PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

INDO ZINC LIMITED (IZL)

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This Public Announcement (PA) is being issued by MAPE Advisory Group Pvt Ltd on behalf of ICL Financial Services Ltd (ICLFSL) (hereinafter referred to as the Acquirer) and The India Cements Ltd (ICL), (hereinafter referred to as "Person acting in Concert along with the Acquirer (PAC)"), pursuant to and in compliance with Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997 (hereinafter referred to as "Regulations") and subsequent amendments thereto.

THE OFFER

A. This Offer is in compliance with Regulation 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereof (hereinafter referred to as the "Regulations").

B. ICL Financial Services Ltd.,(hereinafter referred to as the Acquirer) and The India Cements Ltd., (hereinafter referred to as the person acting in concert with the Acquirer) both having their Registered and Corporate office at "Dhun Building", 827 Anna Salai, Chennai – 600 002, Tel No: 91-44-28521526, Fax No: 91-44-28520638, email id: investor@indiacements.co.in are making an Open Offer to the Public Shareholders (i.e. shareholders other than the Acquirer, PAC & promoter group shareholders of IZL ("Vendors")) of Indo Zinc Ltd., ("IZL", "the Target Company") to acquire 9,00,000 equity shares of Rs. 10/- each, representing 20% of the issued and subscribed capital of IZL. The Offer is at a price of Rs.22.50/- (Rupees Twenty Two and Paise Fifty only) per Equity Share fully paid up ("the Offer Price"), payable in cash ("the Offer"), subject to the terms and conditions mentioned hereinafter and at a price of Rs 10/- (Rupees Ten Only) per Equity Share partly paid. There are 24,400 shares, on which call money of Rs.12.50/- (which includes premium of Rs.7.50/-) remains unpaid.

C. The Acquirer has entered into a Share Purchase Agreement ("Agreement"), on July 19, 2009 with Shri Sanjay Agrawal, Shri Manoj Kumar Agrawal and other promoters/promoter group shareholders of IZL to acquire 17,87,700 equity shares, each fully paid up, representing 39.73% of the present subscribed capital of the Target Company, at a price of Rs. 22.50/- (Rupees Twenty Two and Paise Fifty only) per fully paid share for cash consideration. This Agreement has necessitated the Open Offer in terms of Regulation 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997. The Offer is subject to the provisions of the Companies Act 1956, SEBI ("SAST") Regulations as amended and listing agreement of the Target Company with the Stock Exchanges and other applicable Laws, and Regulations in force.

D. The Agreement provides that (1) The Vendors have agreed to sell and the Acquirer has agreed to purchase 17,87,700 equity shares ("Sale Shares") in physical form. (2) Simultaneous to the execution of the Agreement, the Acquirer shall appoint an Escrow Agent for the purpose of transaction contemplated (3) The consideration for the sale and purchase of the Sale Shares shall be Rs.22.50 per share aggregating to a sum of Rs.4,02,23,250/- (Rupees Four Crore Two Lakhs Twenty Three Thousand Two Hundred and Fifty only) ("Consideration") to be paid by the Acquirer. (4) The Acquirer shall simultaneously with the execution of the Agreement hand over to Shri Sanjay Agrawal, who has been duly authorised to receive the Consideration on behalf of the Vendors and to issue good, valid receipts for the same, demand drafts towards advance which moneys shall be adjusted against the Consideration for sale and purchase of the Sale Shares. (5) Simultaneously upon the receipt of the advance, the Vendors shall deposit the documents with the Escrow Agent for the purposes of transfer of shares /resignation of Vendor Directors as contemplated in the Agreement ("Escrowed Documents"). (6) Promptly after signing this Agreement, the Acquirer shall take steps to comply with the provisions of the Regulations. The Vendors shall cause the Board of Directors of the Target Company to comply with its obligations under the Regulations including without limitation the provisions of Regulation 23 of the Regulations. (7) On the date on which the Acquirer is in compliance with 2nd proviso to Regulation 22(7) of the Regulations and is eligible to be nominated to the Board of the Target Company ("Relevant Date"), the Vendors shall cause the Board Meeting of the Target Company to be convened and shall cause the Target Company to appoint Directors nominated by the Acquirer to the Board of Directors of the Target Company. The Vendors shall deliver or cause to be delivered to the Acquirer, copies, certified as true by a Director, of resolutions of the Board of Directors approving the appointment of the Directors nominated by the Acquirer. The Acquirer shall deliver the details of persons nominated by the Acquirer to be Directors of the Company to Shri Sanjay Agrawal on the Relevant Date for this purpose. (8) Simultaneously, with the appointment of the Directors nominated by the Acquirer to the Board of Directors of the Company, the Escrow Agent shall release the resignation documents for the following Vendor Directors: Shri Manoj Agrawal, Shri Ritesh Lunkad, Col Nitin Bhatnagar and Shri B. L. Kakrecha to the Acquirer. The Acquirer shall deliver the resignation documents to the Board of Directors of the Target Company, which resignation will take effect from the Relevant Date. (9) On the date ("Completion Date") on which the Merchant Banker issues the certificate, as set out under Regulation 23(6) of SEBI Regulations, certifying the fulfillment of all obligations by the Acquirer of the SEBI Regulations, the Escrow Agent shall deliver to the Acquirer the Escrowed Documents except the resignation documents which have been previously delivered. (10) On the Completion Date, as contemplated in the Share Purchase Agreement, the escrow agent shall cause the transfer deeds in relation to the Sale Shares to be duly executed on behalf of the Acquirer or its nominees and lodge the same with the Board of Directors of the Target Company for registration of the transfer. (11) On the Completion date, the Escrow Agent shall deliver the resignation documents of the Vendor Directors: Shri Sanjay Agrawal and Shri S. K. Nuwal with the Board of Directors of the Target Company, which resignation will take effect from the Completion Date. (12) On the Completion Date the Vendors shall cause the Board Meeting of the Target Company to be convened and the Vendors shall deliver or cause to be delivered to the Acquirer, copies, certified as true by a Director, of resolutions of the Board of Directors accepting the resignations of the Vendors' Directors, namely Shri Sanjay Agrawal and Shri S. K. Nuwal and such resignation to take effect on Completion Date and registering the transfer of the Sale Shares in favour of the Acquirer and / or their nominees and issue the share certificates in respect thereof duly endorsed in the name of the Acquirer and / or their nominee. (13) In case of non-compliance with any of the provisions of the Regulations, the Agreement for acquisition of shares and change in control shall not be acted upon by the Vendors or the Acquirer.

