products of the company and their uses and applications , training of workers in operating equipments , manufacturing, calcining petroleum coke, anthracite coal and other products of the company and to work out and provide for free use or resale or by licensing new or reformed technical know- how on petroleum coke applications or new processes.

c. To carry on business as manufacturers of and dealers in coal, coke, petroleum, natural and synthetic, coal gases and refinery gas.

5.4 The Company was promoted by Mr. B. Himatsingka. ICL, since inception, has also been in Technical & Financial Collaboration with Great Lakes Carbon Corporation, USA (now Oxbow Calcining). At present, Mr. Rakesh Himatsingka and his direct family are the present promoters of ICL and they are the Promoters of the Company in terms of regulation 2(1)(h) of the Takeover Regulations.

5.5 There were no mergers, de-mergers and/or spin-offs involving ICL during the last three years except that ICL was involved in the below mentioned corporate exercises / actions:

1. Shyam orchids Estates Limited which was established in the year 2006 for entering the real estate business, decided to withdraw from the same due to prevailing uncertainties in Assam.

2. During the year 2006-2007 the company acquired another 100% subsidiary under the name and style of Subhag Properties Pvt. Ltd. to implement its new Orissa project. However in view of the delay in clearance to the project from the company's partners GLC and in view of various requirements to be completed by Subhag Properties Pvt. Ltd. towards land acquisition etc, ICL was constrained to step back from the same.

5.6 The equity capital structure of ICL as on the date of the PA was as under:

Shares	No of equity shares / voting rights	% of equity shares / voting rights
Fully paid-up equity shares of Rs. 10/- (Rupees Ten only) each	26,50,000	100.00
Partly paid-up equity shares	-	-
Total paid up equity shares of Rs. 10/- (Rupees Ten only) each	26,50,000	100.00
Total voting rights in Target Company	26,50,000	100.00

Besides above, the paid up capital of ICL consists of 10,000 Redeemable Cumulative Preferential Shares of Rs. 100/- each aggregating Rs. 1,000,000/- (Rupees Ten Lakhs only).

There were no outstanding convertible instruments as on the date of the PA and as on the date of letter of offer.

5.7 Details of share capital history of ICL as on the date of this Letter of Offer are as under:

Year	No. of Shares	Percentage (No. of New Shares/ No. of Old Shares)	Cumulative (Total No. of Shares after New Shares)	Mode of Allotment	Identity of allottees
1962	4,00,000	__	4,00,000	Public Issue	Public
1969	2,00,000	50%	6,00,000	Right Issue	Existing Shareholders
1976	6,00,000	100%	12,00,000	Bonus Share	Existing Shareholders
1982	12,00,000	100%	24,00,000	Right Issue	Existing Shareholders
2007	2,50,000	10.42%	26,50,000	Debentures Converted	Debenture Holders

5.8 Details of change in the shareholding of the promoters of ICL are as follows:

Date	No. of Shares	% to total equity	Names of the shareholders
23.11.1990	4,06,855	16.95	Directors and Relatives
21.12.1991	3,82,564	15.94	Directors and Relatives
15.09.1992	3,96,448	16.52	Directors and Relatives
29.09.1993	3,55,902	14.83	Directors and Relatives
28.09.1994	4,20,912	17.54	Directors and Relatives
31.12.2001	1,26,570	5.28	Promoters and promoter group
31.03.2002	1,29,570	5.40	Promoters and promoter group
30.09.2004	11,32,94	4.73	Promoters and promoter group
31.03.2006	11,80,58	4.92	Promoters and promoter group
30.06.2006	11,91,61	4.97	Promoters and promoter group
31.07.2006	12,04,28	5.02	Promoters and promoter group
31.12.2006	12,09,31	4.56	Promoters and promoter group

The shareholding pattern of the Promoter and Promoter group as on September 30, 2008 is as follows:

Name of shareholder	Number of shares	Shares as a percentage of total shares
Gaurav Himatsingka N and G R D Himatsingka	195	0.01
Dipak Himatsingka	15,213	0.57
Gaurav Himatsingka	276	0.01
Dipak Kumar Himatsingka – Karta of GK HUF	20,900	0.79
Vivek Himatsingka N and GR S.R. Himatsingka	335	0.01
Vivek Himatsingka F and NG Dipak Himatsingka	1,332	0.05
Vivek Himatsingka	35,010	1.32
Shaurya Veer Himatsingka	23,326	0.88
Rakesh Himatsingka	9,778	0.37
Rohini Himatsingka	175	0.01
Gaurav Himatsingka N & GR R Himatsingka	100	0.00
Vivek Himatsingka N & GR R Himatsingka	7,000	0.26
Anita Himatsingka	7,291	0.28
Total	1,20,931	4.56

5.9 Compliance of SEBI Takeover Regulations: The promoters of the Target Company have clarified that in spite of their best of efforts, they could not trace the records relating to their compliances with the provisions of Chapter II of the SEBI Takeover Regulations. Therefore, non submission / non availability of the copies of the records relating to their compliances with the provisions of Chapter II of the SEBI Takeover Regulations may be construed as their non compliance with the provisions of Chapter II of the SEBI Takeover Regulations and SEBI may initiate appropriate action against them for the non compliances in this regard.

Based on the documents furnished by the Target company, the major shareholders of the Target company have complied to a larger extent with the applicable provisions of Chapter II of SEBI Takeover Regulations except for delay in some cases. SEBI may initiate appropriate action against them for the delay in compliances in this regard.

5.10 The Shares of the Company have not been suspended at any time in the ordinary course. There have not been any listing agreement violations by the Company in the past.

5.11 The applicable provisions of Chapter II of SEBI Takeover Regulations have been, to a larger extent, complied with by the Target Company. However, the Target Company has not complied with: (a) Regulation 6(4) of Chapter II of SEBI

Takeover Regulations, in 1997 and (b) Regulation 8(3) of Chapter II of SEBI Takeover Regulations in the years 1998, 2002, 2003, 2004,. There has also been a delay of six months in complying with Regulation 8(3) of the SEBI Takeover Regulations, in the year 2007. The Company filed an application dated August 8, 2008 in terms of SEBI circular No. EFD/ED/Cir.- 1/2007 dated April 20, 2007, seeking settlement of the enforcement actions, that may be initiated by SEBI for the aforesaid delays/failures. SEBI may initiate appropriate action against the Target Company at a later stage for these non compliances/ delays.

5.12 ICL has complied with other provisions of Takeover Regulations and other applicable provisions of SEBI Act and other statutory requirements.

5.13 The Company's management is vested with the Board of Directors. The composition of the Board of Directors as on the date of the PA is as under:

Name	Designation	Address	Date of Appointment	Qualification	Experience
1. Mr. Rakesh Himatsingka	Chairman & Managing. Director	13, Gurusaday Road, Ballygunge Kolkata 700 019	14.10.1977	Engineer	Given below
2. Mr. R.K. Rawat	Whole-Time Director	2, Sarat Chatterjee Avenue, Kolkata-700029	01.11.2004	Mechanical Engineer	Given below
3. Mr. Robert C. Dickie	Director	Great Lakes Carbon LLC 4, Greenspoint Plaza, Suite 2200, 16945, Northchase Drive, Houston, Texas 77060 U.S.A.	30.05.1997	Chemical Engineer	Given below
4. Mr. Albert John Rolfe	Director	Great Lakes Carbon LLC 5th Floor, Regal House, 70, London Road, Twickenham TW1 3QS, United Kingdom.	30.09.2004	M.A (Oxon)	Given below
5. Mr. H.K. Khaitan	Director	4,Queen's Park, Kolkata 700 019	15.07.1996	B.Com	Given below
6. Mr. P.K. Saraf	Director	5B, Maple Apartment, 188/1C, Manicktala Main Road, Kolkata-700054	25.11.1997	B.Com	Given below
7. Mr. G.P. Barua	Director	5, Deshapriya Park Road Kolkata-700026	29.01.2003	Business Economist and Human Resource Management expert	Given below
8. Mr. K. Srinivasan	Director	'Park Towers' 14, Ballygunge Park Road, Kolkata-700019.	29.01.2004	Chartered Accountant	Given below
9. Mr. H. Sonowal,I. A.S. (Nominee of Government of Assam)	Director	Commissioner & Secretary, Industries and Commerce Department, Government of Assam, Dispur, Guwahati-781006.	30.06.2005	I.A.S	Given below
10. Mr.S.V.Himatsingka	Whole-Time Director	13, Gurusaday Road, Ballygunge, Kolkata-700 019	01.02.2007	B. Sc in Business Administration, MBA	Given below
11. Mr.Manoj Mohanka	Director	9, Love Lock Place, Kolkata- 700 019	29.06.2007	B.Com (Hons), M.Sc	Given below
12. Mr. Gord McIntosh	Director	509-2268 Redbud Lane, Vancouver, Canada V6K4S6	29.06.2007	B.A in Industrial Relations and Economics	Given below
13. Eric P. Jhonson	Director	13261 Marsh Landing Palm Beach Gardens, Florida, U.S.A. 33418	29.06.2007	B.A.(Business Management)	Given below

