LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a shareholder(s) of **Indo Zinc Limited.** If you require any clarification 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 sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

ICL Financial Services Limited (the "Acquirer")
And
The India Cements Limited ("Person Acting in Concert with the Acquirer")

"Dhun Building", 827 Anna Salai, Chennai-600 002
Tel No: +91-44-28521526, Fax No: +91-44-28520638, email id: investor@indiacements.co.in

MAKES A CASH OFFER AT RS 22.50 (RUPEES TWENTY TWO AND PAISE FIFTY ONLY) PER FULLY PAID EQUITY SHARE

&

Rs. 10 (RUPEES TEN ONLY) PER PARTLY PAID (CALL MONEY UNPAID) EQUITY SHARE

TO ACQUIRE
9,00,000 equity shares of Rs 10 each, representing 20% of the Issued and Subscribed Equity Capital of

INDO ZINC LIMITED
(the Target Company)

Regd. Office:
601, Ravi Building, 189/191, Dr. D N Road, Fort, Mumbai-400 001
TeleFax No:+91-22-22654949

Head Office:
405, Apollo Tower, 2, M G Road, Indore-452001, Madhya Pradesh
Tel Nos: +91-731-2518341 Fax No:+91-731-4058080 Email: indozincltd@gmail.com

Notes:

- This Offer is made pursuant to and in compliance with Regulations 10 & 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof.
- This Offer is not conditional as to any minimum level of acceptance.
- This is not a competitive bid.
- There has been no revision of Offer price, till the date of this Letter of Offer
- As on the date of this Letter of Offer, 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 at a later date.
- **Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same up to 3 working days prior to the date of closure of the Offer. The last date for such withdrawal is Tuesday, October 27, 2009.**
- The Acquirer can revise the Offer price upto 7 working days prior to the date of closure of the Offer. The last date for such revision is Wednesday October 21, 2009. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. **Consideration at the same rate will be paid for all equity shares tendered anytime during the Offer period.**
- Details of Competitive bids, if any: **No Competitive bids**
- The Registration of all the Intermediaries associated with the Offer, viz. MAPE Advisory Group Private Limited, Manager to the Offer and Integrated Enterprises (India) Limited, Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.
- A copy of this Letter of Offer (including the Form of Acceptance and Acknowledgement, Form of Withdrawal) and copy of the Public Announcement are available on SEBI's website: www.sebi.gov.in.

OFFER OPENS ON: THURSDAY, OCTOBER 15, 2009 **OFFER CLOSES ON: TUESDAY, NOVEMBER 03, 2009**

MANAGER TO THE OFFER	REGISTRARS TO THE OFFER
MAPE	
MAPE ADVISORY GROUP PRIVATE LIMITED SEBI Regn. No. INM 000011294 13&14, 1st Floor, Nirlon House, 254-B, Worli, Mumbai 400 030 Tel. Nos. +91-22-6154 4500 Fax No. +91-22-6154 4540 Email: ritesh@mapegroup.com **Contact Person: Shri Ritesh Mandot**	INTEGRATED ENTERPRISES (INDIA) LIMITED SEBI Regn NO: INR 000000544 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 K. Suresh Babu**

The Schedule of activities is as follows:

Activity	Original	Revised
Public Announcement (PA)	Thursday, July 23, 2009	Thursday July 23, 2009
Corrigendum to PA	–	Thursday, October 08 2009
Specified date	Friday, August 21, 2009	Friday, August 21, 2009
Last date for a competitive bid	Thursday, August 13,2009	Thursday, August 13, 2009
Letter of Offer to be posted to shareholders	Friday, September 4,2009	Friday, October 09, 2009
Date of opening of the Offer	Thursday, September 10,2009	Thursday, October 15, 2009
Last date for withdrawing acceptance from the Offer	Tuesday, September 22, 2009	Tuesday, October 27, 2009
Date of closing of the Offer	Tuesday, September 29,2009	Tuesday, November 03, 2009
Last date for revising the Offer price/ number of shares.	Tuesday, September 15, 2009	Wednesday, October 21, 2009
Last date of communicating rejection/ acceptance and payment of consideration for applications accepted	Wednesday, October 14, 2009	Wednesday November 18, 2009

Risk Factors relating to the transaction and probable risks involved in associating with the Acquirer

1. The Acquirer proposes to take control of the Target Company. 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. The likely changes in the management of the Target Company shall also be subject to compliance with Regulation 23(6) of the SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended.
2. Association of the Acquirer with IZL / taking control of IZL by the Acquirer does not warrant any assurance with respect to the future financial performance of IZL.

Risk Factors relating to the proposed Offer

3. Shareholders accepting this Offer will be tendering their equity shares before getting payment of consideration as the Acquirer has 15 days time from date of closure of Offer to make payment of consideration. Further, they will not be able to take advantage of any favorable price movements in the market.
4. As on date of this Letter of Offer no statutory 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 at a later date. The dispatch of consideration can be delayed beyond 15 days from date of closure of Offer, in case any statutory approval, which becomes so applicable on a later date, is not received.

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DEFINITIONS/ABBREVIATIONS

1	IZL / Target Company / TC Indo Zinc Ltd	Company whose equity shares are proposed to be acquired viz.
2	Acquirer / ICLFSL	ICL Financial Services Limited, who is offering to acquire shares through this Offer
3	RBI	Reserve Bank of India
4	SEBI/Board	Securities and Exchange Board of India
5	Merchant Banker / Manager to the Offer	MAPE Advisory Group Private Limited
6	Registrar to the Offer	Integrated Enterprises (India) Limited
7	PA / Public Announcement	Announcement of the Offer made by the Acquirer, published in the dailies, on Thursday, July 23, 2009.
8	Offer Target Company	Cash Offer being made by the Acquirer to the shareholders of the
9	Shares	Equity shares
10	EPS	Earnings Per Equity Share, for the period under reference and annualized
11	Book Value	Book Value of each Equity Share as on the date referred to
12	Regulations / Takeover Regulations / SEBI Regulations / SEBI (SAST)	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date Regulations / Takeover Code
13	NAV	Net Asset Value per Equity Share
14	Persons not eligible to participate in the Offer	Parties to the Agreement, promoter group shareholders of the Target Company, the Acquirer and the PAC
15	Persons eligible to participate in the Offer	All equity shareholders of the Target Company, other than the Acquirer, parties to the Agreement and promoter group shareholders of the Target Company. Both registered and unregistered shareholders can participate in the Offer
16	PAC / ICL	The India Cements Limited, who is the Person Acting in Concert with the Acquirer
17	BSE	Bombay Stock Exchange Limited
18	DSE	Delhi Stock Exchange Limited
19	ASE	Ahmedabad Stock Exchange Limited
20	NSE	National Stock Exchange of India Limited
21	MPSE	Madhya Pradesh Stock Exchange Limited
22	MSE	Madras Stock Exchange Limited
23	RNW	Return on Net Worth

24	FIIs	Foreign Institutional Investors
25	NRIs	Non Resident Indians and persons of Indian origin residing abroad
26	FIs	Financial Institutions
27	PAT	Profit After Tax
28	Agreement / SPA	Share Purchase Agreement entered into between the Acquirer and promoters / promoter group shareholders and their Associates of IZL
29	SEBI Insider Trading Regulations	SEBI (Prohibition of Insider Trading Regulations) 1992 as amended.
30	NSDL	National Securities Depository Limited
31	CDSL	Central Depository Services (India) Limited

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF INDO ZINC LIMITED, THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, 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 IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. MAPE ADVISORY GROUP PRIVATE LTD HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JULY 22nd, 2009 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF.

2. DETAILS OF THE OFFER

2.1 Background of the Offer

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

2.1.2. ICL Financial Services Limited, (hereinafter referred to as the "Acquirer") and The India Cements Limited, (hereinafter referred to as the person acting in concert with the Acquirer ("PAC")) 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, the PAC, promoters & promoter group shareholders of IZL) of Indo Zinc Limited, ("IZL", "the Target Company") to acquire 9,00,000 equity shares of Rs 10 each, representing 20% of the Issued and Subscribed Equity Share 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 (call money unpaid). There are 24,400 Shares, on which call money of Rs 12.50 (which includes premium of Rs 7.50) remains unpaid.

2.1.3. 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 and their associates ("Vendors") 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.

The Agreement provides that:

(a) The Vendors have agreed to sell and the Acquirer has agreed to purchase 17,87,700 equity shares ("Sale Shares") in physical form.

(b) Simultaneous to the execution of the Agreement, the Acquirer shall appoint an Escrow Agent for the purpose of transaction contemplated.

(c) 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.

(d) 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 / cheques towards advance which moneys shall be adjusted against the Consideration for sale and purchase of the Sale Shares.

(e) 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").

(f) 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.

(g) 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.

(h) Simultaneously, with the appointment of the Directors nominated by the Acquirer to the Board of Directors of the Target 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.

(i) On the date ("Completion Date") on which the Merchant Banker issues its certificate, as set out under Regulation 23(6) of SEBI Regulations, certifying the fulfilment 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.

(j) 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.

(k) 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.

(l) 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.

(m) In case of non-compliance with any of the provisions of the Takeover Regulations, the Agreement for acquisition of Shares and change in control shall not be acted upon by the Vendors or the Acquirer.

2.1.4 The Acquirer, the PAC, its promoters and directors, the Target Company and its promoters / Directors 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 in the past three years. No other action has been taken against them by SEBI.

2.1.5 There is no person on the Board of the Target Company, representing the Acquirer.

2.1.6 Subject to satisfaction of the provisions under the Companies Act, 1956 and / or any other Regulation(s), the Acquirer intends to make changes in the management of IZL. The likely changes in the management of IZL shall be subject to compliance with Regulation 23(6) of the Regulations.

2.2 Details of the proposed Offer

2.2.1. A Public Announcement, as per Regulation 15 (1) of the Regulations, was made on Thursday, July 23, 2009 in all editions of one English language daily with wide circulation, one Hindi national daily with wide circulation and one Marathi daily published at Mumbai, the place where the Registered Office of the Target Company is situated as detailed below. The Public Announcement is also available at SEBI's website: www.sebi.gov.in

Newspaper	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Navshakthi	Marathi	Mumbai

2.2.2 The Offer is to acquire 9,00,000 equity shares of Rs 10 each, representing 20% of the Issued and Subscribed equity capital of IZL.

2.2.3 The Offer price is Rs 22.50 (Rupees Twenty Two and Paise Fifty only) per each fully paid up equity share and Rs. 10 (Rupees Ten Only) per Partly Paid equity share, on which call money of Rs 12.50 has not been paid.

2.2.4 The consideration will be paid in cash. There is no differential price since entire consideration is payable in cash.

2.2.5 This is not a competitive bid.

2.2.6 This Offer is not conditional as to any minimum level of acceptance.

2.2.7 The Acquirer has not made any further acquisition of shares since the Public Announcement was made and till date of this Letter of Offer

2.2.8 Details of competitive bids, if any: No competitive Bid has been received

2.2.9 MAPE Advisory Group Private Limited, Manager to the Offer and its employees do 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.