E. There are no other Persons Acting in Concert with the Acquirer.

F. The consideration shall be paid in cash.

G. The Offer is not conditional on any minimum level of acceptance.

H. This is not a competitive bid.

I. The Acquirer will comply with the Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement for Purchase of shares and its related conditions.

J. In case of non-compliance with any of the provisions of the Regulations, the Agreement shall not be acted upon by the Vendors or the Acquirer.

K. MAPE Advisory Group Pvt. Ltd., Manager to the Offer does not hold any equity shares in the Target Company. They declare and undertake that they shall not deal in the shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer.

L. There is no agreement by the Acquirer with any other person in connection with the Offer. The entire shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

M. The equity shares of the Target Company are listed at Bombay Stock Exchange Ltd, Mumbai (BSE), Delhi Stock Exchange, Ahmedabad Stock Exchange and Madhya Pradesh Stock Exchange. The shares are currently suspended from trading. The shares are not admitted as a permitted security on any other stock exchange.

N. The Acquirer currently holds 5,83,600 equity shares constituting 12.97% of the issued and subscribed capital and 13% of the paid up capital of IZL.

O. Pending finalization of the financial closure of the project, the Person Acting in concert (i.e. ICL) with the Acquirer had agreed to provide a secured loan facility not exceeding Rs 200 crores to the Target Company towards the completion of the construction of the Cement Unit at Parthipura Village, Tah-Garhi, Bansawara district, Rajasthan. The same had been agreed to be given at an interest of 9% per annum. The loan amount is secured in favour of PAC by way of an equitable mortgage of the Cement Unit at Parthipura Village, Tah-Garhi, Bansawara district, Rajasthan and the hypothecation of all moveable assets of the Target Company.

P. The shares to be acquired under this Offer will be acquired free from all liens, charges and encumbrances and together with all rights attached thereto, including rights to all dividends to be declared after all the formalities relating to this Offer are completed.

JUSTIFICATION OF OFFER PRICE

A. The Acquirer has not been allotted any equity share of IZL by way of allotment in a Public or Rights issue or Preferential Allotment in the 26 weeks preceding this PA. In the 26 weeks preceding this PA, i.e. on July 12, 2009, the Acquirer has acquired 5,83,600 equity shares of IZL by way of a negotiated deal from the current promoters of the Target Company at a price of Rs 22.50 per equity share. The equity shares of IZL are infrequently traded in terms of Explanation (i) to Regulation 20 (5) of SEBI (SAST) Regulations 1997, at BSE during the 6 months preceding the month in which this Public Announcement is made (i.e. during January 2009 to June 2009) as the shares of the Target Company are suspended from trading on the Bombay Stock Exchange Ltd. The offer price is equal to the price being paid by the Acquirer for the shares under the Share Purchase Agreement and the acquisition price of Rs 22.50 on July 12, 2009. Further, the Offer price has been determined considering Book Value, EPS, Return on Net worth and other relevant factors relating to the Target Company including without limitation, its status as a sick industrial company in the recent past. In respect of partly paid equity shares, the Offer Price has been determined by reducing the unpaid amount of Rs.12.50/- (which includes premium of Rs.7.50/-) from the Offer Price.