Experience details of Directors of ICL :

1. Mr. Rakesh Himatsingka: Mr. Rakesh Himatsingka has over 34 years of experience in carbon products and specialty carbon industries in the field of Corporate Management, Global Marketing, Project Co-ordination and Technology Transfer. Mr. Himatsingka also enjoys international work experience with Morganite Electrial and Carbon Limited, UK.
2. Mr. R.K. Rawat: Mr. R.K. Rawat has 45 Years of experience in carbon, chemical and engineering industries in different technical fields including Research and Development.
3. Mr. Robert.C.Dickie: Mr. Robert.C.Dickie has 27 years of experience in aluminium and carbon Industries. He has been Vice President, sales of Great Lakes Carbon LLC for the last 12 years.
4. Mr. Albert John Rolfe: Mr. Albert John Rolfe has considerable experience in the field of industrial sales.

5. Mr. H.K Khaitan: Mr. H.K Khaitan has 33 Years of rich experience in steel and power transmission industries with expertise in Management and Exports of Electrical Engineering Goods and Services.
6. Mr. P.K. Saraf: Mr. P.K. Saraf is a noted industrialist having rich experience in different industrial sectors.
7. Mr. G.P. Barua: Mr. G.P. Barua has more than 30 years of rich experience in Human Resource in renowned corporate houses. He was nominated as Banking Ombudsman from 2000-02 and held the position of Group Corporate Vice President in Williamson Magor Group for number of years.
8. Mr. K. Srinivasan: Mr. K. Srinivasan has 41 Years of rich experience in the field of Finance, Legal, Strategy e.t.c. He was the Joint Managing Director of Shaw Wallace.
9. Mr. H. Sonowal: Mr. H. Sonowal is an IAS officer having considerable experience in administration. He is a nominee Director of Government of Assam.
10. Mr. S.V. Himatsingka: Mr. S.V. Himatsingka has experience in the fields of Finance, Strategy and Business Development. Having completed his B.S in Business Administration as well as Masters in Business Administration from Carnegie Mellon University, Mr. Himatsingka has good international exposure having worked on assignments with Mellon Bank, Pennsylvania and Morgan Advanced Ceramics, Massachusetts.
11. Mr. Manoj Mohanka: Mr. Manoj Mohanka has rich experience in the field of Finance, Accounts, Control, Management and marketing. He has expertise in fund raising and IPO's, both in India and abroad.
12. Mr. Gord McIntosh: Mr Gord McIntosh has more than 13 years experience in Shipping and Carbon Industries. Presently he is Director, Supply & Marketing Calcined Coke in Oxbow Carbon & Minerals LLC
13. Mr. Eric P. Johnson: Mr Eric P Johnson has very good experience in aluminium and calcining industries. Presently he is working as Executive Vice President, Calcined coke in Oxbow Carbon & Minerals LLC.

Change in control of ICL is taking place pursuant to the global arrangement / agreement and Oxbow has nominated Mr Eric P. Johnson and Mr. Gord McIntosh as their representatives on the board of ICL. They were inducted into the Board of ICL on June 29, 2007.

Mr Eric P. Johnson and Mr. Gord McIntosh were replacements of existing nominee directors on the board of ICL and not new appointments to the board of ICL by Oxbow in view of the acquisition of indirect control by Oxbow over ICL . The Acquirer and / or PAC have not violated Regulation 22(7) of the SEBI Takeover Regulations.

Mr Eric P. Johnson and Mr. Gord McIntosh were inducted into the board of ICL as representatives of Oxbow as the replacements for the nominees of Great Lakes.

To be precise, Mr. J.D.McKenzie, President & CEO of Great Lakes Carbon LLC (Now Oxbow Calcining LLC) resigned from the Board of ICL. Simultaneously Mr. C.L.Beliharz, who was the Alternate Director to Mr. McKenzie, ceased to be a Director of ICL.

Consequent to resignation of Mr McKenzie , Mr. E.P.Johnson, Executive VP of Oxbow Carbon & Minerals LLC was inducted in the Board of ICL as a Director to fill the casual vacancy caused by resignation of Mr. McKenzie and Mr. Gord Mcintosh, Director (Supply and Marketing) of Oxbow Carbon & Minerals LLC was appointed as an alternate Director to Mr. E.P.Johnson.

5.14 Brief audited financial details of ICL for the last 3 years and for the subsequent 6 months period are as follows:

(Rs. In Lakhs)

Profit & Loss Statement for the period ended	**31st March 2006 (Audited)**	**31st March 2007 (Audited)**	**31st March 2008 (Audited)**	**Six months ended 30th September 2008 (Audited)**
Income from Operations – Net	9,340.13	11,363.41	11,290.16	8,582.52
Other Income **	211.59	92.81	268.68	51.5
Total Income	9,551.72	11,456.22	11,558.84	8,634.02
Total Expenditure	9,240.55	10,908.33	10,738.46	7,169.17
Profit before Depreciation, Interest and tax	311.17	547.88	820.38	1,464.85
Depreciation	64.62	67.15	69.93	33.95
Interest	235.36	155.40	177.33	118.12
Profit before tax	11.19	325.33	573.12	1,312.78
Provision for tax	7.33	76.31	205.29	449
Profit after tax	3.87	249.02	367.83	863.78

**Other income for the year ended March 31, 2006, 2007 and 2008 includes increase/decrease in stock of finished goods.

(Rs. in Lakhs)

Balance Sheet as at	31st March 2006 (Audited)	31st March 2007 (Audited)	31st March 2008 (Audited)
Sources of Funds			
Paid up Equity Share Capital	240	265	265
Preference Share Capital	10	10	10
Reserves & Surplus (excluding revaluation reserve)*	805.22	1,098.8	1,434.54
Net Worth	1,055.22	1,373.80	1,709.54
Revaluation Reserve	101.53	98.71	96.09
Secured Loan	886.48	887.01	1,035.92
Unsecured Loan	410.3	202.4	184.35
Deferred Tax liability	56.9	76.74	66.73
Total	**2,510.43**	**2,638.66**	**3,092.63**
Uses of Funds			
Net Fixed Assets	599.07	588.14	589.23
Net Current Assets	1,841.32	1,939.28	2,392.16
Investments	70.04	111.24	111.24
Total	**2,510.43**	**2,638.66**	**3,092.63**

* Composition of Reserves and Surplus (Rs. in Lakhs)

RESERVES AND SURPLUS	31.03.2006	31.03.2007	31.03.2008
1) Capital Reserve	0.064	0.064	0.064
2) Capital Redemption Reserve	10	10	10
3) Central Capital Subsidy	20	20	20
4) Share Premium Account	NIL	75	75
5) General Reserve	517.53	567.53	795
6) Profit & Loss Account	257.62	426.2	534.48
	805.22	**1098.8**	**1434.54**

Contingent liabilities as on March 31, 2008 are as under:

Sr. No.	Particulars	Amount (Rs. Lakhs)
1.	Indemnity Bonds/Guarantees through banks	587.79
2.	Matters under dispute	46.86
3.	Estimated Amount of outstanding Contracts/ Capital Commitments	309.65
	Total:	944.30

Other Financial data

Particulars	31st March 2006 (Audited)	31st March 2007 (Audited)	31st March 2008 (Audited)
Dividend on equity(%)	-	10	10
Earning Per Share (Rs.)	0.12	9.88	13.84
Return on Net Worth (%)	0.37	18.13	21.52
Book Value per Share (Rs.)	43.55	51.46	64.13

Source: Annual Reports

Note:

(a) EPS = Basic earning per share as per the annual reports

(b) RONW= Profit after tax / net worth excluding revaluation reserve including preference share capital

(c) Book value per share (Rs.) = Net worth excluding revaluation reserve and preference capital/ No of equity shares

5.15 Reason for rise in total income and fall in Profit After Tax (PAT):

(Rs. in Lakhs)

Sl. No.	Financial Year	Total Income	PAT
1.	2005-06	9,551.72	3.87
2.	2006-07	11,456.22	249.02
3.	2007-08	11558.84	367.83

The reason behind the fall of PAT in the year 2006 and its subsequent rise in the year ended 2007 is due to sudden and sharp price increase for a major raw material for the Company (in 2005-2006) and the fact that the same increase could not be passed on to the customers due to some fixed price sale contracts that had been entered into by the Company. In the year ended 2007, these price increases were better accounted for in the Selling Price of the final product and there were also substantial gains from improved operations in terms of savings on power & fuel and reduced interest and banking related charges. Lastly, the Company had a one-time non-business income of Rs.1 Crore on account of sale of one capital asset.