2.2.10 There is no agreement by the Acquirer with any person / entity, in connection with this Offer. As per the understanding between ICLFSL and ICL 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.

2.2.11 The Acquirer has not acquired any equity share of IZL after the date of PA. In the event of any further acquisition of equity shares from the date of PA till 7 days prior to closure of Offer by the Acquirer 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.

3. BACKGROUND OF THE ACQUIRER

3.1 ICL FINANCIAL SERVICES LTD (ICLFSL)

3.1.1 ICL Financial Services Limited, a limited company, incorporated under the Companies Act, 1956 on October 20, 1993 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)

3.1.2 ICLFSL is a wholly owned subsidiary of The India Cements Limited.

3.1.3 The company is managed by its Board of Directors. Shri N Srinivasan, Vice Chairman and Managing Director of The India Cements Limited, 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.

3.1.4 The main objects of ICLFSL, as per the Memorandum of Association, inter alia, include the following:

"To carry on the business of an investment company whether in India or elsewhere and to invest the funds of the Company in purchasing or otherwise acquiring by original subscription, tender, purchase, exchange, underwriting, or sub-underwriting or by participation in syndicate as consideration in kind or otherwise any shares, stocks, debentures, bonds and securities of any kind and to hold and deal with the same including managing of investment pools, mutual funds, handle portfolio management and render services related to investment counseling, issues counseling and forex broking and consultancy services."

Note: The Objects clause of ICLFSL permits the company to make investments in another corporate entity.

3.1.5 ICLFSL is a closely held Company, i.e. the entire equity shares are held by ICL and not listed in any Stock Exchange.

3.1.6 The Directors of ICLFSL as on the date of PA and their brief profile is as under:

Name & DIN Number	Date of appointment	Age, Qualification, Experience	Residential Address	Designation
Shri N.Srinivasan 00116726	16/02/2007	64 years B.Sc (Tech), M.S (IIT) Chicago Vice Chairman & Managing Director, The India Cements Limited	6, Arch Bishop Mathias Avenue, Chennai - 600028 Tel No: +91-44-28521526 email Id: md@indiacements.co.in	Chairman

Name & DIN Number	Date of appointment	Age, Qualification, Experience	Residential Address	Designation
Shri R.K. Das 00327985	20/10/1993	76 years B E (Mech), M I E Director, The India Cements Limited	"Dhanya" Puthur, 5/213, Kallepully Road, Palakkad - 678 001 Tel No: +91-491-2525299 email id: dasdhanya@hotmail.com	Director
Shri T.S.Raghupathy 00207220	20/10/1993	58 years B.Com, MM.Sc Executive President, The India Cements Limited	64, Abhiramapuram, IV Street, Alwarpet, Chennai - 600 018. Tel No: +91-44-28521526 email Id: raghu@indiacements.co.in	Director
Shri T.V.Swaminathan 00232328	20/10/1993	63 years B.Com, AICWA, ACS Consultant (Operations) The India Cements Limited	ICL SRINIVAS, 1st Floor, 63, 4th Street Abiramapuram, Alwarpet, Chennai - 600 018. Tel No: +91-44-28521526 email id: sam@indiacements.co.in	Director

There has been no change in Board of Directors, since the date of PA.

3.1.7 The brief financials of ICLFSL for the last 3 years is given below:

Profit & Loss Statement (Audited)

Rs. lakhs	FY09	FY08	FY07
Income from Operations	235.37	112.01	2.28
Other Income	119.19	–	–
Total Income	354.56	112.01	2.28
Total Expenditure	0.57	0.33	0.11
Profit / Loss before Depreciation Interest and Tax	353.99	111.68	2.17
Depreciation	–	–	–
Interest	–	–	–
Profit/(Loss) before Tax	353.99	111.68	2.17
Provision for Tax	13.50	–	–
Profit / (Loss) after Tax	340.49	111.68	2.17

Balance Sheet (Audited)

Rs. lakhs	FY09	FY08	FY07
Sources of Funds			
Paid up Share Capital (Face Value per Share Rs.10)	5.00	5.00	5.00
Advance for Share Capital	591.20	591.20	591.20
Reserves & Surplus	–	–	–
Total Capital	596.20	596.20	596.20
Secured Loans	–	–	–
Unsecured Loans	15,145.50	15,646.50	15,755.00
Total	15,741.70	16,242.70	16,351.20
Uses of Funds			
Net Fixed Assets	–	–	–
Investments	13,193.69	13,310.57	13,090.26
Net Current Assets	751.92	795.55	1,012.68
Profit & Loss Account	1,796.09	2,136.58	2,248.26
Total	15,741.70	16,242.70	16,351.20

Other Financial Data			
Dividend (%)	–	–	–
Networth	(1,199.89)	(1,540.38)	(1,652.06)
Earnings per Share (Rs 10) (Net Profit / no. of subscribed equity shares.	681.00	224.00	4.34
Return on Net Worth (%) (Net profit X 100 divided by Net Worth)	Negative	Negative	Negative
Book Value per Equity Share (FV Rs 10) (Net Worth divided by number of subscribed Equity Shares)	Negative	Negative	Negative

Notes:

- There is no extraordinary item of income or expenditure during the above period.
- The Auditors have not made any significant qualifications which have a bearing on the financial results
- The Investments during the above period are investments in quoted investments and unquoted investments etc.

The significant accounting polices followed by the company are:

a. Accrual system of accounting is followed.

b. Long term investments are carried at cost. Provision for diminution wherever necessary in the value is made to recognize a decline, other than of a temporary nature.

c. Borrowing costs on outlays for acquiring shares of other companies as a long term measure for gaining and maintaining control are capitalized to the cost of such investments.

3.1.8 As on March 31, 2009, there are no contingent liabilities.

3.1.9 ICLFSL has one subsidiary viz., Trishul Concrete Products Limited, the brief details of which are as under:

Name of the Company	Trishul Concrete Products Ltd.,
Date of Incorporation	05/07/1999
Promoter	ICL Financial Services Ltd (Subsidiary of ICL)
Nature of activities	Manufacture and sale of Ready Mix Concrete

Rs. '000 (Audited)	FY09	FY08	FY07
Paid up Equity Capital	19,373.00	19,373.00	19,373.00
Reserves (excl. revaluation reserve)	55,444.00	37,579.00	21,537.00
Total Income	9,22,621.00	1,051,895.00	939,399.00
Profit /(Loss)After Tax	17,865.00	22,842.00	14,547.00
Earning Per Share (in Rs.)	9.22	11.79	7.51
Net Asset Value (in Rs.)	85,866.00	66,581.00	67,895.00

The company is not a sick company.

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

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

3.1.12 ICLFSL, its promoters / directors 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. No other action has been taken by SEBI against them.

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

3.1.14 The Acquirer has complied with the provision of Regulation 7 of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 for the acquisition of Shares made on July 12, 2009 and by way of a Share Purchase Agreement dated July 19, 2009.

3.1.15 There are no other PACs other than the parent company, The India Cements Limited.

3.1.16 Shareholding pattern of ICLFSL is as follows:

Name of the shareholder	No. of Shares	% to total Paid up capital
The India Cements Ltd	50,000	100
Total	50,000	100

3.1.17 Compliance Officer of ICLFSL: Not applicable as ICLFSL is not a listed company.

3.1.18 There has been no change of name, merger / demerger, and spin-off involving the Acquirer during last 3 years. Further the Acquirer is an unlisted company.

3.1.19 The Board of Directors of ICLFSL, at their meeting held on July 19, 2009, have authorized Shri T S Raghupathy, Director, to sign this Letter of Offer on behalf of the Acquirer.

3.2 BRIEF DETAILS OF THE PERSON ACTING IN CONCERT WITH THE ACQUIRER - THE INDIA CEMENTS LIMITED

3.2.1 ICL incorporated in the year 1946 was promoted by Late Shri S N N Sankaralinga Iyer and Late Shri T S Narayanaswami. The Registered Office of the company is located at "Dhun Building" 827, Anna Salai, Chennai - 600 002 (Tel No: +91-044-28521526, Fax No: +91-44-28520638, email id: investor@indiacements.co.in). The company is engaged primarily in the business of manufacturing and marketing of cement and currently has an installed capacity of 12.95 million TPA of cement spread over 7 locations in Tamil Nadu and Andhra Pradesh. The total cement produced by the company during the year 2008-09 was 9.11 million TPA. In addition to manufacture of cement, the company has two grinding units each of a capacity of one million tones, one at Chennai (Tamil Nadu) and the other at Parli (Maharashtra). The company also has wind mills, generating power to the tune of 282 lakhs units during the year 2008-09. The Company's Shipping division which presently owns two handymax bulk carriers enables the company to save freight, as they were being employed for inward movement of coal and other raw materials whenever they were not tramping.

3.2.2 The founders of the company were Shri S N N Sankaralinga Iyer and Shri T S Narayanaswami. Shri N Srinivasan, the Vice Chairman and Managing Director of the company is the son of Shri T S Narayanaswami. The company is managed by Shri N Srinivasan, the Vice Chairman and Managing Director of the Company. The other Directors of the Company are Ms. Rupa Gurunath, Shri B S Adityan, Shri Arun Datta, Shri R K Das, Shri N R Krishnan, Shri V Manickam, Shri A Sankarakrishan, Shri N Srinivasan and Shri K Subramanian.

3.2.3 The main objects of ICL, as per the Memorandum of Association, inter alia, include the following:

"To produce, manufacture, purchase, refine, prepare, process, import, export, sell and generally to deal in cement, Portland cement, alumina cement, lime and limestone, clinker and/or by-products thereof and building materials generally and in connection therewith to acquire, erect, construct, establish, operate and maintain cement factories, limestone quarries, workshops and other works."

3.2.4 The equity shares of ICL are listed on the Bombay Stock Exchange Limited, National Stock Exchange of India Limited and Madras Stock Exchange Limited. Company's Global Depository Receipts (GDRs) and Global Depository Shares (GDSs) are listed on the Luxemburg Stock Exchange. As on the date of PA, the closing price of ICL on the BSE was Rs 141.75 and NSE was Rs 141.15 respectively. The closing price of the GDR and GDS was US$ 3.12 & US$ 6.25 respectively.