B. In the opinion of the Acquirer and Manager to the Offer, the Offer price of Rs. 22.50/- per fully paid equity share and Rs10/- per partly paid equity share is justified in view of the following:

a.	The Negotiated Price	22.50
b.	Highest Price paid by Acquirer for acquisition, if any, including by way of allotment in a Public or Rights issue or Preferential issue during the 26 weeks period prior to the PA	22.50
c	The average of the weekly high and low of the closing prices of the shares of IZL during the 26 weeks period preceding the date of PA	Not Applicable
d	The average of the daily high and low of the closing prices of the shares of IZL during the 2 weeks period preceding the date of PA	Not Applicable
e	Other Financial Parameters Return on Net Worth (%) Book Value per share (Rs.) Earning per share (Rs.) Price Earning multiple (with reference to Offer price of Rs. 22.50 per share)	31.03.2009 (Provisional) - 20.11 (0.50) -

C. There is no non-compete agreement for payment with any person.

D. The Offer price is justified in terms of Regulation 20 (11) of the Regulations.

E. In the event of any further acquisition of equity shares by the Acquirer upto 7 working days prior to the closure of the Offer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition.

INFORMATION ABOUT THE ACQUIRER AND THE PERSONS ACTING IN CONCERT WITH THEM.

1. ICL Financial Services Ltd. (ICLFSL) – MAIN ACQUIRER

A. ICL Financial Services Ltd., a limited company, incorporated under the Companie Act, 1956 on October 20, 1993 is a wholly owned subsidiary of "The India Cements Ltd" with its registered office at "Dhun Building" 827, Anna Salai, Chennai – 600 002 (Tel No: 91-44-28521526 , Fax No: 91-44-28520638, email id: investor@indiacements.co.in)

B. The company is in the business of finance and investments.

C. The company is managed by its Board of Directors. Shri N Srinivasan, Vice Chairman and Managing Director of The India Cements Ltd., is the Chairman of ICLFSL. The directors of the company are Shri N Srinivasan, Shri R K Das, Shri T S Raghupathy and Shri T V Swaminathan.

D. Shri N Srinivasan, B.Sc(Tech), M S (IIT) Chicago is an industrialist by profession and resides at 6, Arch Bishop Mathias Avenue Chennai – 600 028. Shri R K Das, is BE (Mech) and MIE. He is a technocrat and resides at "Dhanya" Puthur 5/2/13, Kallepully Road, Palakkad – 678001. Shri T S Raghupathy is the Executive President of The India Cements Ltd., and is a Bachelor of Commerce and MMSc. He resides at 64, Abhiramapuram IV Street, Alwarpet, Chennai – 600 018. Shri T V Swaminathan is a Consultant (Operations) of The India Cements Ltd., residing at "ICL SRINIVAS", 1st Floor 63, 4th Street, Abiramapuram, Alwarpet, Chennai – 600 018. He is a member of the Institute of Cost and Works Accountants of India and the Institute of Company Secretaries of India.

E. The company is closely held and its shares are not listed on any stock exchange.

F. ICLFSL has one subsidiary Viz., Trishul Concrete Products Ltd., which is in the business of Ready Mix Concrete.

G. ICLFSL has no overdue liabilities to Banks/FIs /Deposit holders.

H. There are no pending litigations against ICLFSL which would affect its ability to consummate the transactions contemplated by the present Offer.

I. There are no persons on the Board of the Target Company, representing ICLFSL.

J. As on the date of the PA, ICLFSL holds 5,83,600 equity shares constituting 12.97% of the issued and subscribed capital and 13% of the paid up capital in IZL.

K. As per the Audited results for the year ended March 31, 2009, the Issued Equity Capital of the Company is Rs 5.90 lakhs and Paid up Equity Capital of the Company was Rs 5.00 lakhs, Advance for Share Capital was Rs.591.20 lakhs, Reserves & Surplus was Rs. (1,796.09) lakhs, Unsecured Loans was Rs.15,145.50 lakhs, Gross Total Income was Rs.354.56 lakhs and PAT was Rs. 340.49 lakhs. The Company had an EPS of Rs. 681.

2. DETAILS OF PERSON ACTING IN CONCERT WITH MAIN ACQUIRER – PAC

The India Cements Ltd. (ICL)

A. The India Cements Ltd., a limited company, incorporated under the Companies Act, 1913 on February 21, 1946 was promoted by Late Shri S. N. N. Sankaralinga Iyer and Late Shri T. S. Narayanswami. It has its registered office at "Dhun Building" 827, Anna Salai, Chennai – 600 002 (Tel No: 91-44-28521526, Fax: 91-44-28520638, email id: investor@indiacements.co.in).

B. The company is in the business of manufacturing and marketing cement. In addition to cement, the company has two grinding units, one each at Chennai, Tamil Nadu and Parli, Maharashtra, wind mills and shipping business.