Reasons for rise in income and profit in the year 2007-08 over the year 2006-07: During the year 2007-08, the Company's turnover decreased marginally by 0.64% in comparison to the financial year 2006-07. In spite of historical increase in cost of Raw Petroleum Coke (RPC) and marginal dip in sales, the Company was able to increase its net profit by 47.72% by aggressive marketing, timely sourcing of raw material, cost cutting and improving operational efficiency.

5.16 Shareholding pattern before and after the Offer (assuming full acceptances) as on the date of PA

Category	Shareholding & voting rights prior to PA		Shares & voting rights to be acquired in Offer (assuming full acceptances)		Share holding & voting rights after Offer	
	Shares	%	Shares	%	Shares	%
(1) Promoter & Promoter Group	1,20,931	4.56	-	-	120,931	4.56
(2) Acquirer & PAC	7,94,000 *	29.96	5,30,000	20.00	13,24,000	49.96
(3) Public (other than parties to Agreement, Promoter and acquirer)	17,35,069	65.48	5,30,000	20.00	12,05,069	45.48
GRAND TOTAL	**26,50,000**	**100.00**	**5,30,000**	**20.00**	**26,50,000**	**100.00**

* PAC Oxbow Calcining LLC, formerly known as Great Lakes Carbon LLC held 29.96% in India Carbon Ltd.

5.17 As on August 10, 2007, i.e. Specified Date, there were 4,805 Shareholders. All owners (registered or unregistered) of Shares of ICL, anytime before closure of the Offer, except (a) the Acquirer and (b) the PAC are eligible to participate in the open offer.

5.18 Corporate Governance: As per the disclosure made in the Annual Report, ICL is not required to adhere to the code of Corporate Governance prescribed by SEBI as laid down under clause 49 of the Listing Agreement with the Stock Exchanges in view of the fact that the same are not applicable to the company as per schedule of implementation contained therein. [Source: Audited Annual Report 2007-08].

5.19 Compliance Officer: ICL has appointed Mr. Prodyut Banerjee, Company Secretary cum Legal and Compliance Officer, Temple Chambers, 4th Floor, 6 Old Post Office Street, Kolkata-700001, Tel 033-22487856/59, Fax: 033-22307507 E-mail: prodyut@indiacarbonltd.com, as the Compliance officer.

5.20 Pending litigations as on the date of this Letter of Offer are as follows:

Sl No.	Case Name	Case No.	Next Status
1	Dipak Kr. Himatsingka Vs India Carbon Limited	CS 87/99	Hearing Pending
2	India Carbon Limited Vs Nikita Metals(p) Ltd	C 3926/08	Hearing Pending
3	Metal Investment International Ltd VsIndia Carbon Limited	NA	Hearing Pending
4	India Carbon Limited Vs Petro Pool(p) Ltd	S 29420085	Pending
5	G.P.Singh Vs India Carbon Limited	SA 767/99, CAN 5318/01	Hearing Pending

6	Arundhati Gupta & Anr Vs India Carbon Limited	Misc. Case No. 41/96	Hearing Pending
7	India Carbon Limited Vs G.P.Singh	TS 254/85	Hearing Pending
8	G.P.Singh Vs India Carbon Limited	TS 32/02	Hearing Pending
9	Chamria Properties Pvt Ltd Vs India Carbon Limited	TS 1248/90	Hearing Pending
10	India Carbon Limited Vs E.S.I		Hearing Pending
11	India Carbon Limited Vs E.S.I Corporation	WP of 99	Hearing Pending
12	India Carbon Limited Vs Tecil Chemicals Pvt Ltd		The petition has been clubbed with identical 5 matters against the Tecil Chemicals. Tecil pleading for revival.
13	Dipak Kr. Himatsingka & Ors.Vs Rakesh Himatsingka & Ors	CS 450/98	Hearing Pending
14	Rakesh Himatsingka & Ors Vs. Dipak Kr. Himatsingka & Ors.	APO 355/07, APOT 444/07 Arising out of CS No. 450/98 (partition suit)	Appeal from Order dt. 12/07/07 by Ashim Banerjee, judge to appear before the Honble Chief Justice two weeks after puja vacation.
15	Dipak Kr. Himatsingka & Ors.Vs Rakesh Himatsingka & Ors	APOT 558/2006 Arising out of CS No. 450/98 (partition suit)	Appeal from Order dt. 01/09/06 by Ashim Banerjee, judge to appear before the Honble Chief Justice two weeks after puja vacation.
16	Dipak Kr. Himatsingka & Ors.Vs Rakesh Himatsingka & Ors	APOT 184/08, GA 1577/08 Arising out of CS No. 450/98 (partition suit)	Appeal against GA 2576/07 Order dt 18/04/08 passed by Justice S. Banerjee to appear before honble chief justice two weeks after puja vacation.
17	Arundhati Gupta & Anr Vs India Carbon Limited	TS 285/95	Hearing Pending

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification of Offer Price

6.1.1 The Shares of ICL are presently listed but not traded on GSE and CSE.

6.1.2 The Acquirer and the Fund announced on May 8, 2007 that the Acquirer completed its acquisition of all of the assets of the Fund. The Equity shares of ICL were not traded on GSE and CSE during November 1, 2006 to April 30, 2007 i.e. six calendar months preceding the date of the said announcement. Further, the Equity shares of ICL were not traded on GSE and CSE during February 1, 2007 to July 31, 2007 i.e. six calendar months preceding the date of the PA. [Source: Letters issued by GSE and CSE].

6.1.3 The Equity Shares are, therefore, deemed to be infrequently traded on GSE and CSE within the meaning of the Explanation (i) of Regulation 20(5) of the SEBI Takeover Regulations.

Consequently, the minimum Offer Price to be computed for this Offer would be governed by Regulation 20(5) of the SEBI Takeover Regulations as per the applicable parameters viz

(a) Negotiated price – No specific value was ascribed for indirect acquisition of shares of ICL,

(b) Highest price paid by the Acquirer or PAC for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of the announcement made by the Acquirer and the Fund on May 8, 2007 – Not Applicable,

(c) Highest price paid by the Acquirer or PAC for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of the PA – Not Applicable and

(d) Other parameters based on the audited financial results for the year ended on March 31, 2007 i.e. Book Value per share Rs. 54.43 per share, Return on Net Worth 17.26%, basic and diluted Earning Per Share Rs. 9.88 per share. Price Earning Ratio and Offer PE can not be computed as there has not been any trading in the Equity Shares of the Company. Fair Value of the Equity Share of ICL [as per the details given below] is Rs. 24.60 per share.

6.1.4 Equity Shares are deemed to be infrequently traded on GSE and CSE as per the details given above.

So as to ascertain fair value of the equity shares of ICL, in terms of the provisions of Regulation 20(5) of SEBI Takeover Regulations, Acquirer has obtained a share valuation certificate dated August 1, 2007 from Mr. Riaz Thingna, Partner, (Membership No. 34864), Thingna & Contractor, Chartered Accountants, G-3, T. V. Industrial Estate, 248/A, S. K. Ahire Marg, Worli, Mumbai 400030, an independent Chartered Accountant.

Aforesaid valuation was done keeping in view the decision of the Hon'able Supreme Court of India in the case of Hindustan Lever Employee Union v. Hindustan Lever Limited, (1995) 83 Comp Case 30.

The said valuation report, prepared on the basis of Net Asset Value [Rs. 41.49 per share], Profit Earning Capacity Value [Rs. 18.40 per share] and Indicative Market Price [Rs. 22.36 per share, assuming that indicative industry PE ratio is 8.13 [PE multiple for Graphite India is 8.54 and Rain Calcining Ltd is 7.71] as per the erstwhile guidelines of the Controller of Capital Issues, indicated that the fair value of the equity share of ICL based on the audited financial statements as on March 31, 2007 is Rs. 24.60 per equity share.