3.2.5 The Directors of ICL as on the date of PA and their brief profile is as under:

Name & DIN Number	Date of appointment	Age, Qualification, Experience	Residential Address	Designation
Shri N. Srinivasan 00116726	15/09/1989	64 years B.Sc (Tech), M.S (IIT) Chicago. Industrialist	6, Arch Bishop Mathias Avenue, Chennai - 600028 Tel.No: +91-44-28521526 Email id: md@indiacements.co.in	Vice Chairman & Managing Director
Shri N. Ramachandran 00116895	27/08/1990	60 years B.Tech (Chem) Industrialist	27, Dr C P Ramaswamy Iyer Road, Chennai - 600 018 Tel No: +91-44-28521526 Email id: finance@md2.vsnl.net.in	Executive Director
Ms Rupa Gurunath 01711965	24/09/2007	36 years B.Sc., Post Graduate Diploma in Computer Applications Industrialist	Old No:3, New No:11, Cenotaph Road, 2nd Lane, Teynampet, Chennai - 600 018 Tel No:+91-44-28521526 Email id: rupagurunath@indiacements.co.in	Director
Shri B.S. Adityan 00037717	7/3/1967	72 years B.A. Industrialist	7, Poes Garden Chennai - 600 086 Tel No: +91-44-26618733 Email id: adityan@dt.co.in	Director

Name & DIN Number	Date of appointment	Age, Qualification, Experience	Residential Address	Designation
Shri Arun Datta (Nominee, IDBI Bank Limited) 00180069	25/01/2006	62 years BE (Mech) Post Graduate Diploma in Marketing Management Advisor	Aspen Green, 74, Nirvana Country Near South City -II, Sector 50 Gurgaon - 122101 Tel No: 098103 87781 Email id: arundatta@vsnl.net	Nominee Director
Shri R. K. Das 00327985	1/10/2004	76 years B E (Mech) MIE Technical Expert	"Dhanya", Puthur, 5/213, Kallepully Road, Palakkad - 678001 Tel No:+91-491-2525299 Email id: dasdhanya@hotmail.com	Director
Shri N. R. Krishnan 00047799	24/09/2007	71 years B.Sc (Hons) Chemistry M.Sc.(Chemistry) IAS (Retd)	Old No: 18, New No:46, 2nd Floor, Balaji Nagar, 2nd Street, Royapettah Chennai - 600 014 Tel No: +91-44-28131322 Email id: nrkrishnan20@dataone.in	Director
Shri V. Manickam (Nominee, Life Insurance Corporation of India) 00179715	31/10/2008	57 Years B.Sc., ACA Executive Director - Investment M&A, Life Insurance Corporation of India	Flat No:3., Jeevan Anand, Rajab Ali Patel Lane, Bhulabhai Desai Road, Mumbai - 400 026 Tel No: +91-22-22028440 Email id: co_invma@licindia.com	Nominee Director
Shri A. Sankarakrishnan 00054462	24/09/2007	66 Years B.E.(Mech) MD, Kone Elevator India Private Limited	New No: 82, Old No:195 St. Mary's Road, Chennai - 600 018 Tel No: +91-44-26533901 Email id: a.sankarakrishnan@kone.com	Director
Shri N.Srinivasan 00004195	30/09/2006	78 years B.Com FCA Retd Sr Partner - M/s. Fraser & Ross	T-19, (Old No T-18/1), 6th Avenue, Besant Nagar, Chennai - 600 090 Tel No: +91-44-28331590 Email id: yenyesfairmeans@yahoo.co.in	Director
Shri K.Subramanian (Nominee, HUDCO) 00841513	20/04/2007	55 Years B E (Civil), ME (PHE), PGD Envt Engg (DELFT), Executive Director, (Consultancy & Works), HUDCO	A2/8, SAF Games Village, Koyambedu, Chennai - 600107 Tel No: +91-44-28412711 Email id: hudcocro@vsnl.com	Nominee Director

There has been the following change in the Board of Directors, since the date of PA.

Name	Date of change	Nature of change
Mr N Ramachandran	August 12, 2009	Resignation

3.2.6 The brief financials of ICL for the last 3 years are given below:

Profit & Loss Statement (Audited)

Rs. lakhs	FY09	FY08	FY07
Income from Operations (excl. Excise Duty)	335,949.10	304,711.83	225,527.02
Other Income & other operating income	3,598.75	5,114.50	1,012.89
Total Income	339,547.85	309,826.33	226,539.91
Total Expenditure	243,179.15	196,770.29	152,101.06
Profit / Loss before Depreciation, Interest & Tax	96,368.70	113,056.04	74,438.85
Depreciation	20,332.04	12,791.81	10,262.88
Interest	11,214.93	10,986.19	14,979.61
Profit/(Loss) before Extraordinary Items	64,821.73	89,278.04	49,196.36
Extraordinary items	–	(4,814.04)	–
Prior year Income (Net)	8.67	–	–
Profit / (Loss) after Extraordinary items	64,830.40	84,464.00	49,196.36
Provision for Tax	21,612.75	20,710.00	1,313.38
Profit / (Loss) after Tax	**43,217.65**	**63,754.00**	**47,882.98**

Balance Sheet (Audited)

Rs. lakhs	FY09	FY08	FY07
Sources of Funds			
Paid up Share Capital (FV per Share Rs.10)	28,243.05	28,186.74	26,037.14
Reserves & Surplus	334,895.93	303,924.08	194,816.20
Total Capital	363,138.98	332,110.82	220,853.34
Secured Loans	103,624.99	97,101.68	116,598.73
Unsecured Loans	95,177.97	84,048.90	89,276.74
Deferred Tax Liability	27,406.24	22,571.46	6,029.03
Total	**589,348.18**	**535,832.86**	**432,757.84**
Uses of Funds			
Net Fixed Assets	471,229.29	403,937.17	293,858.26
Investments	15,897.33	12,928.24	5,507.49
Net Current Assets	99,021.21	116,588.00	128,352.26
Deferred Tax Asset	1,845.23	-	1,727.57
Miscellaneous Expenses Not Written Off - Deferred Revenue Expenditure	1,355.12	2,379.45	3,312.26
Total	**589,348.18**	**535,832.86**	**432,757.84**
Other Financial Data			
Dividend (%)	20.00	20.00	10.00
Networth	290,802	252,614	134,356
Earnings per Share (Rs 10) (Net Profit / no. of subscribed equity shares.	15.32	23.97	19.65
Return on Net Worth (%) (Net profit X 100 divided by Net Worth)	14.86%	25.24%	35.64%
Networth per Equity Share (FV Rs 10) (Net Worth divided by number of subscribed Equity Shares)	102.96	89.62	51.60
Other Income Details			
Dividend & Interest on Trade Investments	282.76	282.76	11.37
Dividend & Interest on Other Investments	13.98	14.41	14.43
Other dividend and interest	4,135.06	1,965.77	173.98
Rent Recovery	19.77	19.56	19.61
Profit on sale of Assets	21.79	22.21	673.95
Profit on sale of investments	0.60	-	21.28
Foreign Exchange Translation difference (Net)	(7929.92)	1,013.23	-
Miscellaneous Income	7,054.71	1,796.56	98.27
Total	**3598.75**	**5,114.50**	**1,012.89**

Notes:

- There is an extraordinary item in the year ended 2007 for Reversal of Sales Tax Deferral assignments to the extent of Rs 29,405.23 lakhs and Share / Bond issue expenses to the extent of Rs 5,901.08 lakhs for the year ended 2007 and Rs.1,268.00 lakhs for the year ended 2008.
- The Auditors have not made any significant qualifications which have a bearing on the financial results
- The Investments during the above period are investments in Subsidiaries, quoted investments and unquoted investments & investment in Mutual Funds, investment in Government and Trustee Securities, investment in fully paid shares of Co-op Societies etc.

The significant accounting policies followed by the company are:

a. The financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) generally under the historical cost convention on accrual basis and exceptions to this basis, if any, are herein specifically mentioned.

b. Fixed Assets are valued and shown adopting the following basis:

   i. Fixed Assets and Capital Work-in Progress of all cement manufacturing facilities are shown at revalued amounts as at 31 March 2004. All other Fixed Assets acquired are shown at the cost of acquisition. All costs including financing costs and applicable overheads incurred on specific projects / acquisition of undertakings are also capitalised.

   ii. Fixed Assets acquired on hire purchase or on Financial Lease are shown at their principal cost, excluding the interest cost included in this agreements which is charged to revenue over the life of the agreement.

   iii. Expenditures and outlays of money on uncompleted projects of a capital nature are shown as capital works-in progress until such time these projects are completed and commissioned.

   iv. The company provides depreciation on written down value method for Motor Vehicles and for assets acquired prior to 1.4.1982 at Head Office and at Sankarnagar.

   v. Software development costs and computers are depreciated on Straight Line method as per Section 205(2)(b) of the Companies Act, 1956.

   vi. Ships are depreciated on Straight Line Method, over its estimated useful life.

   vii. Long term Franchisee Rights are capitalized and amortised over a period of ten years.

   viii. For all other assets Straight Line Method as per Section 205(2)(b) of the Companies Act 1956 is adopted.

   ix. The depreciation on incremental value arising from the revaluation of fixed assets is charged to the Revaluation Reserve Account.

   x. Fixed assets are tested for impairment and impairment loss, if any, is provided by a charge to the Profit and Loss Account

c. Where Foreign Currency Loans have been availed to acquire fixed assets from outside India, the outstanding liability on these loans is stated at the exchange rate of the rupee as at the year end or at contracted rates with a corresponding adjustment to the carrying cost of the relevant assets. Depreciation is charged to accounts on the value so adjusted over the remaining life of the asset.

d. Foreign Exchange transactions are accounted at the exchange rates prevailing at the time of transactions or at contracted rates. Current assets and all liabilities (other than for acquiring fixed assets) in foreign currencies are translated at values prevailing as at the year end. Gains / Losses if any, arising therefrom are recognized in the profit and loss account.

e. Sales include excise duty, revenue from trade related activities and sales tax deferred as reduced by consideration for assignment of Sales Tax deferral liability and is net of rebates, discounts and incentives.

f. Revenue from construction projects under Real Estate and Property Development Division is recognized on percentage of completion method.

g. Revenue on time charter of ships is recognized on a proportionate basis.

h. Valuation of inventories of raw materials, packing materials, stores, spares, fuels and work-in-process is at weighted average cost. Semi-finished goods, finished goods and Real Estate Projects are valued at cost or net realizable value whichever is lower. The value of finished goods includes excise duty.

i. Research and Development expenses not resulting in any property / equipment are charged to revenue under nominal heads

j. Interest and other costs in connection with borrowing of funds to the extent related / attributed to the acquisition / construction of qualifying fixed assets are capitalized upto the date when such assets are ready for its intended use

k. Claim / Incomes arising from price escalation and / or any other item of compensation and which are indeterminate are accounted on finalization.

l. Trade investments and investments in subsidiary companies are long term investments and are carried at cost. The other investments are carried at lower of cost or realizable value. Provision for diminution value is made wherever necessary in accordance with the Accounting Standard.

m. Retirement benefits are provided by charge to revenue including provision for gratuity and superannuation fund determined on an actuarial basis for which a trust has been created. The Actuarial gains / losses arising on retirement benefits are also recognized in the profit and loss account. Unavailed leave balances are accounted based on actuarial principles.

n. Fringe Benefits arising on options vested under Employee Stock Options Scheme (ESOS) 2006 are charged to Profit and Loss Account and credited to Stock Options Reserve Account. On allotment of shares, corresponding amount is transferred from Stock Options Reserve to Securities Premium Account.

o. Premium on redemption of Debentures / Bonds is accounted on redemption and set off against the Securities Premium Account.

3.2.7 ICL has contingent liabilities to the extent not provided for to the extent of Rs 26,881.72 lakhs for the year ended March 31, 2009.