C. The shares of the company are listed on Madras Stock Exchange, Bombay Stock Exchange and National Stock Exchange. The company's Global Depository Receipts are listed on Luxembourg Stock Exchange.

D. As on the date of the PA, ICL's Authorised Capital is Rs.535,00,00,000 comprising of 460,000,000 equity shares of Rs.10/- each and 75,00,000 Redeemable Cumulative Preference shares of Rs.100/- each. ICL's Paid up Capital is Rs.282.53 crores comprising of 282,534,657 equity shares of Rs.10/- each.

E. The company is managed by Shri N Srinivasan, the Vice Chairman and Managing Director of the company and Shri N Ramachandran, the Executive Director of the company. The other directors are Ms Rupa Gurunath, Shri B S Adityan, Shri Arun Datta, Shri R K Das, Shri N R Krishnan, Shri V Manickam, Shri A Sankarakrishnan, Shri N Srinivasan and Shri K Subramanian.

F. Shri N Srinivasan, is a B.Sc. (Tech) and M.S.(IIT) from Chicago. He is an industrialist by profession, residing at 6, Arch Bishop Mathias Avenue, Chennai – 600 028. Shri N Ramachandran is an industrialist by profession and a Bachelor of Technology in Chemical Engineering. He resides at 27, Dr C P Ramaswamy Iyer Road, Chennai – 600 018. Ms Rupa Gurunath is an industrialist and holds a Post Graduate Diploma in Computer Applications. She is residing at Old No: 3, New No: 11, Cenotaph Road, 2nd Lane, Teynampet, Chennai – 600 018. Shri B S Adityan is a BA and is an Industrialist, residing at 7 Poes Garden, Chennai – 600 086. Shri Arun Datta is a nominee of the IDBI Bank Ltd., residing at Aspen Green, 74, Nirvana Country, Near South City –II, Sector-50 Gurgaon – 122101. Shri R K Das is a Mechanical Engineer and holds an M I E Degree. He resides at "Dhanya" Puthur 5/213, Kallepully Road, Palakkad – 678 001. Shri N R Krishnan, a retired IAS Officer is an independent director on the Board of the company. He is residing at Old No: 18, New No: 46, 2nd Floor, Balaji Nagar, 2nd Street Royapettah, Chennai – 600 014. Shri V Manickam is the nominee of the Life Insurance Corporation of India, residing at Flat No: 3. Jeevan Anand, Rajab Ali Patel Lane, Bhulabhai Desai Road, Mumbai – 400 026. Shri A Sankarakrishnan is a Mechanical Engineer and is an industrialist by profession residing at New No:82, Old No;195, St. Mary's Road, Chennai – 600018. Shri N Srinivasan, a Bachelor of Commerce and a member of the Institute of Chartered Accountants of India, is the retired senior partner of Fraser & Ross. He is residing at T-19 (Old No T-18/1) 6th Avenue, Besant Nagar, Chennai – 600 090. Shri K Subramanian is the nominee of Housing & Urban Development Corporation Ltd, residing A2/8, S A F Games Village, Koyambedu, Chennai – 600 107.

G. ICL has 6 subsidiaries which are (a) Industrial Chemicals & Monomers Limited., which was in the business of manufacture and sale of Calcium Carbide. Its operations remain suspended. (b) ICL Financial Services Ltd., which is in the business of Finance & Investments. (c) ICL Securities Ltd., which is in the business of Finance and Investments. (d) ICL International Ltd., which is in the business of trading merchant exports and transportation (e) Trishul Concrete Products Ltd., which manufactures ready mix concrete and (f) PT. Coromandel Minerals Resources, Jakarta, Indonesia is in the business of identifying and developing coal mines. Apart from its subsidiaries, ICL is associated with (a) Coromandel Sugars Ltd which is in the business of manufacturing and sale of Cane Sugar, Cane Molasses and Bagasse. (b) India Cements Capital Limited is involved in travel, money changing and foreign exchange and investment and (c) Coromandel Electric Company Limited is involved in generation of gas power in Tamil Nadu.

H. There are no persons on the Board of the Target Company, representing ICL.

I. As on the date of the PA, ICL does not hold any equity shares in IZL.

J. ICL has no overdue liabilities to Banks/FIs /Deposit holders.

K. There are no pending litigations against the ICL which would affect its ability to consummate the transactions contemplated by the present Offer.

L. As per the audited balance sheet as at March 31, 2009, the issued and Paid up Equity Share Capital of the Company was Rs.282.43 crores, Reserves and Surplus was Rs.3,348.96 crores, Secured Loans was Rs.1,036.25 crores, Unsecured Loans Rs.1,988.03 crores. Gross Total Income Rs.3,954.54 crores and PAT Rs. 432.18 crores. The Company had an EPS of Rs.15.32.