6.1.5 The consideration paid by the Acquirer for the acquisition of all of the assets of the Fund in terms of Business Acquisition Agreement was a composite consideration and no specific value or consideration was allocated or ascribed for the indirect interest in ICL. As the global acquisition pursuant to Business Acquisition Agreement resulted in the Acquirer indirectly acquiring equity stake in ICL, this Offer is being made pursuant to relevant provisions of Regulations 10 and 12 of the SEBI Takeover Regulations. Acquirer has not paid any other monetary consideration, whether by way of any non-compete fee or otherwise, or pursuant to any non-compete agreement for the indirect acquisition of the shares of ICL. There are no partly paid up equity shares in the books of ICL.

6.1.6 The Offer Price of Rs. 25.00 per share is therefore justified in terms of Regulation 20(5) of the SEBI Takeover Regulations, applicable for companies whose shares are infrequently traded in view of this offer price being more than the parameters specified in Regulation 20(5) and the Offer Price is justified as per regulation 20(11) of SEBI Takeover Regulations as stated above.

6.1.7 Interest at the rate of 10% per annum i.e. Rs. 3.03 per share is payable to the eligible public shareholders of ICL whose shares are accepted pursuant to the open offer, for delay of 442 days in despatch of purchase consideration i.e. from November 6, 2007 [date of despatch of purchase consideration as indicated in the PA] to January 20, 2009 [date of despatch as per the LOF]. Total consideration, therefore, works out to Rs. 28.03 per share (Offer Price Rs. 25.00 per share plus interest for delay Rs. 3.03 per share).

6.1.8 The Acquirer is permitted to revise this Offer upward upto seven working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where the PA has appeared and the revised offer price would be paid for all the shares tendered anytime during the Offer.

6.1.9 Based on the above, (a) the Manager to the Offer and (b) the Acquirer are of the opinion that the total offer price of Rs. 28.03 per equity share(Offer Price Rs. 25.00 per share plus interest for delay Rs. 3.03 per share) is justified.

6.1.10 It will be ensured that the Offer Price is higher than the highest price paid by the Acquirer for any acquisition of Shares of ICL, if any, from the date of PA i.e. Wednesday – August 8, 2007 up to seven working days prior to the closure of the Offer i.e. Wednesday – December 24, 2008.

6.2 Financial Arrangements

6.2.1 The maximum purchase consideration payable by the Acquirer in case of full acceptance of this Offer would be Rs. 1,32,50,000/- (Rupees One Crore thirty two lakhs fifty thousand only) for acquisition of 5,30,000 equity shares at the offer price of Rs. 25.00 (Rupees twenty Five only) per share.

6.2.2 Interest at the rate of 10% per annum i.e. Rs. 3.03 per share is payable to the eligible public shareholders of ICL whose shares are accepted pursuant to the open offer, for delay of 442 days in despatch of purchase consideration i.e. from November 6, 2007 [date of despatch of purchase consideration as indicated in the PA] to January 20, 2009 [date of despatch as per the LOF]. Total offer price, therefore, works out to Rs. 28.03 per share (Offer Price Rs. 25.00 per share plus interest for delay Rs. 3.03 per share).

6.2.3 In view of above total purchase consideration payable by the Acquirer in case of full acceptance of this Offer would be Rs. 1,48,55,900/- (Rupees one crore forty eight lakhs fifty five thousand nine hundred only) for acquisition of 5,30,000 equity shares at the price of Rs. 28.03 per share (Offer Price Rs. 25.00 per share plus interest for delay Rs. 3.03 per share).

6.2.4 Ms. Susan Borland, Certified Public Accountant [License No. AC0024274], having address at 1601, Forum Place, Suite, West Palm Beach, Florida 33401 Tel No: 00 561 640 8939; Fax No: 00 561 640 8747; Email ID: susan.borland@oxbow.com has certified vide her letter dated July 31, 2007 and the revised updated certificate dated December 1, 2008 that the Acquirer has adequate financial resources to finance the acquisition of upto 5,30,000 equity shares i.e. to the extent of their obligations of the Offer.

6.2.5 RBI, vide A.P. (DIR Series) Circular No. 62 dated May 24, 2007 decided to permit the Authorised Dealers to open escrow account and special account on behalf of non resident acquirers without prior approval of RBI. Accordingly, the Acquirer has opened a cash escrow account with YES Bank Limited, having its registered office at 9th Floor, Discovery of India

Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 ("Escrow Banker") bearing No. 000180200000378 title "Oxbow – ICL - Open Offer Escrow Account" and deposited USD 82500 equivalent to approximately Rs. 33,37,125/- at an exchange rate of Rs. 40.45 per USD [RBI Reference Exchange Rate as on August 6, 2007. Source: rbi.org.in] YES Bank Limited, Escrow Banker, vide their letter dated August 9, 2007 certified that as on August 7, 2007 an amount of Rs. 33,33,000/- [at an exchange rate of Rs. 40.40 per USD - RBI Reference Exchange Rate as on August 8, 2007] was lying to the credit of the said cash escrow account.

The Acquirer deposited an additional amount of USD 2,42,000 equivalent to approximately Rs. 1,18,43,480/- at an exchange rate of Rs. 48.94 per USD. YES Bank Limited, Escrow Banker, vide their letter dated December 8, 2008 certified that as on December 8, 2008 an amount of Rs. 1,51,76,423.82 was lying to the credit of the said cash escrow account.

6.2.6 Funds lying in the cash escrow account represent more than 25% of the total purchase consideration payable under the Offer assuming full acceptance at the aforesaid Price of 28.03 in accordance with Regulation 28 of the SEBI Takeover Regulations. The Acquirer has confirmed that the funds lying in the above mentioned cash escrow account will be utilized exclusively for the purpose of the Offer.

6.2.7 The Manager to the Offer has been empowered to operate the cash escrow account in compliance with Regulation 28 of the SEBI Takeover Regulations.

6.2.8 In view of above, the Manager to the Offer is satisfied that firm arrangements for financial resources required to implement the Offer i.e., funds and money for payment through verifiable means are in place to fulfill the obligations of the Acquirer under the Offer and is satisfied that the Acquirer has adequate and firm financial resources to fulfil the financial requirements of the Offer and ability to implement the Offer in accordance with the SEBI Takeover Regulations.

6.2.9 The Acquirer proposes to meet the financial obligation under the offer from internal accruals. No borrowings from banks / financial institutions or otherwise is envisaged.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 The Offer is being made by the Acquirer to (i) all Shareholders of ICL whose names appeared in the Register of Members on Friday – August 10, 2007 i.e. Specified Date except (a) the Acquirer and (b) the PAC, (ii) beneficial owners of the Shares of ICL whose names appeared as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday – August 10, 2007 i.e. Specified Date and (iii) to those persons who acquire Shares of ICL any time prior to the date of the closure of the Offer i.e. Monday – January 5, 2009, but who are not the registered Shareholders of ICL.

7.2 The Offer is not subject to any minimum level of acceptance and the Acquirer will be obliged to acquire up to a maximum of 5,30,000 Shares of ICL that are tendered in the valid form in terms of this Offer subject to the terms and conditions mentioned in the PA and this Letter of Offer. The Shares of ICL that would be tendered in the valid form in terms of this Offer will be transferred in favour of the PAC.

7.3 The Offer will open on Wednesday – December 17, 2008 and close on Monday – January 5, 2009.

7.4 The Shareholders who have accepted the Offer by tendering the requisite documents in terms of the PA / Letter of Offer can withdraw the same up to three working days prior to the date of the closure of the Offer i.e. on or up to Wednesday – December 31, 2008.

7.5 The instructions, authorizations and provisions contained in the Form of Acceptance cum Acknowledgment constitute an integral part of the terms of this Offer.

7.6 Each Shareholder of ICL to whom this Offer is being made is free to offer his Shareholding in ICL in whole or in part while accepting the Offer. However, (a) the Acquirer and (b) the PAC are not eligible to tender their Shares under the Offer.

7.7 The Shares will be acquired by the PAC free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights declared thereafter.

7.8 The Manager to the offer filed an application with RBI for approval for transfer of Shares of ICL from eligible public Shareholders of ICL in favour of the PAC on September 21, 2007 and RBI, vide their letter dated October 24, 2007 granted approval to the PAC to acquire upto 5,30,000 shares of ICL through open offer.

7.9 This being the indirect acquisition as the global acquisition resulted in the Acquirer indirectly acquiring equity stake in ICL, no approval from banks / financial institutions of the Company is required for the Acquirer and PAC to make this Offer. There are some restrictive clauses in the loan agreements entered into by ICL with banks as per the details given below and ICL has communicated to the banks about the global acquisition and this open offer accordingly.