3.2.8 ICL through its wholly owned subsidiaries viz. ICL Financial Services Limited (ICLFSL) and ICL Securities Limited (ICLSL) promoted India Cements Capital Limited (ICCL), a listed company. ICLFSL and ICLSL hold each 23.96% of the Equity Share Capital of ICCL. ICL has not promoted any other listed Company

3.2.9 **BRIEF DETAILS OF VENTURES / UNLISTED COMPANIES PROMOTED BY / ASSOCIATED WITH THE ACQUIRER / SUBSIDIARIES OF ICL.**

Subsidiaries

Name of the Company	**ICL Financial Services Ltd., (Also Main Acquirer)**
Promoter	The India Cements Ltd
Date of Incorporation	20/10/1993
Board of Directors	Shri N. Srinivasan, Chairman Shri R. K. Das Shri T. S. Raghupathy Shri T. V. Swaminathan
Nature of activities	Finance & Investments

Brief financials based on Audited Accounts for the last three years

ICL Financial Services Ltd. (Audited)

Rs. '000	**FY09**	**FY08**	**FY07**
Paid up Equity Capital	500.00	500.00	500.00
Reserves & Surplus (excl. revaluation reserves)	–	–	–
Total Income	35,456.00	11,201.00	228.00
Profit (Loss) after Tax	34,049.00	11,168.00	217.00
Earnings per Paid Up Share (FV Rs.10) (Rs.)	681.00	224.00	4.34
Net Asset Value	1,394,561.00	1,410,612.00	1,410,294.00

The Company is not a Sick Industrial Company

Name of the Company	**ICL Securities Limited**
Promoter	The India Cements Limited
Date of Incorporation	30/12/1994
Board of Directors	Shri N. Srinivasan, Chairman Shri R. K. Das Shri T. S. Raghupathy Shri T. V. Swaminathan
Nature of activities	Finance & Investments

Brief financials based on Audited Accounts for the last three years

Rs. '000	**FY09**	**FY08**	**FY07**
Paid up Equity Capital	500.00	500.00	500.00
Reserves & Surplus (excl. revaluation reserves)	–	–	–
Total Income	19,958.00	10,774.00	–
Profit (Loss) after Tax	19,940.00	10,754.00	(13.00)
Earnings per Paid Up Share (FV Rs.10) (Rs.)	399.00	215.00	–
Net Asset Value	13,63,030.00	1,366,590.00	1,294,686.00

The Company is not a Sick Industrial Company

Name of the Company	Industrial Chemicals & Monomers Limited
Promoter	The India Cements Limited
Date of Incorporation	09/08/1979
Board of Directors	Shri R. K. Das Shri T. S. Raghupathy Shri T. V. Swaminathan
Nature of activities	Manufacture and sale of Calcium Carbide (operations suspended)

Brief financials based on Audited Accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	22,282.00	22,282.00	22,282.00
Reserves & Surplus (excl. revaluation reserves)	452.00	452.00	452.00
Total Income	42.00	-	27.00
Profit (Loss) after Tax	(1,949.00)	(4,548.00)	(2,202.00)
Earnings per Paid Up Share (FV Rs.10) (Rs.)	-	-	-
Net Asset Value	7,024.00	7,923.00	10,186.00

The company is not a sick industrial company.

Name of the Company	Trishul Concrete Products Limited*
Promoter	ICL Financial Services Ltd (Subsidiary of ICL)
Date of Incorporation	05/07/1999
Board of Directors	Shri N.Srinivasan, Chairman Shri T.S.Raghupathy Shri T.V.Swaminathan Shri Ashwin Srinivasan
Nature of activities	Manufacture and sale of Ready Mix Concrete

*The Company was originally incorporated as "Trishul Concrete Products Private Limited". On its conversion into public limited company, the name of the Company changed to "Trishul Concrete Products Limited" w.e.f. 21.07.2008.

Brief financials based on Audited Accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	19,373.00	19,373.00	19,373.00
Reserves & Surplus (excl. revaluation reserves)	55,444.00	37,579.00	21,537.00
Total Income	9,22,621.00	1,051,895.00	939,399.00
Profit (Loss) after Tax	17,865.00	22,842.00	14,547.00
Earnings per Paid Up Share (FV Rs.10) (Rs.)	9.22	11.79	7.51
Net Asset Value	85,866.00	66,581.00	67,895.00

The company is not a sick company.

Name of the Company	ICL International Limited
Promoter	The India Cements Limited
Date of Incorporation	20/10/1993
Board of Directors	Shri N.Srinivasan, Chairman Shri R.K.Das Shri T.S.Raghupathy Shri T.V.Swaminathan Shri Ashwin Srinivasan (WTD)
Nature of activities	Trading including merchant exports and Transportation

Brief financials based on Audited Accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	500.00	500.00	500.00
Reserves & Surplus (excl. revaluation reserves)	–	–	–
Total Income	33,465.00	108,455.00	53,602.00
Profit (Loss) after Tax	(88,713.00)	10,070.00	(963.00)
Earnings per Paid Up Share (FV Rs.10) (Rs.)	–	201.38	–
Net Asset Value	–	34,675.00	24,605.00

The company is not a sick company.

Name of the Company	PT. Coromandel Minerals Resources, Jakarta
Promoter	The India Cements Ltd & ICL Financial Services Ltd, the wholly owned subsidiary of The India Cements Limited together hold 100% of the Paid up Ordinary Share Capital of PT. Coromandel Minerals Resources
Date of Incorporation	23/01/2008
Board of Directors	Shri V. M. Mohan Shri R. Krishnachander Shri Sankaran Sundararaman
Nature of activities	Identifying and developing coal mines

The company has not commenced any commercial activity.

Associate Companies

Name of the Company	Coromandel Sugars Limited
Promoter	ICL Securities Ltd. & ICL Financial Services Ltd., the wholly owned subsidiaries of The India Cements Limited together hold 49.99% of the Paid up equity Share Capital of the company
Date of Incorporation	22/05/1996
Board of Directors	Shri N. Srinivasan, Chairman Shri R. K. Das Shri T. S. Raghupathy Shri T. V. Swaminathan Shri V. M. Mohammed Meeran
Nature of activities	Manufacture and sale of cane sugar, cane molasses and bagasse.

Brief financials based on Audited Accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	1,40,017.00	140,017.00	140,017.00
Reserves & Surplus (excl. revaluation reserves)	82,073.00	69,573.00	88,166.00
Total Income	11,54,780.00	794,815.00	809,160.00
Profit (Loss) after Tax	8,045.00	(32,344.00)	8,352.00
Earnings per Paid Up Share (FV Rs.10) (Rs.)	0.57	–	0.60
Net Asset Value	1,204,880.00	1,108,982.00	1,002,242.00

The company is not a sick industrial company.

Name of the Company	India Cements Capital Limited*
Promoter	ICL Securities Ltd & ICL Financial Services Ltd, the wholly owned subsidiaries of The India Cements Limited together hold 47.92% of the Paid up equity Share Capital of ICCL.
Date of Incorporation	08/11/1985
Board of Directors	Shri N Srinivasan, Chairman Shri B S Adityan Shri T S Raghupathy Shri N Srinivasan (F & R) Shri A Sankarakrishnan
Nature of activities	Travel, Money Changing foreign exchange and investment.

* The Company was originally incorporated as Anura Finance Limited.

Subsequently, the name of the Company changed to:

- Aruna Sugars Finance Limited w.e.f 25/06/1990
- India Cements Capital & Finance Limited w.e.f 02/05/1997
- India Cements Capital Limited w.e.f 29/11/2006

Brief financials based on Audited Accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	2,17,062.00	217,062.00	217,062.00
Reserves & Surplus (excl. revaluation reserves)	1,19,648.00	119,648.00	116,191.00
Total Income	53,513.87	79,458.00	77,654.00
Profit (Loss) after Tax	(10,910.64)	17,287.00	12,399.00
Earnings per Paid Up Share (FV Rs.10) (Rs.)	(0.50)	0.80	0.57
Net Asset Value	2,45,685.79	254,968.00	244,504.00

The company is not a sick industrial company.

Name of the Company	Coromandel Electric Company Limited
Promoter	The India Cements Ltd & ICL Financial Services Ltd, the wholly owned subsidiary of The India Cements Limited together hold 49.20% of the Paid up equity Share Capital of Coromandel Electric Company Ltd.
Date of Incorporation	19/05/1997
Board of Directors	Shri N Srinivasan, Chairman Ms Rupa Gurunath Shri PL Subramanian
Nature of activities	Power Generation

Brief financials based on audited accounts for the last three years

Rs. '000	FY09	FY08	FY07
Paid up Equity Capital	5000.00	5000	5000
Reserves & Surplus (excl. revaluation reserves)	146348.46	119350	83280
Total Income	454172.84	397299	445025
Profit (Loss) after Tax	66666.70	75738	89856
Earnings per Paid Up Share (FV Rs.10) (Rs.)	55.05	73.19	103.41
Net Asset Value	700748.39	736396.00	778036.00

The company is not a sick industrial company

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

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

3.2.12 ICL, its promoters / directors 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. No other action has been taken by SEBI against them.

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

3.2.14 Pending finalization of the financial closure of the project, the PAC (ICL) along 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 movable assets of the Target Company.

3.2.15 ICL does not hold any equity shares in IZL and hence, the provisions of Regulations 6, 7 & 8 of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 are not applicable to The India Cements Limited.

3.2.16 There are no other PACs other than ICL.

3.2.17 Shareholding pattern of ICL as on the date of PA is as follows:

Sr. No.	Name of the Shareholder	No of Shares	% of Total Paid up Capital
1	Promoters	79,124,973	28.01
2	FII/Mutal Funds / FIs / Banks		
	Foreign Institutional Investors	67,391,805	23.85
	Mutual Funds / UTI	37,874,806	13.40
	Insurance Companies	25,419,636	9.00
	Banks	611,440	0.22
	Foreign Corporate Bodies	8,676,476	3.07
	Overseas Corporate Bodies	2,000	0.00
	Non Resident Individuals	621,152	0.22
3	Public / Others	59,677,750	21.12
4	Custodians against which Depository Receipts have been issued	3,134,619	1.11
	Total	**282,534,657**	**100.00**

3.2.18 Compliance Officer of ICL: The Compliance Officer of ICL is Shri G Balakrishnan, Company Secretary, who will be available at the Registered Office of the company. ICL is in compliance with all the provisions of the Listing Agreement and the requirements of Clause 49 of the Listing Agreement, i.e. Corporate Governance.

3.2.19 Visaka Cement Industry Limited, was amalgamated with ICL pursuant to the Order of the Honourable High Court Madras dated July 25, 2007

3.2.20 The Board of Directors of ICL, at their meeting held on 22nd July, 2009, have authorized Shri N Srinivasan, Vice Chairman and Managing Director, to sign this Letter of Offer on behalf of the PAC.