INFORMATION ABOUT THE TARGET COMPANY

A. IZL was incorporated on March 12, 1987 as a private limited Company in the state of Maharashtra under the Companies Act, 1956. The Company was converted to public limited company on January 20, 1992 under the name and style of Indo Zinc Limited. IZL made its initial public offer of equity shares on April 21, 1993 and listed the same on Bombay (BSE), Ahmedabad, Madhya Pradesh and Delhi Stock Exchanges. These shares have been suspended from trading.

B. The Registered Office of IZL is at 601, Ravi Building, 189/191, Dr. D N Road, Fort, Mumbai – 400 001, in the state of Maharashtra.

C. IZL had set up its factory at Pithampur, Madhya Pradesh to manufacture secondary zinc. The project however ran into financial difficulties. The company also diversified its activities and planned to set up a 5,00,000 tpa cement plant at Banswara, Rajasthan. Due to its inability to raise equity funds required for the project and due to the change in market conditions, IZL abandoned its cement project. IZL was declared a sick company within the meaning of Clause (o) of subsection (1) of Section (3) of the Sick Industrial Companies (Special Provisions) Act, 1985 and registered with the Board for Industrial and Financial Reconstruction ("BIFR") as Case No: 277/98. IZL has fully discharged its dues and liabilities towards its lenders IDBI and SBI in the financial year 2007-08. In view of IZL's net-worth exceeding the accumulated losses and the IZL no longer being a sick company, it was discharged from the BIFR.

D. The Authorized Capital of IZL is Rs 3,500 Lakhs, divided into 250,00,000 equity shares of Rs 10/- each and 10,00,000 preference shares of Rs.100 each. The issued and subscribed capital as on date is 45,00,000 shares of Rs. 10/- each aggregating Rs. 450 Lakhs, of which call money of Rs1.22 Lakhs (Face Value Rs.1,22,000 and Share Premium of Rs.1,83,000) on 24,400 shares is still in arrears and the paid up capital of IZL as on date is Rs.448.78 Lakhs. All the outstanding equity shares except 24,400 equity shares are fully paid up. All the equity shares are listed and admitted for trading. These shares have been suspended from trading.

E. The Fixed Assets held by IZL are Leasehold and free hold land, plant and machinery, buildings, furniture and fixtures, vehicles, electrical installations and other assets.

F. As on date of this Public Announcement, the promoter group/persons in control and their associates, hold 17,87,700 equity shares, each fully paid up, representing 39.73 % of the issued and subscribed Capital.

G. IZL has not signed agreements with NSDL or CDSL for offering shares in dematerialized form. All the shares of IZL are held in physical form only. The Marketable lot for the shares of IZL for the purpose of this Offer shall be one only.

H. The Directors of IZL are Shri Sanjay Agrawal, Managing Director, Shri Manoj Agrawal Director and Shri Surendra Kumar Nuwal, Director, Shri B L Kakrecha, Director, Col Nitin Bhatnagar, Director and Shri Ritesh Lunkad, Director.

I. IZL has, as its main objects: a) To manufacture, process, mine, extract, recycle, alter, improve, refine, mix, buy, sell, import, export, and deal in zinc, copper, brass, zinc sulphate, copper sulphate, zinc chloride and other non-ferrous metals, alloys, ash, scrap, chemical compounds and minor metals. b) To produce, manufacture, refine, prepare, import, export, purchase, sell and generally to deal in all kinds of cement (ordinary), white, coloured, Portland, alumina, blast, furnace, clinker, silica lime cement) cement products of any description and pipes, poles, asbestos, blocks, tiles, lime, lime stone and or bye-products thereof and in connection therewith to take on lease or acquire and maintain cement factories, lime-stone and other queries and collieries, workshops and other works.

J. IZL has no subsidiaries.

K. The equity shares of IZL are listed at BSE, Ahmedabad, Madhya Pradesh and Delhi Stock Exchanges. All the outstanding issued equity shares of IZL are listed and admitted for trading. The shares are not admitted as a permitted security at any other Stock Exchange. However, there has been no trading of the shares in the Madhya Pradesh, Delhi and Ahmedabad stock exchanges for a number of years and trading has been suspended in the Bombay Stock Exchange (BSE) from 2000-2001. There are 24,400 equity shares, on which call money of Rs.12.50/- (Face Value Rs. 5/- and Share Premium Rs.7.50/-) per Equity Share is still payable. There are no outstanding warrants or options or similar instruments, convertible into equity shares at a later stage. There are no shares which are subject to lock in.

L. IZL has paid its listing fees to the Bombay Stock Exchange upto the year 2009-10, although belatedly. IZL has however not paid its listing fees to the other stock exchanges, where the shares of the company are listed since the year 2004. IZL has not been complying with the listing requirements of the Stock Exchanges. The shares of the company have been suspended from trading.

M. The provisions of Clause 49 of the Listing Agreement have been complied with partially by IZL.

N. The filings of returns under Chapter II of SEBI (SAST) Regulations have not been made on time by IZL from the year 1997.