ICL enjoys Working Capital facility from 3 banks, viz. UCO Bank as the leading Bank, UTI Bank, and United Bank of India. There is a clause in the agreement entered into with UCO Bank that any change in the Company's capital structure during the currency of the Bank's advance requires prior written consent of the Bank.

There is a clause in the agreement entered into with UTI Bank that during the currency of the Bank's facilities, the Company / Firm will not, without the permission of the Bank in writing (a) effect any change in the capital structure, shareholding pattern, management structure or terms of Company or permitting any transfer of controlling interest in the Company and (b) formulate any scheme of amalgamation or reconstruction. There are no such clauses in the agreement entered into with United Bank of India.

7.10 As on date no statutory / other approvals are required for the Offer. If any other statutory approvals become applicable, the Offer would be subject to such approvals. The Acquirer will have a right, in terms of regulation 27 (1)(b) of SEBI Takeover Regulations, not to proceed with the Offer in the event that statutory approvals indicated above are not received or are refused.

7.11 In case of delay in receipt of statutory approvals as explained above, SEBI has power to grant extension of time to Acquirer for payment of purchase consideration to eligible Shareholders, subject to Acquirer agreeing to pay interest for the delayed period in terms of regulation 22(12) of the Regulations. If the delay occurs due to willful default of the Acquirer in obtaining requisite approvals, regulation 22(13) of the Regulations will become applicable.

7.12 In the event of non-fulfilment of any of the obligations by the Acquirer as required under the Takeover Regulations, the amount lying in the escrow account shall be liable to be forfeited and dealt with in the manner provided in regulation 28 of SEBI Takeover Regulations, apart from the Acquirer being liable for penalty as provided in the Takeover Regulations.

7.13 There has been no competitive bid.

7.14 As the Offer Price cannot be revised during seven working days prior to the closing date of the Offer i.e. prior to Wednesday – December 24, 2008, it would be in the interest of the Shareholders to wait till the commencement of that period to know the final Offer Price and tender their acceptance accordingly.

7.15 The Manager to the Offer shall within a period of forty five days of the closure of the Offer inform GSE, CSE and SEBI as to level of acceptance received thereof.

7.16 The acceptance of the Offer of the Acquirer is entirely at the discretion of the Equity Shareholders of ICL. The Acquirer will not be responsible for any loss of share certificate(s) and Offer acceptance documents during transit and the Shareholders of ICL are advised to adequately safeguard their interests in this regard.

7.17 The Acquirer will proceed with the Offer even if they are unable to obtain acceptance to the extent of 5,30,000 fully paid-up Shares of face value of Rs. 10/- (Rupees Ten only) each of ICL.

7.18 In the case of Shares acquired from non resident Shareholders, the Acquirer will not be responsible for any fall in the value of the rupee due to any fluctuation in the foreign exchange market on account of delay in the approval.

7.19 Accidental omission to dispatch this Letter of Offer to any person to whom this Offer has been made to or non-receipt of this Offer by any such person shall not invalidate the Offer in any way.

7.20 The acceptance must be unconditional and should be sent with the attached form duly filled in, signed by the applicant Shareholder(s) which should be received by the Registrar to the Offer at the address mentioned in para no. 8.12 on or before Monday – January 5, 2009. If any change or modification is made, the acceptance is liable to be rejected.

7.21 All expenses relating to the Offer will be borne by the Acquirer.

7.22 The Acquirer reserves the right of upward revision of price at any time up to seven working days prior to the closure of the Offer as per regulation 26 of the SEBI Takeover Regulations. The same price would be paid by the Acquirer for all the Shares tendered any time during the Offer and accepted under the Offer. The information about such revision(s), if any, would appear in the same newspapers in which PA has appeared.

7.23 As on the date of the PA there were 2,50,000 shares arising out of the optionally convertible redeemable debentures which were locked in upto October 24, 2007.

As on date of this offer letter there are no shares which are subject to lock in.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

8.1 The Shareholders of ICL who wish to avail this Offer should forward the under mentioned documents by hand delivery or by registered post or by speed post or by courier to C B Management Services (P) Limited, the Registrar to the Offer [details of collection centres are given in para no. 8.12] so as to reach them on or before Monday – January 5, 2009 on working days during business hours indicated in para no. 8.12. In the case of dematerialized Shares, the Registrar is not bound to accept those Offers which have not yet been credited to the escrow depository account at the end of business hours on the date of closure of the Offer, i.e. Monday – January 5, 2009. No documents for tendering the Shares should be sent either to the Acquirer or PAC or Manager to the Offer or ICL.

8.2 The registered Shareholders of ICL holding physical shares should submit:

- The enclosed Acceptance Form duly completed and signed in accordance with the instructions contained therein by the Equity Shareholders of ICL in the same order in which they hold Shares in ICL. The order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.
- Original share certificate(s).
- Valid share transfer deed(s) duly signed as transferors by all Shareholders (in case of joint holdings) in the same order and as per specimen signatures lodged with ICL.

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

In case the present signature of the Shareholder(s) differ from the specimen signatures lodged with ICL, transfer deeds should be duly attested at the appropriate place by a notary or bank manager or member of stock exchange under their seal of office and membership number. In each case, the name and address of the attesting authority, attesting authority's seal and registration number (if the authority is a notary public/member of stock exchange) or the name and address of the bank (if the authority is a bank manager) should appear. Further, all attestations should be unconditional, i.e. the authority attesting should not deny the responsibility of identifying the person and the signature by qualifying the attestation. If the said guidelines are not followed, the Acquirer reserves the right to reject the transfer deed along with the application.

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

8.4 Unregistered owners of shares / registered Shareholders who have not received the Letter of Offer and are holding physical shares should enclose the Acceptance Form which is available on SEBI web site (www.sebi.gov.in), duly completed and signed in accordance with the instructions contained therein or an application in writing on a plain paper with original equity share certificates, original broker contract note, valid share transfer deed(s) as received from the market stating the name, address, number of Shares held, number of Shares offered, distinctive numbers and folio number. All other requirements for valid transfer (including matching of signatures) will be precondition for acceptance. No indemnity is required from the unregistered owners.

8.5 In the case of Shareholders who have sent their physical share certificates for transfer to ICL can enclose the acknowledgement, if any, received from ICL. The Shareholders who are attaching the acknowledgement are requested to direct ICL in writing to retain the share certificates for onward submission to the Registrar to the Offer.

8.6 If required, Shareholders may download the Acceptance Form from the SEBI's site (www.sebi.gov.in) or may request for the Acceptance Form from the Registrar to the Offer.

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED EXCEPT NAME, SIGNATURE AND WITNESS.

8.7 Procedure for Shares held in dematerialized form - Registered beneficiary owners:

The beneficiary owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with a photocopy of the 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 escrow depository account.

8.8 The beneficiary owners/ registered demat Shareholders who have not received Letter of Offer:

These Shareholders can apply on a plain piece of paper giving details like the name, address, number of shares held, no. of Shares offered, depository details i.e. DP name, DP ID and Client ID along with a photocopy of the 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 escrow depository account. Alternatively, they may download the Acceptance Form from the SEBI's site (www.sebi.gov.in) or may request for the Acceptance Form from the Registrar to the Offer. All other requirements for valid transfer (including matching of signatures) will be precondition for acceptance.

8.9 C B Management Services (P) Ltd, Registrar to the Offer, have opened an escrow depository account. The details are as under:

Depository	CDSL
Depository Participant / DP	LKP Shares & Securities Ltd
Client ID	1203000000202941
DP ID	12030000
Account Name	**CBMS(P)L Escrow a/c India Carbon Open Offer**
ISIN	INE 743 B 01015

8.10 Shareholders of ICL having their depository account with a DP registered with NSDL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the escrow depository account opened by the Registrar with LKP Shares & Securities Ltd which is registered with CDSL. The Shareholders may note that the credit for the Shares tendered must be received in the escrow depository account, as specified above, at the end of the business hours on Monday – January 5, 2009.

For each delivery instruction, the beneficial owner should submit a separate Acceptance Form.

8.11 The Equity Shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the acceptance is being sent. Such documents may include (but are not limited to):

- Duly attested death certificate and succession certificate / No Objection Certificates **("NoC")** / letters from legal heirs (in the case of single Shareholder) where the original Shareholder has expired.
- Duly attested power of attorney, if any person other than the Shareholder has signed the Form of Acceptance cum Acknowledgement or transfer deed(s).
- In case of companies, the necessary corporate authorizations (including board and shareholders' resolutions) and specimen signatures of authorized signatories.
- Any other relevant documents, as deemed necessary.