3.3 BRIEF DETAILS OF THE ACQUIRER AND PERSON ACTING IN CONCERT AS ON DATE OF LETTER OF OFFER ARE TABULATED BELOW:

Name, address and contact details	Relationship, if any, with the Acquirer	Net Worth as certified by Chartered Accountant
ICL Financial Services Ltd "Dhun Building", 827 Anna Salai, Chennai - 600 002 Tel: 044-28521526, Fax No: 28520638, email id: investor@indiacements.co.in	the Acquirer	Rs. 2,93,991.15 lakhs (Combined networth of ICL and ICLFSL)
The India Cements Ltd "Dhun Building", 827 Anna Salai, Chennai - 600 002 Tel: 044-28521526, Fax No: 28520638, email id: investor@indiacements.co.in	Holding Company & Promoter of the Acquirer	Rs. 2,93,991.15 lakhs (Combined networth of ICL and ICLFSL)

3.4 Compliance with Regulation 21(2) & Clause 40A of the Listing Agreement

The acquisition of 20% of the issued and subscribed capital of the Target Company by the Acquirer under this Offer together with the equity shares being held by the Acquirer will not result in public shareholding falling below the level required for continued listing. Assuming full acceptance under this Offer, the post Offer holding of the Public shall be 27.30% of the subscribed and listed capital. If consequent to the Open Offer, the public holding falls below the level required for continued listing, then the Acquirer / Promoter Group shareholders / Target Company will comply with the relevant provisions of Clause 40A of the Listing Agreement in this regard, within the time limits stipulated therein. They also undertake that they will comply with the provisions of Clause 40A of the listing agreement, in this regard, within the time limits stipulated therein.

3.5 FUTURE PLANS OF THE ACQUIRER WITH RESPECT TO IZL

The India Cements Limited is primarily engaged in the business of manufacturing and marketing of cement and is the largest producer of cement in south India. (Source: Cement Manufacturers' Association). Considering the plans to become a pan India Player, ICL is actively pursuing its efforts for setting up cement capacities in north India. In furtherance of these objectives and with an aim to strengthen its leadership position, ICL, through its wholly owned subsidiary, ICLFSL has entered into a Share Purchase Agreement for the purchase of 39.73% of issued and subscribed equity share 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 and the PAC propose to take control of IZL.

The Acquirer and the PAC will ensure revival of 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 and the PAC 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, the Acquirer and the PAC 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 Target Company, in order to avail funding for furtherance of ICL's strategy.

Subject to satisfaction of the provisions under the Companies Act, 1956 and / or any other Regulations, the Acquirer intends 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.

4. BACKGROUND OF THE TARGET COMPANY

4.1.1 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 into a 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 2, 1993 and listed the same on Bombay, Ahmedabad, Madhya Pradesh and Delhi Stock Exchanges. These shares have been suspended from trading.

4.1.2 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.

4.1.3 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, LIC and SBI in the financial year 2007-08. In view of IZL's net-worth exceeding the accumulated losses and IZL no longer being a sick company, it was discharged from the BIFR.

4.1.4 IZL has been promoted by Shri Rajendra Prasad Agrawal, Shri Kamal Dhulchand C. Daga and Shri Surendra Kumar Kachhara.

4.1.5 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 Rs 1.22 lakhs (face value of 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 shares are fully paid up. All the equity shares are listed and admitted for trading.

4.1.6 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.

4.1.7 As on date of the PA, the promoter group / persons in control and their associates ("Vendors"), hold 17,87,700 equity shares, each fully paid up representing 39.73% of the issued and subscribed capital.

4.1.8 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.

4.1.9 IZL has, interalia 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 quarries and collieries, workshops and other works.

4.1.10 IZL has no subsidiaries.

4.1.11 None of the Directors of IZL represent the Acquirer.

4.1.12 The equity shares of IZL are listed at BSE, DSE, MPSE and ASE. 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 MPSE, DSE and ASE for a number of years and trading has been suspended in BSE from 2000-01. 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.

4.1.13 IZL has paid its listing fee to BSE upto the year 2009-10 although belatedly. IZL has however, not paid listing fees to MPSE, DSE and ASE, 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.

4.1.14 The provisions of Clause 49 of the Listing Agreement have been complied with to the extent that the Board comprises of independent directors. The other requirements have not been complied with.

4.1.15 The filings of returns under Chapter II of SEBI (SAST) Regulations have been made with a delay by IZL from the year 1997 to 2009 with BSE. IZL has not filed any returns under Chapter II with the other stock exchanges till date.

4.1.16 IZL has no overdue liabilities to Banks / FIs as of date.

4.1.17 The Compliance Officer of IZL is Shri Mayur Shah residing at 111, Goyal Vihar Colony, Khajarana Temple, Indore. Tel No: +91-731-4073141 email: mayurshahnadiad@yahoo.com, who will be available at the corporate office of IZL and shall attend to all investor grievances.

4.2 Equity Share Capital History

4.2.1 Equity Share Capital Structure of IZL as on Thursday, July23, 2009 the date of PA

Paid up Equity shares of IZL	No. of Shares	% of Shares	Voting Rights	% of Voting Rights
Fully paid up Equity shares	4,475,600	99.46	4,475,600	99.46
Partly paid up Equity shares	24,400	0.54	24,400	0.54
Total Capital	4,500,000	100.00	4,500,000	100.00
Total voting rights in Target Company	4,475,600	99.46	4,475,600	99.46

4.2.2 Build Up of Current Capital

4.2.2.1. Build up of Authorized capital in Rs.

	From	To	Enhanced Authorized Capital
On Incorporation	0	2,500,000	2,500,000
1989	2,500,000	7,500,000	7,500,000
1992	7,500,000	50,000,000	50,000,000
1995	50,000,000	250,000,000	250,000,000
1996	250,000,000	350,000,000	350,000,000

Authorized Capital consists of 25,000,000 equity shares of Rs 10 each & 1,000,000 preference shares of Rs 100 each.

4.2.2.2 Build up of Current paid up Capital

Date of allotment	No. and % of Shares Issued	Cumulative paid up capital (No. of Shares)	Mode of allotment	Identity of allottees (e.g.- promoters /others)	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992
On Incorporation	30	30	For cash	Signatories to the Memorandum	Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
14/10/88	18,750 (99.84% of the issued capital)	18780	For cash	Promoters, relatives and their associates	Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
14/11/88	44100 (70.13% of the issued capital)	62880	For cash	Promoters, relatives and their associates	Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
30/05/89	12120 (16.16% of the issued capital)	75000	For cash	Promoters, relatives and their associates	Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
1991-92		7,50,000	Sub-division of shares of Rs. 100 each to Rs. 10 each		Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
25/11/92	2,50,000 (25% of the issued capital)	10,00,000	Bonus out of free reserves	Promoters, relatives and their associates	Provisions of Companies Act, complied with. SEBI Regulations/ Guidelines issued by SEBI not applicable
02/04/93	9,56,000 (23.22% of the issued capital) 21,60,000 (52.48% of the issued capital)	41,16,000	For cash	Promoters relatives and their associates Indian Public	Provisions of Companies Act and SEBI Guidelines / Regulations complied with
07/09/95	3,84,000 (8.53% of the issued capital)	45,00,000*	Amalgamation of Mahi Cement with itself.	Shareholders of erstwhile Mahi Cement Ltd.	As per Court Order dated 07/09/1995 of the Hon'ble High Court, Mumbai. Provisions of Companies Act, complied with.

** Of these, a sum of Rs 1.22 lakhs of allotment money and calls remains unpaid and therefore the paid up share capital of the company is Rs 448.78 lakhs.*

4.2.2.3 Change in Shareholding of promoters and position of Compliance

Date of allotment / acquisition / sale	No. of Shares Issued / acquired / sold / reduced	Cumulative Shareholding (Shares)	Mode of allotment / Acquisition	Identity of allottees (e.g.- promoters /others)	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
On Incorporation	30	30	Signatories to the Memorandum, for cash	Promoters / promoter group	SEBI Guidelines not applicable Complied with other statutory requirements
14/10/88	18750	18780	For cash	Promoters, friends, relatives and Associates	SEBI Guidelines not applicable Complied with other statutory requirements
14/11/88	44100	62880	For cash	Promoters, friends, relatives and Associates	SEBI Guidelines not applicable Complied with other statutory requirements
30/05/89	12120	75000	For cash	Promoters, friends, relatives and Associates	SEBI Guidelines not applicable Complied with other statutory requirements
1991-92		7,50,000	Sub-division of Shares of Rs. 100 each to Rs. 10 each		SEBI Guidelines not applicable Complied with other statutory requirements
25/11/92	2,50,000	10,00,000	Bonus out of Free Reserves	Promoters, friends, Relatives and Associates	SEBI Guidelines not applicable Complied with other statutory requirements
02/04/1993	9,56,000	19,56,000 (47.52% of the then listed capital)	for cash (Public Issue)	Promoters, friends, Relatives and Associates	SEBI Guidelines / Regulations complied with. SEBI (SAST) Regulations not applicable.

4.3 There are no outstanding warrants or options or similar instruments, convertible into shares at a later date.

Note: As per due diligence exercise carried out by the Merchant Banker on the basis of documents available with the company, the stock exchanges and in public domain, it was not possible to ascertain the details of inter-se transfers and compliance with the various provisions of Regulation 6, 7 and 8 of the SEBI (SAST) Regulations. The information about TC provided in the offer document are based on the information / documents received from them. The Merchant Banker, Acquirer and PAC are not responsible for the accuracy / authenticity of such information.

4.4 All the present issued shares of IZL are listed at the BSE, DSE, MPSE and ASE. The shares are currently suspended from trading for non compliance of the various provisions of the listing agreement.

4.5 No action has been initiated by SEBI / the Stock Exchanges against the Target Company and its promoters / Directors except Shri B L Kakrecha, Director of IZL. Shri B L Kakrecha was debarred to access the Capital Markets and dealing in securities by SEBI for a period of 2 years from March 10, 2003 to March 9, 2005 for the alleged violation of Regulation 4 of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to securities market) Regulations, 1995 in the scrip of Mandu Industries Ltd., in which he was the Chairman.