O. As per the Audited results of IZL as on 31.03.2008, IZL had a Gross Income of Rs. 304.08 Lakhs, comprising of Net Sales of Rs 282.35 Lakhs, other income of Rs21.73 Lakhs. The total expenditure was Rs 566.82 Lakhs, and the company therefore made a operating loss of Rs.262.74 lakhs. After provision for depreciation, interest and tax, the company made a net loss of Rs.292.23 lakhs. After inclusion of certain extra ordinary items of Rs.526.90 lakhs, IZL made a PAT of Rs. 234.67 lakhs.

P. There are no major audit qualifications except that the company has been late sometimes in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employee State Insurance, Income Tax, Sales Tax, Customs Duty, Excise Duty and other statutory dues. As on March 31, 2008, IZL was in arrears of Rs.120.10 lakhs towards these dues. IZL had also not paid tax, duty, or cess under dispute to the tune of Rs.244.31 lakhs.

Q. There has been no scheme of amalgamation, merger, demerger or spinoff involving the company in the past 3 years.

R. IZL has no overdue liabilities to Banks/FIs presently. IZL was referred to the BIFR and registered as Case No: 277/98. IZL has paid Rs.1139.85 lakhs to IDBI, Life Insurance Corporation and the State Bank of India. These institutions have further waived interest liability to the extent of Rs.526.90 lakhs and loan / debenture liabilities to the tune of Rs.3281.36 lakhs. IZL further paid Rs 75 lakhs to Industrial Investment Bank of India Limited in full and final settlement of the loan taken from it on January 14, 2009. IZL has fully discharged its dues and liabilities towards its creditors. In view of IZL's net-worth exceeding the accumulated losses and the IZL no longer being a sick company, it was thus discharged from the BIFR.

S. The Compliance Officer of IZL is Shri. Mayur Shah residing at 111, Goyal Vihar Colony, Khajarana Temple, Indore. Tel No: 0731-4073141 email: mayurshahnadiad@yahoo.com who, will be available at the Corporate office address of IZL and shall attend to all investor grievances.

REASONS FOR THE ACQUISITION AND OFFER AND FUTURE PLANS OF THE TARGET COMPANY

A. The India Cements Ltd., is primarily engaged in the business of manufacturing and marketing of cement and is the largest producer of cement in South India. Considering the plans to become a pan India Player, India Cements is actively pursuing its efforts for setting up cement capacity in North India. In furtherance of these objectives and with an aim to strengthen its leadership position, India Cements through its wholly owned subsidiary namely ICLFSL has entered into a share purchase agreement for the purchase of 39.73 % of the issued and subscribed capital of IZL (in addition to ICLFSL's present holding of 12.97%) which was implementing a project for setting up a cement plant, which had to be abandoned later due to financial constraints. The Acquirer proposes to take control of IZL.

B. The Acquirer and the PAC will revive the project and will set-up a cement plant of 1.5 million TPA capacity. The total cost of this project along with the captive power plant is estimated at Rs. 600 crores. The Acquirer would raise requisite funds for completion of the plant in a suitable mix of debt and equity capital as per the requirement. With the existing resources in terms of technical expertise, financial and marketing strengths of the group, Acquirer would be able to successfully complete and commission the 1.5 million TPA Cement Plant at Banswara, Rajasthan. With the commissioning of this plant by Middle of 2010, the target company will be able to access Rajasthan, Madhya Pradesh and Gujarat Markets. Barring unforeseen circumstances, the Acquirer and the PAC are confident of establishing a good market for the cement to be manufactured by the plant and ensuring sustained growth. The Acquirer and the PAC do not have any plans to dispose of or otherwise encumber any assets of IZL, except those assets, which are not core to ICL's strategy. They undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the target company except with the prior approval of the shareholders. However , the Acquirer and the PAC may have to encumber the assets of TC, in order to avail funding for furtherance of ICL's strategy.

C. Subject to satisfaction of the provisions under the Companies Act, 1956 and/or any other Regulation(s), the Acquirer intend to make changes in the management of IZL. It is proposed to induct new Directors on the Board of IZL by the Acquirer. The likely changes in the management /taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including dispatch of consideration for the shares accepted and shall be subject to compliance with Regulation 23(6) of the Regulations.

STATUTORY APPROVALS/ OTHER APPROVALS REQUIRED FOR THE OFFER

A. As on the date of this PA, no approvals are required to acquire the equity shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable later.