In case of non-receipt of the aforesaid documents, but receipt of Shares in the escrow depository account at the end of business hours on Monday – January 5, 2009, the Offer shall be deemed to be accepted provided subsequent receipt of all the relevant documents.

8.12 The Shareholders of ICL who wish to avail of the Offer can deliver all the relevant documents referred to above to the Registrar to the Offer at the addresses given below (on all days except holidays and Sundays) in accordance with the instructions specified in the Letter of Offer.

Addresses of the Collection Centres	Contact Persons	Mode of delivery	Phone/ Fax / Email
Taurus Stock Broking Pvt. Ltd. 305 & 306, Sapphire Arcade M G Road, Rajawadi Ghatkopar (East), Mumbai – 400 077	Yogesh Doshi	Hand Delivery	Tel: 022 2512 7400 /2512 9272 Fax : 022 2512 1004 Email : taurusstock@vsnl.net
M/s V K Moondra 201, Sarap Opp. Navjeevan Press Ashram Road Ahmedabad – 380 014	V K Moondra / Vinit Moondra/ Madhoosoodhan	Hand Delivery	Tel: 079 2754 0550 / 2754 1569 Fax : 079 27540550 Email : vk_moondra@rediffmail.com
Strides Financial Services Arihant Plaza, 84-85 Wall Tax Road, 1st Floor, above SBI, Park Town, Chennai 600 003	Dilip M Surana	Hand Delivery	Tel: 044 25350312/25350313 Mobile : 09840278351 Email : dilipmsurana@gmail.com
M/s Alok Deepak & Co. L-5, 2nd Floor, Chittaranjan Park, New Delhi – 110 019	Suresh Kumar	Hand Delivery	Telefax: 011 4131 5457 Email: deepak.kapoor@alokdeepak.com
C B Management Services (P) Ltd. P – 22, Bondel Road, Kolkata – 700 019	P. Basu S. Sengupta	Hand Delivery / Regd Post	Tel : 033 2280 6692 - 94 Fax : 033 2287 0263 Email : cbmsl1@cal2.vsnl.net.in

Note: collection centres mentioned above, which would remain open on Monday to Friday from 10.00 am to 1.00 pm and from 2.00 pm to 4.00 pm and on Saturdays from 10.00 am to 1.00 pm. excluding Sundays and public holidays.

8.13 The documents sent by registered post/ speed post/ courier or through any other means will be at the applicant's own risk and cost.

8.14 All owners (registered or unregistered) of Shares of ICL except (a) the Acquirer and (b) the PAC, anytime before closure of the Offer are eligible to participate in the Offer.

In the event that the equity shares tendered in the Offer by the Shareholders of ICL are more than the equity shares to be acquired under the Offer, the acquisition of equity shares from each Shareholder will be as per the provisions of Regulation 21(6) of the Regulations i.e. on a proportionate basis, to be decided in a fair and equitable manner, in consultation with the Manager to the Offer, irrespective of whether the equity shares are held in physical or dematerialized form.

8.15 As on March 31, 2007 and as on today, the paid up equity share capital of ICL is Rs. 2,65,00,000/- comprising of 26,50,000 equity shares of Rs. 10/- each. Therefore, while determining 20% of the paid up equity share capital for the purpose of minimum public offer, paid up equity share capital of Rs. 2,65,00,000/- comprising of 26,50,000 equity shares of Rs. 10/- each is considered in terms of Regulation 21(5) of SEBI Takeover Regulations which provides that for the purpose of determining minimum 20% of the voting capital of the Company, voting rights as at the expiration of 15 days after the closure of the proposed public offer shall be reckoned. There are no partly paid up equity shares in the books of ICL.

8.16 The minimum marketable lot for the purpose of acceptance, for both physical and demat Shares, would be one Share.

8.17 Shares, if any, that are subject matter of litigation wherein the Shareholder/s is/are/ may be precluded from transferring the Shares during the pendency of such litigation are liable to be rejected in case directions/orders from competent authority regarding these Shares are not received together with the Shares tendered under the Offer.

8.18 The Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the escrow depository account should be received at the end of business hours on the date of closure of the Offer, else the application would be rejected.

8.19 The Registrar to the Offer will hold in trust the Share certificates, Shares lying in credit of the escrow depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the Shareholders of ICL who have accepted the Offer, till the Offer obligations are completed in full by the Acquirer.

8.20 In the case of dematerialized Shares, the Shares would reside in the escrow depository account as mentioned above. The Registrar to the Offer will debit the escrow depository account to the extent of payment of consideration made by the Acquirer and give instructions for the credit to the beneficiary account of the PAC. The Shares held in dematerialized form to the extent not accepted as a result of non-payment / part payment of consideration by the Acquirer will be released to the beneficial owner's depository account with the respective beneficial owner's depository participant as per details furnished by the beneficial owner in the Acceptance Form, at the sole risk of the beneficial owner.

8.21 In accordance with regulation 22(5A) of the Takeover Regulations, the Shareholders who have tendered the requisite documents in terms of the PA and this Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions given below so as to reach the Registrar to the Offer at the collection centers mentioned above as per the mode of delivery indicated therein on or before Wednesday – December 31, 2008.

8.22 The withdrawal option can be exercised by submitting (a) the Form of Withdrawal which will be sent to Shareholders along with the Letter of Offer and (b) the copy of the acknowledgement received from the Registrar to the Offer while tendering the acceptances together with (c) In respect of physical Shares – name, address, distinctive numbers, folio number, and number of Shares tendered and in respect of dematerialized Shares – name, address, number of Shares tendered, DP Name, DP ID, beneficiary account number and photocopy of the delivery instruction in off market mode duly acknowledged by DP. In case of non receipt of Form of Withdrawal, the above application can be made on a plain paper.

8.23 In case of partial withdrawal of the Offer or rejection of Shares:

- The Shareholders who have tendered Shares in physical form and wish to partially withdraw their tenders, should also enclose valid share transfer form(s) for the remaining Shares (i.e. Shares not withdrawn) duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with ICL and duly witnessed at the appropriate place.
- The withdrawal of Shares will be available only for the share certificates / Shares that have been received by the Registrar to the Offer / escrow depository account.
- The intimation of returned Shares / rejected Shares to the Shareholders will be made at the address as specified in the Acceptance Form.
- The Form of Withdrawal should be sent only to the Registrar to the Offer, at the collection centres mentioned in para no. 8.12.
- In case of partial withdrawal of Shares tendered in physical form and the original share certificates are required to be split, the withdrawn Shares will be returned on receipt of share certificates from ICL.
- In case of partial withdrawal of Shares / rejection of Shares tendered in demat form, the Shares withdrawn / rejected will be credited to the beneficial owner's depository account with the respective DP as furnished in the Acceptance-cum-Acknowledgment form. It is the responsibility of the Shareholder to ensure that the withdrawn Shares / unaccepted Shares are accepted by their respective DP when transferred by the Registrar to the Offer. The Shareholders should ensure that their depository account is maintained till the Offer formalities are completed.
- 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-cum-Acknowledgement will stand revised to that effect.
- The Shareholders holding Shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

8.24 Transfers not lodged: In case any person has lodged Shares of ICL for transfer and such transfer has not yet been effected, the concerned person may apply as per instruction contained in para no. 8.5 above together with the acknowledgement of the lodgement of Shares for transfer. Such persons should also instruct ICL to send the transferred share certificate(s) directly to C B Management Services (P) Ltd, P-22, Bondel Road, Kolkata 700 019, India. The applicant should ensure that the certificate(s) reach the designated collection centre on or before the Offer closing date, else the Offer will be deemed invalid.

8.25 Dematerialization process not complete: In case any person has tendered his physical Shares in ICL for dematerialization and such dematerialization has not yet been effected, then, the concerned Shareholder may apply in the Offer as per instructions mentioned above together with a photocopy of the completed dematerialization request form acknowledged by Shareholder's DP. Such Shareholders should ensure the credit of the Shares to the escrow depository account at the end of business hours on Monday – January 5, 2009 and forward a copy of the delivery instructions acknowledged by the DP to the collecting centre.

8.26 The consideration for the Shares accepted by the PAC will be paid by crossed account payee cheques / demand drafts/ Real Time Gross Settlement (RTGS) . Such considerations in excess of Rs. 1,500/- or unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post / speed post at the Shareholders' / unregistered owners' sole risk to the sole / first Shareholder. The consideration up to Rs. 1,500/- may be dispatched Under Certificate of Posting ("UPC"). It is mandatory that Shareholders provide bank account details in the Acceptance Form so that the same can be incorporated in the cheque / demand draft.