4.6 Board of Directors

4.6.1 The Board of Directors of the company on Thursday, July 23, 2009 the date of PA

Name & DIN Number	Date of appointment	Residential Address	Designation
Shri Sanjay Agrawal 01619368	27/09/1990	338, Saket Nagar, Indore- 452016	Managing Director
Shri Manoj Agrawal 01602906	30/08/1993	10B, Abhilasha Apartment, 46, August Kranti Marg, Mumbai, Maharashtra, 400 036	Director

Shri Surendra Kumar Nuwal 00582719	19/11/1996	173 A, Scheme No: 54, Indore-452010	Director
Shri B L Kakrecha 00826817	19/11/1996	370, AE SchemeNo. 74C, Indore - 452 010	Director
Col Nitin Bhatnagar 01602880	30/09/2007	BH-46, Scheme No. 74C, Vijay Nagar, Indore - 425 001	Director
Shri Ritesh Lunkad 00534452	30/09/2007	13 D, Race Course Road, Indore- 452 001	Director

4.6.2 There has been the following change in Board of Directors in the last three years

Name	Date of change	Nature of change
Ms. Vinita Puntambekar	13/06/2007	Resignation
Shri Neeraj Jajoo	13/06/2007	Resignation
Shri R S Gupta - IDBI Nominee	12/02/2008	Nomination withdrawn
Col Nitin Bhatnagar	30/09/2007	Appointment
Shri Ritesh Lunkad	30/09/2007	Appointment

4.6.3 Experience, Qualification etc. of the Board of Directors

Name	Age, Qualification, Occupation	Experience, in brief
Shri Sanjay Agrawal	42, B.com, Business	Has been in the family business of trading in non ferrous metals for more than 20 years. Has been in charge of the general administration of the company.
Shri Manoj Agrawal	41, B.Com., Business	Has been in the family business of trading in non ferrous metals for more than 20 years. Has been in charge of the general administration of the company.
Shri Surendra Kumar Nuwal	62, B.E. Mining , Service	Has been with various corporates in project establishment & commencement for more than 40 years. Has been in charge of the project & site related issues of the Company.
Shri B L Kakrecha	66, B.Com F.C.A. Business	Having wide experience in industry of more than 45 years at senior management level
Col Nitin Bhatnagar	52, M.Sc., LLB (Hons) Service	Has served Indian Army for 30 years and has been in industry for more than 3 years. Has been in charge of general Administration of the Company
Shri Ritesh Lunkad	37, B.Com, M B A Business	Has been dealing corporate affairs since last 15 years

4.7 There has been no amalgamation or merger or any reconstruction program, in which IZL was involved in the last 3 years.

4.8 Brief published Audited Financial data of TC for the last three years are given hereunder

Rs. lakhs	FY09 (Audited)	FY08 (Audited)	FY07 (Audited)
Income from Operations (Sales)	75.11	282.35	205.88
Other Income	27.36	21.73	2.84
Increase / decrease in stocks	(66.12)	(60.78)	34.62
Provision for bad & doubtful debts no longer required	–	350.39	–
Provision for bad & doubtful advances no longer required	–	149.81	–
Total Income	36.35	743.50	243.34

Total Expenditure	112.24	1,006.25	260.56
Provision for Bad & Doubtful advances made	427.80	–	–
Bad & Doubtful Advances written off	64.79	–	–
Profit /(Loss) before Depreciation, Interest & Tax	(568.48)	(262.75)	(17.22)
Depreciation	11.72	13.63	16.00
Interest Paid	0.01	15.58	–
Profit /(Loss) Before Tax before Exceptional Items.	(580.21)	(291.96)	(33.22)
Exceptional Items	65.16	526.90	–
Profit /(Loss) Before Tax after Exceptional Items	(515.05)	234.94	(33.22)
Less: Provision for Current Taxes	3.80	0.29	0.51
Profit /(Loss) after tax	(518.85)	234.65	(33.73)

Rs. lakhs	**FY09 (Audited)**	**FY08 (Audited)**	**FY07 (Audited)**
Sources of funds			
Paid up Equity Share Capital	448.78	448.78	448.78
Share Application Money	1.00	166.52	166.52
Reserves and Surplus	514.77	861.62	(2654.41)
Misc. Expenses not written off	–	–	–
Net Worth	964.55	1476.92	(2039.11)
Secured Loans	8700.02	315.16	4,465.22
Deferred tax liability	–	–	–
Unsecured Loans	–	328.19	554.48
Earnest Money Deposit	–	–	–
Total Source of funds	**9664.57**	**2120.27**	**2980.59**
Uses of funds			
Net Fixed Assets	178.00	215.20	234.35
Capital Work-In Progress	3119.72	1,275.23	1,287.45
Advance for Capital Goods	5401.47	697.23	898.59
Pre-Operative Expenses (pending capitalisation)	662.88	–	–
Investments	0.00	7.20	7.40
Net Current Assets	302.50	(74.59)	552.80
Profit & Loss Account	–	–	–
Total	**9664.57**	**2,120.27**	**2980.59**
Other Financial Data			
Dividend (%)	–	–	–
Earnings per Share (Rs.)	(12.98)	(6.49)	(0.74)
Return on Net Worth (%) (Negative in Brackets) (Profit after Tax X100/Net Worth)	Negative	15.89	Negative
Book Value Per Share (Rs.) (Net Worth/No. of Shares)	21.43	32.82	Negative

Other Income Details			
Rent	–	0.60	1.27
Interest Received	0.12	0.39	–
Commission Received	–	–	–
Input Vat Credit	–	–	1.22
Claim Received	–	–	–
Sale of Scrap & Other items	1.09	3.05	0.01
Profit on sale of fixed assets	–	1.78	–
Miscellaneous receipts	0.30	0.06	0.01
Sundry balances written back	3.12	1.77	(0.04)
Excess Provision no more required	22.73	14.08	0.37
Total	**27.36**	**21.73**	**2.84**

EPS is given without considering exceptional items. Exceptional items comprise of interest written back, because of waiver by institutions, as per One Time Settlement (OTS). Return on Networth is after considering exceptional items.

Significant Accounting Policies:

- Fixed Assets are stated at cost of acquisition or construction and include proportionate amount of expenditure during construction capitalized to respective assets.
- Depreciation on fixed assets of Zinc Plant is provided on written down value method and in the manner provided in Schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on pro-rata basis for the period for which the assets are put to use.
- Depreciation on fixed assets of cement division is provided on straight line basis and in the manner provided in Schedule XIV to the Companies Act, 1956. Depreciation on additions is provided on pro-rata basis for the period for which the assets are put to use.
- Assets costing less than Rs. 5000 are fully depreciated in the year of purchase. Leasehold land is not amortised.
- Foreign Exchange transactions are recorded at the exchange rates prevailing on the date of transaction and net loss or gain arising on settlement of transaction is adjusted to profit and loss account.
- Valuation of inventory: Raw Materials are valued at cost on FIFO basis. Cost includes incidental expenses such as freight, transport and clearing charges. Stores and spare parts are valued at cost. Finished goods are valued at cost or market value whichever is lower. Goods in process are valued at cost or net realizable value whichever is lower.
- None of the employees of the company was entitled to any retirement benefit at the end of the current year.
- Contingent liabilities are not provided for, but are disclosed by way of notes to accounts.

Settlement of dues to Financial Institutions / Banks:

During the previous year, the financial institutions and bank namely Industrial Development Bank of India (IDBI), Life Insurance Corporation of India (LIC), and the State Bank of India had agreed to the company's offer of settlement of all their dues on payment to them by the company of specified amounts aggregating Rs. 1139.85 lacs. The company made payment of the said amount in terms of above said settlements. During the current year, the remaining financial institution namely Industrial Investment Bank of India (IIBI) agreed to the company's offer of settlement of all its dues on payment of Rs. 78 lacs, which amount was duly paid by the company to IIBI. In view of above-mentioned settlements, the company has written back interest liability amounting to Rs. 65.15 lacs (Previous year- Rs.526.90 lacs) relating to the above mentioned accounts as amounts no more payable. The said amounts are credited to the profit and loss account as extra-ordinary item of income. The company has also written back loan liability of Rs. 172.00 lacs (Previous year- loan liabilities and debentures amounting to Rs. 3281.36 lacs) relating to the above-mentioned accounts as amounts no more payable. The said amounts of write back are credited to the General Reserve.

Contingent Liabilities Not provided for:

Company has not provided for contingent liabilities of Rs. 21,740 lakhs as on 31.03.2009.

Other Comments:

- In view of the losses incurred by the company during the last few years the company has accumulated net deferred tax assets of Rs. 415.00 lakhs as on 31.03.2009, the date of the last audit.
- On physical verification of stock of raw material, it was found that some of the items in stock were in shortage. Loss of Rs. 2.33 lacs in value of such stocks has been provided in the books.

4.9 Pre and Post-Offer Share holding pattern of IZL shall be as follows

Shareholders Category	Shareholding prior to the agreement / Acquisition and Offer		Shares to be acquired which triggered off the Regulations		Shares to be Acquired in Open Offer (Assuming full acceptances)		Shareholding after the acquisition and Offer	
	(A)		(B)		(C)		(D)	
	No	%	No	%	No	%	No	%
1. Promoter group (Parties to the Agreement)	17,87,700	39.73	0	0	0	0	0	0
Total (1)	**17,87,700**	**39.73**	**0**	**0**	**0**	**0**	**0**	**0**
2. Acquirer								
ICLFSL	5,83,600	12.97	17,87,700	39.73	9,00,000	20.00	32,71,300	72.70
ICL	0	0						
Total of Acquirer (2)	**5,83,600**	**12.97**	**17,87,700**	**39.73**	**9,00,000**	**20.00**	**32,71,300**	**72.70**
3. Public Holding								
a. Indian Public	1,880,900	41.80	0	0	(9,00,000)	(20.00)	12,28,700	27.30
b. FIIs/FIs/ Mutual Funds	216,600	4.81						
c. NRIs	31,200	0.69						
Total (3) (a+b+c)	**21,28,700**	**47.30**	**0**	**0**	**(9,00,000)**	**(20.00)**	**12,28,700**	**27.30**
Total (1+2+3)	**45,00,000**	**100.00**					**45,00,000**	**100.00**

Notes:

a. There are no shares, which are subject to Lock in.

b. There are no warrants, options or convertible instruments, convertible at a later stage.

c. The Acquirer has not acquired any shares from the date of the PA till date of this Letter of Offer.

d. Post Offer, the residual shareholding of the erstwhile promoter group, if any, will be clubbed with public holding.

e. The number of shareholders under Public Category, i.e. under 3 above, on the Specified Date is 4590.

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 Justification of Offer price

5.1.1 The shares of IZL are listed at The Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange, Madhya Pradesh Stock Exchange and the Ahmedabad Stock Exchange (ASE). The Shares are not admitted as permitted security in any other Stock Exchange.

5.1.2 The annualized trading turnover of Shares of IZL, on BSE during the preceding 6 calendar months prior to the month in which PA was made has been nil. The shares have been suspended from trading on all the stock exchanges and are infrequently traded within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations.