B. Barring unforeseen circumstances, the Acquirer would endeavour to obtain all the approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days from the date of closure of Offer. In case the Acquirer fails to obtain requisite statutory approvals in time, on account of any wilful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

C. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(2)/COMPLIANCE WITH CLAUSE 40A OF THE LISTING AGREEMENT

Assuming full acceptance, the acquisition of 20.00 % of the voting capital of IZL under this Offer together with the present holding of ICLFSL will not result in Public Shareholding falling below the level required for Continuous Listing. In the event the public shareholding falling below the level required for Continuous Listing, the Acquirer shall take steps to maintain the public shareholding at the level required for continued listing within the time provided under Clause 40A of the listing agreement. The Acquirer may evaluate the possibility of merging the operations of the Target Company with the existing operations of the Acquirer, PAC or any other group company, based on the business requirements and any synergies that may be identified by the respective companies at the appropriate time

FINANCIAL ARRANGEMENTS

A. The Acquirer and the PAC have adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged for the purpose of this Offer.

B. Assuming full acceptance, the total fund requirements to meet this Offer is Rs. 2,02,50,000 Only. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created an Escrow in the form of Fixed Deposit for Rs. 2,02,50,000/- (Rupees Two Crores Two Lakhs Fifty Thousand Only), which is 100% of the total consideration payable under the Offer, with HDFC Bank Limited, 115, Dr Radhakrishnan Salai, Mylapore Branch. Chennai 600 004 on 21st July 2009 and lien has been marked on the said account in favour of MAPE Advisory Group Pvt Ltd., Manager to the Offer.

C. The Acquirer has authorized MAPE Advisory Group Pvt Ltd., Managers to the Offer to realize the value of the Escrow Account in terms of the Regulations.

D. As per Certificate dated July 17, 2009 from Shri N Srikrishna, (Membership Number : 26575), Partner, Brahmayya & Co., Chartered Accountants, 48, Masilamani Street, Balaji Nagar, Royapettah, Chennai – 600 014 Tel. No 91-44 – 28131128/1138/1148/1158, Fax No: 91-44 281311158, email: brahmayya@vsnl.com, the Networth of ICLFSL and ICL as on March 31, 2009 is Rs 2,93,991.15 lakhs.

E. Shri N Srikrishna, (Membership Number : 26575), Partner, Brahmayya & Co., Chartered Accountants, 48, Masilamani Street, Balaji Nagar, Royapettah, Chennai – 600 014 Tel. No 91-44 – 28131128/1138/1148/1158, Fax No: 91-44-281311158, email: brahmayya@vsnl.com has certified that the Acquirers and the PAC has adequate liquid resources to meet the funds requirements of the Offer, including the expenses there of.

F. MAPE Advisory Group Pvt Ltd., Manager to the Offer certifies and confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfil the Offer obligations.

OTHER TERMS OF THE OFFER

A. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

B. The Letter of Offer shall be mailed to all shareholders / beneficial owners holding shares (except the promoter group shareholders & the Acquirer) whose names appear in the register of Target Company as on Friday, August 21, 2009, the Specified Date.

C. All shareholders (except the Acquirer & other promoter group shareholders of IZL) who own shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

D. Share holders holding shares in physical form and wishing to tender their equity shares will be required to send their form of acceptance, original share certificates and transfer deeds to the Registrar to the Offer: M/s. Integrated Enterprises (India) Ltd., 2nd Floor , "Kences Towers" , No.1,Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017. Phone: 91-44-28140801 to 28140803 Fax: 91-44-28142479 Email: sureshbabu@iepindia.com (Contact Person: Shri. Suresh Babu) as Registrar to the Offer, either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e Tuesday September 29, 2009 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with IZL /its Share Transfer Agent for transfer and have not been received back, then the form of acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgement with, or receipt issued by IZL /its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/Limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory to tender the shares, shall also be sent.

E. The shares of the Target Company have not been dematerialised and all the shares are held only in physical form. Hence, no Special Depository Account has been opened.

F. Accidental omission to despatch the Letter of Offer to any person will not invalidate the Offer in any way. In case of non-receipt of the Letter of Offer, the eligible person(s), holding equity shares of IZL, may send his/her/their consent on plain paper stating the name, address, number of shares held, distinctive numbers, certificate numbers and the number of equity shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer before the closure of the Offer.

G. Persons who hold equity shares of IZL on the Specified Date but who are not registered as shareholders/beneficial owners, on the Specified Date are also eligible to participate in the Offer. All such persons should send their applications in writing to the Registrar to the Offer along with necessary proof of ownership and other documents as specified in (d) or (f) above. All eligible shareholders, including unregistered shareholders have the option of applying in plain paper and they shall furnish the details listed above.

H. The Form of Acceptance and other documents required to be submitted, herewith, will be accepted by Registrar to the Offer M/s. Integrated Enterprises (India) Ltd., 2nd Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017. Phone: 044-28140801 to 28140803 Fax: 044 – 28142479 Email: sureshbabu@iepindia.com (Contact Person: Shri. Suresh Babu) between 10 a.m. to 4 p.m. on working days and between 10 a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

I. The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available on the SEBI website: www.sebi.gov.in. In case of non-receipt of the Letter of Offer, all shareholders including unregistered shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

J. Unregistered shareholders and those who apply in plain paper will not be required to provide any indemnity. They may follow the same procedure mentioned above for registered shareholders.