8.27 While tendering Shares under the Offer, non resident Shareholders (NRI/FII etc.) will be required to submit the previous RBI / GOI approvals, if any, which they would have obtained for acquiring the Shares of ICL and Tax Clearance Certificate ("TCC") from the Income Tax authorities under the Income Tax Act, 1961 ("Income-tax Act") indicating the rate at which the tax is required to be deducted by the Acquirer before remitting the consideration. In case previous approvals as explained above are not submitted, the Acquirer reserves the right to reject the Shares tendered in the Offer. In case the aforesaid TCC is not submitted, the Acquirer will deduct the tax at the current prevailing rates as applicable to the category of the Shareholder under the Income Tax Act on the entire consideration payable to such shareholder.

8.28 As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD of the Income Tax Act payable to a FII as defined in section 115AD of the Income Tax Act. However the Interest payment for delay in payment of consideration, if any, shall not be governed by this provision. For interest payments, if any, FIIs shall also have to provide their TCC, indicating the amount of tax to be deducted. In absence of the same, the Acquirer will arrange to deduct tax on the interest component, at the rate as may be applicable to the category of Shareholder under the Income Tax Act.

8.29 In the case of resident Shareholders, the Acquirer will deduct the tax on the interest component exceeding Rs. 5,000/- at the current prevailing rates as applicable, if applicable. If the resident Shareholder requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, he will be required to submit NoC from the Income Tax authorities or a self declaration in Form 15H as may be applicable indicating the rate at which tax is to be deducted by the Acquirer. The Shareholders eligible to receive interest component exceeding Rs. 5,000/- would be required to give their Permanent Account Number ("PAN") for income-tax purposes.

8.30 The securities transaction tax will not be applicable to the Shares accepted in this Offer.

9. DOCUMENTS FOR INSPECTION

Copies / certified copies of the following documents will be available for inspection at the office of YES Bank Limited, 12th Floor, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 during normal business hours on any working day i.e. Monday to Friday between 10 am and 3 pm during the Offer period i.e. from Wednesday – December 17, 2008 to Monday – January 5, 2009.

1. Incorporation related documents of the Acquirer.
2. Incorporation related documents of the PAC
3. Bye Laws of the Acquirer.
4. Financial statements of Oxbow Carbon and Minerals Holding Inc for the year ended December 31, 2005, 2006 and 2007 and subsequent period ended September 30, 2008.
5. Financial statements of Oxbow Calcining LLC for the year ended December 31, 2007 and subsequent period ended September 30, 2008.
6. Audited Annual Reports / Accounts of ICL for the years ended March 31, 2008, 2007 and 2006.
7. Letter dated August 9, 2007 and December 8, 2008 from the escrow banker confirming deposit of requisite funds in the cash escrow account.
8. Copy of the Business Acquisition Agreement dated March 28, 2007.
9. Letter dated July 31, 2007 received from the Acquirer and the PAC that the escrow funds will be exclusively utilized for the Offer.
10. Newspaper clipping of the PA published on August 8 , 2007.
11. Letter dated November 18, 2008 received from SEBI in terms of Regulation 18(2).
12. Escrow Depository Agreement entered into with the Registrar to the Offer.
13. Certificate dated July 31, 2007 and the revised updated certificate dated December 1, 2008 from Ms. Susan Borland, Certified Public Accountant certifying that Acquirer has adequate financial resources to finance the open offer to the extent of its obligations of the Offer.

10. DECLARATION BY THE ACQUIRER AND THE PAC

10.1 A copy of the draft Letter of Offer was delivered to (a) the Board of Directors of ICL, (b) Guwahati Stock Exchange Limited (c) The Calcutta Stock Exchange for their information and perusal on August 22, 2007.

10.2 The Acquirer and the directors of Acquirer accept full responsibility for the information contained in this Letter of Offer and also for the obligations of Acquirer as laid down in regulation 22(6) of SEBI Takeover Regulations.

10.3 The Acquirer and the PAC are responsible for ensuring compliance with SEBI Takeover Regulations.

10.4 The Manager to the Offer has ensured that Mr. Mrinal Ojha, Trilegal, is duly and legally authorized to sign the Letter of Offer.

For and on behalf of Oxbow Carbon & Mineral Holdings Inc., USA [Acquirer] and Oxbow Calcining LLC [PAC]

Sd/-

Mrinal Ojha
Authorized Signatory

Place: December 11, 2008

Date: New Delhi

Encl: 1. Form of Acceptance cum Acknowledgement with Form of Withdrawal

2. Transfer Deed (as applicable)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

- *Please submit this Form with enclosures to the Registrar to the Offer at their address given overleaf.*
- *Please read the enclosed Letter of Offer dated December 11, 2008 carefully before filling this Acceptance Form.*
- *All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer.*
- *Each Shareholder of ICL to whom this Offer is being made, is free to offer his Shareholding in ICL in whole or in part while accepting the Offer.*

OFFER
OPENS ON: DECEMBER 17, 2008
CLOSES ON: JANUARY 5, 2009

From:

Folio No./DP ID No./ Client ID No.:

To
C B Management Services (P) Ltd.
[Unit: India Carbon Limited]
P-22, Bondel Road, Kolkata 700 019

Dear Sir,

Sub: Offer for purchase of 5,30,000 fully paid up Shares of the face value of Rs. 10/- (Rupees Ten only) each, representing 20.00% of the voting paid up equity share capital of India Carbon Limited, at a Price of Rs. 28.03 (Rupees Twenty Eight and Paise Three only) per fully paid-up equity share[Offer Price Rs. 25.00 per share plus interest for delay Rs. 3.03 per share] by Oxbow Carbon and Minerals Holdings Inc., USA. [Acquirer] and Oxbow Calcining LLC [PAC]

I/We refer to the Letter of Offer dated December 11, 2008 for acquiring the Shares held by me/us in ICL.

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

☐ **FOR SHARES IN PHYSICAL FORM**

I/We accept the Offer and enclose the original Share certificate (s) and duly signed transfer deed(s) in respect of my / our Shares as detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No of fully paid-up Shares
			From	To	
1					
2					
3					
4					
5					
				Total Number of Shares	

Note: Please attach an additional sheet of paper if the above space is insufficient and authenticate the same.

I/ We note and understand that the original Share certificate (s) and valid Share transfer deed(s) will be held in trust for me / us by Registrar to the Offer until the time the Acquirer completes the Offer obligations under the SEBI Takeover Regulations as mentioned in the Letter of Offer. I/ We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

☐ **SHARES IN DEMATERIALIZED FORM**

I/We holding Shares in the dematerialized form, accept the Offer and enclose the photocopy of the delivery instruction in "off-market" mode, duly acknowledged by the DP in respect of my/our Shares as detailed below:

DP Name	DP ID	Client ID	Beneficiary Name	No of fully paid-up Shares

I/ We have executed an off-market transaction for crediting the Shares to the escrow depository account opened by C B Management Services (P) Limited with LKP Shares & Securities Ltd styled **"CBMS(P) L Escrow a/c India Carbon Open Offer"** with the following particulars:

DP Name: LKP Shares & Securities Ltd	DP ID: IN 12030000	Client ID: 1203000000202941	ISIN: INE 743 B 01015

☐ via a delivery instruction from my account with CDSL ☐ via inter-depository delivery instruction from my account with NSDL

I/ We note and understand that the Shares would reside in the Escrow Depository Account until the time the Acquirer completes the Offer obligations under the SEBI Takeover Regulations as mentioned in the Letter of Offer

☐ **For NRIs/ FIIs/ Foreign Shareholders :**

I/ We have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities, as applicable.

☐ RBI approval(s) for acquiring Shares of ICL hereby tendered in the Offer.

Following documents should be enclosed wherever applicable

☐ Power of attorney

☐ Death certificate/ succession certificate/ No objection Certificate/ letters from legal heirs- duly attested

☐ Corporate authorization in case of companies along with board/ general meeting resolutions and specimen signatures of authorized signatories

☐ Others (please specify) ___________________________

--- TEAR ALONG THIS LINE ---

Acknowledgement Slip

(to be filled by the shareholder) (subject to verification)

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

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

residing at____Form of Acceptance cum Acknowledgement for Offer of

________________________Shares of ICL along with

along with: ☐ Copy of depository instruction slip ? share certificate(s) under folio number(s) ____________________along with transfer deed(s).