The trading data is given below

Name of stock exchange(s)	Shares traded during 6 calendar months prior to month in which PA was made	Total No. of listed Shares	Annualized Turnover (% of listed Shares)
Bombay Stock Exchange	0	45,00,000	0
Delhi Stock Exchange	0	45,00,000	0
Madhya Pradesh Stock Exchange	0	45,00,000	0
Ahmedabad Stock Exchange	0	45,00,000	0

5.1.3 Since the Shares of the Target Company has been infrequently traded as per explanation (i) to Regulation 20(5) at all the stock exchanges, where the shares of the company are listed, during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer Price has been justified, taking into account, the following parameters, and other relevant factors relating to the Target Company including without limitation, its status as a sick industrial company in the recent past, as set out under Regulations 20(4) of the Regulations:

Figures in Rs. (Per share)

1	Negotiated price paid by the Acquirer under the any Agreement referred to in sub regulation (1) of Regulation 14	22.50
2	Highest price paid by the Acquirer for acquisition including by way of allotment in a Public or Rights issue, if any, during the twenty-six week period prior to the date of Public Announcement	22.50
3	Price paid by the Acquirer under any Preferential allotment made to them any time during the twenty six weeks preceding the date of PA	NA
4	EPS for the year ended 31.03. 2009 (Audited)	(12.98)
5	Return on Net Worth for the year ended 31.03.2009	-
6	Book Value as on 31.03. 2009	21.43
7	Offer Price	22.50

Source of Information:

(a) Results of IZL (Audited) as on 31. 03. 2009

(b) Share Purchase Agreement dated July 19, 2009

5.1.4 This is not an indirect acquisition / control.

5.1.5 Non Compete Fee: There is no non-compete agreement for payment to any person.

5.1.6 The Offer Price is justified in terms of Regulation 20 (11) of the Regulations. In the opinion of the Manager to the Offer and the Acquirer, the Offer Price is justified. The Offer price of Rs 22.50 per equity share (fully paid up) is equal to the price being paid for acquisition under the Share Purchase Agreement and the acquisition made by the Acquirer on July 12, 2009. The Offer Price is also justified considering the book value of equity shares, EPS, P/E Ratio of industry, Return on Networth etc. In respect of equity shares on which there are calls in arears, 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.

5.1.7 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.

5.2 Financial arrangements

5.2.1 Assuming full acceptance, the total funds requirement to meet this Offer is Rs.2,02,50,000/- only (Rupees Two Crores Two Lakhs and Fifty Thousand 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 Crore Two Lakhs and Fifty Thousand Only) which is 100% of the total consideration payable to public shareholders under the Offer with HDFC Bank Limited, 115, Dr Radhakrishnan Salai, Mylapore Branch. Chennai 600 004 on 21st July 2009 and a lien has been marked on the said account in favour of MAPE Advisory Group Private Limited, Manager to the Offer.

5.2.2 The Acquirer has authorized MAPE Advisory Group Private Limited, Manager to the Offer to realize the value of the Escrow Account in terms of the Regulations.

5.2.3 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: +91-44-28131158, email: brahmayya@vsnl.com, the combined Networth of ICLFSL and ICL as on March 31, 2009 is Rs 2,93,991.15 lakhs.

5.2.4 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: +91-44-28131158, email: brahmayya@vsnl.com has certified that the Acquirer and the PAC have adequate liquid resources to meet the funds requirements of the Offer, including the expenses thereof. The liquid funds available with ICL are cash Rs.539.82 lacs, Fixed Deposits with Scheduled Banks Rs. 7,979.92 lacs and Fixed Deposits with Financial Institutions - Rs.22,643.26 lacs. The Acquirer, ICLFSL has Rs.1.97 lacs in cash.

5.2.5 MAPE Advisory Group Private Limited, Manager to the Offer certifies and confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

6 TERMS AND CONDITIONS OF THE OFFER

6.1 General Conditions

a. This Offer will open on Thursday, October 15, 2009 and will close on Tuesday, November 3, 2009. The equity shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.

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

c. The Specified Date for this Offer is Friday, August 21, 2009.

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

e. The Acquirer will comply with the Takeover Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement for purchase of shares and change in control and its related conditions.

f. In case of non-compliance with any of the provisions of the Takeover Regulations, Agreement for Purchase of Shares & change in control shall not be acted upon by the Vendors or the Acquirer.

g. The shares of IZL have not been dematerialized and are entirely held in physical form. Hence no special Depository Account has been opened. The marketable lot for the shares of IZL for the purpose of this Offer shall be one only.

6.2 **Locked in Shares:** There are no shares, which are subject to lock in.

6.3. Eligibility for accepting the Offer

6.3.1 The Letter of Offer shall be mailed to all equity shareholders /beneficial owners holding shares (except the Vendors, the Acquirer and the PAC) whose names appear in register of Target Company as on Friday, August 21, 2009, the specified date.

6.3.2 This Offer is also open to persons who own equity shares in IZL but are not registered shareholders as on the "Specified Date".

6.3.3 All equity shareholders (except the present promoters, parties to the Agreement, the Acquirer and the PAC) who own equity shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

6.3.4 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) Limited, 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) 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.

6.3.5 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.

6.3.6 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

6.3.7 The acceptance of this Offer by the equity 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.

6.3.8 The acceptance of this Offer is entirely at the discretion of the equity shareholders of IZL.

6.3.9 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of equity share certificates, Offer Acceptance Forms etc. during transit and the equity shareholders of IZL are advised to adequately safeguard their interest in this regard.

6.3.10 The acceptance of shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

6.3.11 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.

6.3.12 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.

6.3.13 For any assistance please contact MAPE Advisory Group Private Ltd, Manager to the Offer or the Acquirer or the Registrar to the Offer.

6.4 **Statutory Approvals:**

6.4.1 As on the date of this Letter of Offer, 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 at a later date.

6.4.2 Barring unforeseen circumstances, the Acquirer would endeavor 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 willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

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

7 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

7.1 ACCEPTANCE OF THE OFFER

7.1.1 Name and Address of the person (Registrars to the Offer) to whom the equity shares along with documents required to be submitted therewith, should be sent including name of the contact person, telephone no., fax no. etc.

Registrars to the Offer	Working days and timings	Mode of delivery
M/s. Integrated Enterprises (India) Limited, 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 K. Suresh Babu	**Monday to Friday** 10.00 a. m to 4.00 p.m. **Saturday** 10.00 a.m to 2.00 p.m.	By Post / Courier / Hand delivery

7.1.2 Shareholders holding shares in physical form and wishing to tender their 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) Limited either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Tuesday, November 03, 2009 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance.

7.1.3 The Acceptance Form along with Share Certificates and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.

7.2 Procedure for acceptance of the Offer by those who did not receive the Letter of Offer, owners of shares who have sent them for transfer and unregistered shareholders

7.2.1 Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way.

7.2.2 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 so as to reach them on or before the date of closure of the Offer.

7.2.3 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 lodgment with, or receipt issued by IZL / its Share Transfer Agent, 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 Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory to tender the shares, shall also be sent.

7.2.4 Unregistered owners holding Shares should enclose

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

b. Original share certificates.

c. Original broker contract note of a registered broker of a recognized Stock Exchange

d. Valid share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid. All other requirements for valid transfer will be pre-conditions for acceptance.

7.3 The Acquirer shall accept all valid shares tendered (except those which are withdrawn, within the date specified for withdrawal) subject to the overall limit of the offer size.

7.4 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.

7.5 The market lot for IZL's shares for the purpose of this offer is one share only.

7.6 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 pays the Offer Price.

7.7 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 15 days from the date of closure of Offer, for the purpose of making payment, subject to, the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days from date of closure of the Offer.

7.8 In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted share certificates, transfer deeds and other documents, if any, will be returned by Registered Post at the share holder's / unregistered holder's sole risk as per the details furnished in the form of acceptance-cum-acknowledgement.

7.9 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) of the Regulations.

7.10 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, October 27, 2009.

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

- Name, Address, Distinctive nos, Folio nos., No. of Shares tendered / withdrawn, etc.

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

7.13 SETTLEMENT / PAYMENT OF CONSIDERATION

1. The Acquirer shall arrange to pay the consideration on or before Wednesday, November 18, 2009. Payment will be made to the sole / first holder as provided in the relevant box in the Acceptance Form and the same will be sent by Registered Post / Certificate of Posting to the Sole / First holder at their registered address / address provided in the acceptance form at the equity share holder's own risk.
2. Consideration for equity shares accepted will be paid to the shareholders who have tendered shares in the open offer by ECS, Direct Credit or by Cheque crossed "Account Payee" and drawn at Chennai. Payment Cheques upto Rs. 1,500 will be sent by Certificate of Posting and for an amount exceeding Rs 1,500 by Registered Post.

3. Payment of Consideration through Electronic Mode

a. ECS - Payment of consideration would be done through ECS for applicants having an account at any of the following sixty eight centers:

1. Ahmedabad	2. Nashik	3. Sholapur	4. Gorakhpur
5. Bangalore	6. Panaji	7. Ranchi	8. Jammu
9. Bhubaneshwar	10. Surat	11. Tirupati (non-MICR)	12. Indore
13. Kolkata	14. Trichy	15. Dhanbad (non-MICR)	16. Pune
17. Chandigarh	18. Trichur	19. Nellore (non- MICR)	20. Salem
21. Chennai	22. Jodhpur	23. Kakinada (non- MICR)	24. Jamshedpur
25. Guwahati	26. Gwalior	27. Agra	28. Visakhapatnam
29. Hyderabad	30. Jabalpur	31. Allahabad	32. Mangalore
33. Jaipur	34. Raipur	35. Jalandhar	36. Coimbatore
37. Kanpur	38. Calicut	39. Lucknow	40. Rajkot
41. Mumbai	42. Siliguri (non- MICR)	43. Ludhiana	44. Kochi / Ernakulam
45. Nagpur	46. Pondicherry	47. Varanasi	48. Bhopal
49. New Delhi	50. Hubli	51. Kolhapur	52. Madurai
53. Patna	54. Shimla (non- MICR)	55. Aurangabad	56. Amritsar
57. Thiruvananthapuram	58. Tirupur	59. Mysore	60. Haldia (non- MICR)
61. Baroda	62. Burdwan (non-MICR)	63. Erode	64. Vijaywada
65. Dehradun	66. Durgapur (non- MICR)	67. Udaipur	68. Bhilwara

This mode of payment of consideration would be subject to availability of complete bank account details in the Form of Acceptance (FOA).

b. Direct Credit - Applicants having bank accounts with the same bank through which payment consideration shall be made shall also be eligible to receive consideration through direct credit in their respective bank accounts as mentioned in the FOA.

c. RTGS - Applicants having a bank account at any of the abovementioned sixty eight centres and whose payment consideration exceeds Rs. 1 lac, have the option to receive consideration through RTGS. Such eligible applicants who indicate their preference to receive consideration through RTGS are required to provide the IFSC code in the FOA. In the event the same is not provided/incorrectly provided payment consideration shall be made through other electronic modes or by cheques, pay orders or demand drafts.

d. NEFT (National Electronic Fund Transfer) - Payment of consideration shall be undertaken through NEFT wherever the shareholders bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. The process flow in respect of consideration by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.

8 DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at "Dhun Building", 827, Anna Salai, Chennai 600 002, the Registered Office of the Acquirer. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.