K. The shares to be acquired should be free from all liens, charges and encumbrances, and will be acquired together with all rights attached thereto.

L. The acceptance of this Offer by the shareholders of IZL must be absolute and unqualified. Any acceptance to this Offer, which is conditional or incomplete in any respect, will be rejected without assigning any reason whatsoever.

M. The Acquirer shall accept all valid shares tendered (except those, which are withdrawn, within the date specified for withdrawal). If the numbers of equity shares offered by the shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations, on proportionate basis.

N. In case of acceptance on proportionate basis, the unaccepted shares, Transfer deeds and other documents, if any, will be returned by Registered Post at the Shareholder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement.

O. Consideration for equity shares accepted will be paid by Crossed Account Payee Cheque drawn at Chennai and sent by Registered Post/Under Certificate of Posting.

P. The equity shares Certificate(s) and the transfer form (s) together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pay the Offer Price.

Q. Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A). The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Tuesday September 22, 2009.

R. The Withdrawal option can be exercised by making an application on plain paper along with the following details:

Name, Address, Distinctive numbers, Folio nos., No. of shares tendered/ withdrawn, if held in physical form.

S. The shares withdrawn by shareholders will be returned by Registered Post.

T. The schedule of the activities pertaining to the Offer are given below:

Activity	Date
Public Announcement (PA)	Thursday July 23, 2009
Specified date	Friday August 21, 2009
Last date for a competitive bid	Thursday August 13, 2009
Letter of Offer to be posted to shareholders	Friday September 4, 2009
Date of opening of the Offer	Thursday September 10, 2009
Last date for withdrawing acceptance from the Offer	Tuesday September 22, 2009
Date of closing of the Offer	Tuesday September 29, 2009
Last date for revising the Offer price/ number of shares	Tuesday September 15, 2009
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Wednesday October 14, 2009

Specified date is only for the purpose of determining the names of the shareholders as on such date, to whom the Letter of Offer would be sent and all owners (registered or unregistered) of shares of Indo Zinc Ltd., anytime before the closure of the Offer, are eligible to participate in the Offer.

GENERAL

A. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public announcement / Letter of Offer, can withdraw the same, upto 3 working days prior to the date of closure of the Offer i.e. on or before Tuesday, September 22, 2009.

B. The Acquirer can revise the number of shares and price offered under this Offer upto 7 working days prior to closure of the Offer and revision, if any, in the number of shares or Offer price would appear in the same newspapers where this Public Announcement appeared and the same price would be paid to all shareholders who tender their shares in the Offer, during the Offer period. The last date for such revision is Tuesday, September 15, 2009.

C. If there is competitive bid, the public Offers under all the subsisting bids shall close on the same date.

D. As the Offer price cannot be revised during 7 working days prior to the closing date of the Offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer price of each bid and tender their acceptance accordingly.

E. Pursuant to Regulation 13 of the Takeover Regulations, the Acquirer has appointed MAPE Advisory Group Pvt. Ltd., Laxmi Tower, "A" Wing, 4th Floor, Bandra Kurla Complex, Bandra (East) Mumbai – 400 051 as Manager to the Offer. The contact person at the office of the Manager to the Offer is Shri. Ritesh Mandot (Telephone Nos. 91-22-26530800 Fax No. 91-22- 26530999 e-mail Id : ritesh@mapegroup.com ; rahul@mapegroup.com.

F. The Acquirer has appointed M/s. Integrated Enterprises (India) Ltd., 2nd Floor , "Kences Towers" , No.1,Ramakrishna Street, North Usman Road, T. Nagar, Chennai - 600017. Phone: 91-44-28140801 to 28140803 Fax: 91-44 – 28142479 Email : sureshbabu@iepindia.com (Contact Person: Shri. Suresh Babu) as Registrar to the Offer.

G. The Acquirer and the PAC have not been prohibited by SEBI, from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

H. The Acquirer and the PAC jointly and severally accepts full responsibility for the information contained in this Public Announcement and for the obligations of the Acquirer, laid down in SEBI (Substantial Acquisition of shares and Takeovers) Regulations 1997 and subsequent amendments thereof.

ISSUED BY THE MANAGER TO THE OFFER
MAPE ADVISORY GROUP PVT LTD
SEBI Regn. No. INM 000011294
Laxmi Tower, "A" Wing, 4th Floor, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051
Tel. Nos. 91-22-26530800 Fax No. 91-22-26530999
e-mail ID: ritesh@mapegroup.com, rahul@mapegroup.com
Contact Person: Shri Ritesh Mandot
On behalf of
The Acquirer, ICL Financial Services Limited.
And
Person Acting in Concert, The India Cements Ltd.
"DHUN Building", 827 Anna Salai, Chennai – 600 002
Tel: 91-44-28521526 Fax No: 91-44-28520638

Place: Mumbai
Date: July 23, 2009

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