STAMP OF COLLECTION CENTRE

Bank details: So as to avoid fraudulent encashment in transit, the Shareholder(s) holding Shares in physical form should provide details of bank account of the first/sole Shareholder and the consideration cheque or demand draft will be drawn accordingly. For Shares that are tendered in electronic form, the bank account as obtained from the beneficiary position download to be provided by the Depositories will be considered and the payment instruments will be issued with those bank particulars only:

Name of Bank		Branch			
Account Number		Current/ Savings/Others (Please specify)			
IIFSC Code		RTGS		MICR No.	

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

I/ We note and understand that once I/ We have accepted the Offer by tendering the requisite documents in terms of Public Announcement / Letter of Offer, I/ We have the option to withdraw the same up to three working days prior to the date of the closure of the Offer i.e. up to Wednesday - December 31, 2008.

I/We authorize the Acquirer to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, share certificate(s) in respect of which the Offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorize the Acquirer to accept the Shares so offered or such lesser number of Shares that they may decide to accept in terms of the Letter of Offer and I/ We authorize the Acquirer to split / consolidate the share certificates comprising the Shares that are not acquired to be returned to me/us and for the aforesaid purposes the Acquirer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

I/We authorize the Acquirer and the Registrar to the Offer and the Manager to the Offer to send by registered post/speed post/under postal certificate as may be applicable at my/our risk, the draft/cheque/payment instruments, in full and final settlement of the amount due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned below.

In case of Shares tendered in dematerialized form,

I/We authorize the Acquirer, Registrar to the Offer and the Manager to the Offer to use my details regarding my address and bank account details as obtained from my depository participant for the purpose of mailing the aforementioned instruments.

Yours faithfully,

Signed and Delivered

	Full name(s) of Shareholder(s)	Specimen Signature(s)	PAN/ GIR No.
1st/ Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. A corporation must affix its rubber stamp.

Address of first/ sole holder where the purchase consideration/ share certificates are to be dispatched

Place: ______________________ Date: __________________

-- TEAR ALONG THIS LINE --

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

C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata 700 019
Tel: 033 2280 6692/93/94/2486
Fax : 033 2287 0263
E-mail : cbmsl1@cal2.vsnl.net.in
Contact: P Basu / S Sengupta

PROCEDURE FOR ACCEPTANCE

The Equity Shareholders of ICL who wish to avail the Offer can deliver all the relevant documents referred to above to the Registrar to the Offer at the collecting centres specified below in accordance with the instructions specified in the Letter of Offer and Acceptance Form so as to reach them not later than Monday – January 5, 2009.

Collection centres details:

Addresses of the Collection Centres	Contact Persons	Mode of delivery	Phone/Fax / Email
Taurus Stock Broking Pvt. Ltd. 305 & 306, Sapphire Arcade, M G Road, Rajawadi, Ghatkopar (East), Mumbai - 400 077.	Yogesh Doshi	Hand Delivery	Tel: 022 2512 7400 /2512 9272 Fax : 022 2512 1004 Email : taurusstock@vsnl.net
M/s V K Moondra 201, Sarap, Opp. Navjeevan Press, Ashram Road, Ahmedabad – 380 014	V K Moondra / Vinit Moondra/ Madhoosoodhan	Hand Delivery	Tel: 079 2754 0550 / 2754 1569 Fax : 079 27540550 Email : vk_moondra@rediffmail.com
Strides Financial Services Arihant Plaza, 84-85 Wall Tax Road, 1st Floor,above SBI, Park Town, Chennai - 600 003.	Dilip M Surana	Hand Delivery	Tel: 044 25350312/25350313 Mobile : 09840278351 Email : dilipmsurana@gmail.com
M/s Alok Deepak & Co. L-5, 2nd Floor, Chittaranjan Park, New Delhi – 110 019	Suresh Kumar	Hand Delivery	Telefax: 011 4131 5457 Email: deepak.kapoor@alokdeepak.com
C B Management Services (P) Ltd. P – 22, Bondel Road, Kolkata – 700 019.	P. Basu S. Sengupta	Hand Delivery / Regd Post	Tel : 033 2280 6692 - 94 Fax : 033 2287 0263 Email : cbmsl1@cal2.vsnl.net.in

Monday to Friday from 10.00 am to 1.00 pm and from 2.00 pm to 4.00 pm and on Saturdays from 10.00 am to 1.00 pm. excluding Sundays and public holidays.

PLEASE NOTE THAT NO SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

(1) **All queries** pertaining to this Offer may be directed to the Registrar to the Offer.

(2) **Shareholders holding registered Shares** should submit the Form duly completed and signed in accordance, by the holders of the Shares, along with the original equity share certificate(s) and valid equity share transfer form(s) duly signed as per the specimen signatures lodged with ICL and duly witnessed at the appropriate place. Please do not fill in any other details in the transfer deed except name, signature and witness.

(3) **Shareholders holding Shares in dematerialized form** should submit the Form duly completed and signed in accordance with the instruction contained therein by all the beneficial holders of the Shares, as per the records of the DP.

(4) **In case of Shares held in joint names**, names should be filled up in the same order in the Form and in the transfer deed(s) as the order in which they hold Shares in ICL, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting the Offer.

(5) **In case where the signature is subscribed by thumb impression**, the same shall be verified and attested by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorized to use the seal of his office.

(6) **Persons who own Shares (as on the Specified Date or otherwise) but are not the registered holders** of such Shares and who desire to accept the Offer, will have to communicate their acceptance in writing to the Registrar to the Offer together with the original contract note issued by the broker, the share certificate(s), the transfer deed(s) with the buyers details not filled in and other relevant documents. In case the share certificate(s) and transfer deed(s) are lodged with ICL / its transfer agent for transfer, then the Form shall be accompanied by the acknowledgment of lodgment with, or receipt by, ICL /its transfer agent, of the share certificate(s) and transfer deed(s). Persons under this paragraph should submit their acceptance and necessary documents by registered post or speed post or courier or in person to the Registrar at their office as mentioned above.

(7) **Non-resident Shareholders** should enclose copy (ies) of permission received from Reserve Bank of India to acquire Shares held by them in ICL.

(8) **Non-resident Shareholders** are advised to refer to the clause on taxation in the Letter of Offer regarding important disclosures regarding the taxation of the consideration to be received by them.

(9) **In case of bodies corporate**, certified copies of appropriate authorization (including board/shareholders' resolutions, as applicable) authorizing the sale of Shares along with specimen signatures duly attested by a bank must be annexed. The common seal should also be affixed.

(10) **All the Shareholders** should provide all relevant documents which are necessary to ensure transferability of the Shares in respect of which the acceptance is being sent. Such documents may include (but not be limited to):

(a) Duly attested death certificate and succession certificate (in case of single Shareholder) in case the original Shareholder has expired.

(b) Duly attested power of attorney if any person apart from the Shareholder has signed acceptance form or transfer deed(s).

(c) No objection certificate from any lender, if the Shares in respect of which the acceptance is sent, were under any charge, lien or encumbrance.

FORM OF WITHDRAWAL

OFFER OPENS ON	December 17, 2008
LAST DATE FOR WITHDRAWAL	December 31, 2008
OFFER CLOSES ON	January 5, 2009

I/ We would like to withdraw my/our acceptance in terms of regulation 22(5A) of the SEBI Takeover Regulations and my/our relevant details are as follows:

☐ In respect of physical shares

Name		
Address		
Distinctive Numbers		
Folio Number		
Share Certificate Numbers	From	
	To	
Number of Shares tendered		
Number of Shares withdrawn		

Copy of acknowledgment received from the Registrar to the Offer while tendering the acceptance is being attached herewith.

☐ In respect of demat / electronic shares

Name	
Address	
Number of Shares tendered	
Number of Shares withdrawn	
DP Name	
DP ID	
Beneficiary Account Number	

Photocopy of the delivery instruction slip in off market mode duly acknowledged by DP is attached along with a copy of the acknowledgment received from the Registrar to the Offer while tendering the Shares is being enclosed herewith.

-- TEAR ALONG THIS LINE --

Acknowledgement Slip

(to be filled by the shareholder) (subject to verification)

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

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

residing at____Form of Acceptance cum Acknowledgement for Offer of

_________________________Shares of ICL along with

along with: ☐ Copy of depository instruction slip ? share certificate(s) under folio number(s) ______________________along with transfer deed(s).

STAMP OF COLLECTION CENTRE

-- TEAR ALONG THIS LINE --

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

C B Management Services (P) Ltd.
P-22, Bondel Road, Kolkata 700 019
Tel: 033 2280 6692/93/94/2486
Fax : 033 2287 0263
E-mail : cbmsl1@cal2.vsnl.net.in
Contact: P Basu / S Sengupta