1. 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: +91-44-28131158, email: brahmayya@vsnl.com certifying the combined Networth of ICLFSL and ICL as on 31/03/2009.
2. Certificate 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: +91-44-28131158, email: brahmayya@vsnl.com certifying the adequacy of liquid resources.
3. Audited Balance Sheet of IZL as at March 31, 2008 and March 31, 2009.
4. Copy of Share Purchase Agreement dated July 19, 2009 between the Acquirer & present promoters of IZL for purchase of shares and change in control of IZL.
5. Letter dated July 22, 2009 from ICLFSL addressed to MAPE Advisory Group Private Ltd, authorizing MAPE Advisory Group Private Limited, to realize the value of Escrow Account, in terms of the Regulations
6. Memorandum & Articles of Association, Certificate of Incorporation and Certificate for Commencement of Business of the Acquirer and the PAC
7. Audited Accounts / Certified Accounts, Memorandum & Articles of Association, Certificate of Incorporation & Certificate for Commencement of Business etc. of all Companies promoted by the Acquirer / its subsidiaries, details of which are given in this Letter of Offer.
8. Published Copies of the Public Announcement made in newspapers on July 23, 2009.
9. Due Diligence letter dated July 22, 2009 submitted to SEBI by MAPE Advisory Group Private Limited, Manager to the Offer.
10. Certified Copies of Certificate of Incorporation and Certificate for Commencement of Business of IZL, the Target Company.
11. Copy of MOU dated July 19, 2009 between the Acquirer and Manager to the Offer.
12. Copy of MOU dated July 21, 2009 between the Acquirer and the Registrar to the Offer
13. SEBI Observation letter No. CFD / DCR / TO / DMS / 177943 / 09 dated September 24, 2009

9. DECLARATION

The Acquirer and the PAC, jointly and severally accept full responsibility for the information contained in this Letter of Offer. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirer shall be responsible for ensuring compliance of the Regulations.

for **ICL Financial Services Limited**

T.S.Raghupathy
Director

for **The India Cements Limited**

N.Srinivasan
Vice Chairman & Managing Director

Place : Chennai
Date : October 05, 2009

Encl.:

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal
3. Share Transfer Deed

ANNEXURE I

STATUS OF COMPLIANCE WITH THE PROVISIONS OF CHAPTER II OF THE TAKEOVER REGUALTIONS (as applicable)

By the promoters / Sellers / major shareholders / Acquirer, separately (as may be applicable)

Promoters of IZL

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(3)	20/04/1997			Not Available
2	8(1)	21/04/1998			
3	8(1)	21/04/1999			
4	8(1)	21/04/2000			
5	8(1)	21/04/2001			
6	8(1)	21/04/2002			
7	8(1)	21/04/2003			
8	8(1)	21/04/2004			
9	8(1)	21/04/2005			
10	8(1)	21/04/2006			
11	8(1)	21/04/2007			
12	8(1)	21/04/2008			
13	8(1)	21/04/2009			

Name of the Acquirer: ICL Financial Services Ltd

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(3)	20/04/1997	NA		Not a shareholder
2	8(1)	21/04/1998	NA		Not a shareholder
3	8(1)	21/04/1999	NA		Not a shareholder
4	8(1)	21/04/2000	NA		Not a shareholder
5	8(1)	21/04/2001	NA		Not a shareholder
6	8(1)	21/04/2002	NA		Not a shareholder
7	8(1)	21/04/2003	NA		Not a shareholder
8	8(1)	21/04/2004	NA		Not a shareholder
9	8(1)	21/04/2005	NA		Not a shareholder
10	8(1)	21/04/2006	NA		Not a shareholder
11	8(1)	21/04/2007	NA		Not a shareholder
12	8(1)	21/04/2008	NA		Not a shareholder
13	8(1)	21/04/2009	NA		Not a shareholder
14	7(1)	14/07/2009	13/07/2009	0	
15	7(1)	21/07/2009	20/07/2009	0	

Name of the PAC: The India Cements Ltd

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(3)	20/04/1997	NA		Not a shareholder
2	8(1)	21/04/1998	NA		Not a shareholder
3	8(1)	21/04/1999	NA		Not a shareholder
4	8(1)	21/04/2000	NA		Not a shareholder
5	8(1)	21/04/2001	NA		Not a shareholder
6	8(1)	21/04/2002	NA		Not a shareholder
7	8(1)	21/04/2003	NA		Not a shareholder
8	8(1)	21/04/2004	NA		Not a shareholder
9	8(1)	21/04/2005	NA		Not a shareholder
10	8(1)	21/04/2006	NA		Not a shareholder
11	8(1)	21/04/2007	NA		Not a shareholder
12	8(1)	21/04/2008	NA		Not a shareholder
13	8(1)	21/04/2009	NA		Not a shareholder

Name of the Target Company: Indo Zinc Limited

Exchange: Bombay Stock Exchange

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(4)	21/05/1997			Not Available
2	8(3)	30/04/1998			
3	8(3)	30/04/1999			
4	8(3)	30/04/2000			
5	8(3)	30/04/2001			
6	8(3)	30/04/2002			
7	8(3)	30/04/2003			
8	8(3)	30/04/2004			
9	8(3)	30/04/2005			
10	8(3)	30/04/2006	04/03/2009	1039	
11	8(3)	30/04/2007	04/03/2009	674	
12	8(3)	30/04/2008	04/03/2009	309	
13	8(3)	30/04/2009	25/09/2009	148	
14	7(3)	20/07/2009	13/07/2009	NIL	
15	7(3)	27/07/2009	20/07/2009	NIL	

Name of the Target Company: Indo Zinc Limited

Exchange: Delhi Stock Exchange

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(4)	21/05/1997			Not Available
2	8(3)	30/04/1998			
3	8(3)	30/04/1999			
4	8(3)	30/04/2000			
5	8(3)	30/04/2001			
6	8(3)	30/04/2002			
7	8(3)	30/04/2003			
8	8(3)	30/04/2004			
9	8(3)	30/04/2005			
10	8(3)	30/04/2006			
11	8(3)	30/04/2007			
12	8(3)	30/04/2008			
13	8(3)	30/04/2009			
14	7(3)	20/07/2009	13/07/2009	NIL	
15	7(3)	27/07/2009	20/07/2009	NIL	

Name of the Target Company: Indo Zinc Limited

Exchange: Madhya Pradesh Stock Exchange

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(4)	21/05/1997			Not Available
2	8(3)	30/04/1998			
3	8(3)	30/04/1999			
4	8(3)	30/04/2000			
5	8(3)	30/04/2001			
6	8(3)	30/04/2002			
7	8(3)	30/04/2003			
8	8(3)	30/04/2004			
9	8(3)	30/04/2005			
10	8(3)	30/04/2006			
11	8(3)	30/04/2007			
12	8(3)	30/04/2008			
13	8(3)	30/04/2009			
14	7(3)	20/07/2009	13/07/2009	NIL	
15	7(3)	27/07/2009	20/07/2009	NIL	

Name of the Target Company: Indo Zinc Limited

Exchange: Ahmedabad Stock Exchange

Sl. No.	Regulation/ Sub- regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in no. of days) Col. 4- Col. 3	Remarks
1	6(4)	21/05/1997			Not Available
2	8(3)	30/04/1998			
3	8(3)	30/04/1999			
4	8(3)	30/04/2000			
5	8(3)	30/04/2001			
6	8(3)	30/04/2002			
7	8(3)	30/04/2003			
8	8(3)	30/04/2004			
9	8(3)	30/04/2005			
10	8(3)	30/04/2006			
11	8(3)	30/04/2007			
12	8(3)	30/04/2008			
13	8(3)	30/04/2009			
14	7(3)	20/07/2009	13/07/2009	NIL	
15	7(3)	27/07/2009	20/07/2009	NIL	

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	Thursday, October 15, 2009
Offer closes on	Tuesday, November 03, 2009

From:

Tel. No. Fax No. Email id.

Unique identification No. under MAPIN, if applicable ....

To

M/s. Integrated Enterprises (India) Limited,
2nd Floor, Kences Towers, No:1, Ramakrishna Street
North Usman Road, Chennai - 600 017
Phone: 044-28140801 to 28140803 Fax: 044 - 28142479
Email Id: sureshbabu@iepindia.com
(Contact Person: Shri K. Suresh Babu)

Dear Sir,

Sub: Open Offer to acquire 9,00,000 Equity Shares of Indo Zinc Limited representing 20% of the Issued, Subscribed Equity Capital **by ICL Financial Services Ltd.**

I / We refer to the Letter of Offer dated October 05, 2009 for acquiring the Shares held by me / us in Indo Zinc Limited.

I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I / We, hold Shares of Indo Zinc Limited in physical form, 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:

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To
	Total					

(In case of insufficient space, please attach a separate sheet.)

I / We confirm that the Shares of Indo Zinc Limited 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 the original share certificate(s) and valid share transfer deed will be held in trust for me / us by the Registrars to the Offer until the time the Acquirer makes payment of the purchase consideration as mentioned in the

--(Tear here) ---

Acknowledgement Receipt

Received from Shri/Ms./M/s.. Form of acceptance cum acknowledgement in connection with open Offer to shareholders of Indo Zinc Limited.

Ledger Folio No. ________________ No. of Share Certificates________ for ____________ Shares of Indo Zinc Limited.

Stamp of Registrar	For physical Shares, verify the number of Share certificates / number of Shares

Letter of Offer. I / We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures and the same are found in order.

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, Equity Share certificate(s) in respect of which the Offer is not found valid / not accepted, specifying the reasons thereof. I / We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque,/ credit through ECS etc. in settlement of the amount to the sole / first holder at the address mentioned above:

The permanent Account No. (PAN / GIR) Allotted under the Income Tax Act 1961 is as under

	PAN / GIR No.
First / Sole shareholder	
2nd shareholder	
3rd shareholder	
4th shareholder	

Yours faithfully

Signed and delivered

	Full Name	**Holder's Signature**
Sole / First Holder		
2nd shareholder		
3rd shareholder		
4th shareholder		

In case of shares held in joint names, all shareholders should sign in the same order, as per the specimen signatures registered with TC.

Place : ....
Date : ....

So as to avoid fraudulent encashment in transit, the applicants are requested to provide details of Bank account of the sole / first shareholder and the consideration will be paid/credited accordingly.

Mode of Payment (Tick the Choice)	ECS / Cheque / NEFT / RTGS
Name of the Bank	
Full address of the Branch	
Nature of Account (Savings / Current/Cash Credit)	
Account Number (as appearing on the cheque book)	
MICR no.	
IFSC Code	
Please enclose blank Cancelled Cheque or Photocopy thereof	For Verification

Note: All future correspondence should be addressed to the following address:

M/s. Integrated Enterprises (India) Limited,
2nd Floor, Kences Towers, No:1, Ramakrishna Street
North Usman Road, Chennai - 600 017
Phone: 044-28140801 to 28140803 Fax: 044 - 28142479
Email Id: sureshbabu@iepindia.com
Contact Person: Shri K. Suresh Babu

FORM OF WITHDRAWAL

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form to the Registrars to the Offer)

Offer opens on	Thursday, October 15, 2009
Offer closes on	Tuesday, November 03,2009
Last date for withdrawing acceptance from the offer	Tuesday, October 27, 2009

From:

Tel. No. Fax No. Email id.

Unique identification No. under MAPIN, if applicable ....

To

M/s. Integrated Enterprises (India) Limited,
2nd Floor, Kences Towers, No:1, Ramakrishna Street
North Usman Road, Chennai - 600 017
Phone: 044-28140801 to 28140803 Fax: 044 - 28142479
Email Id: sureshbabu@iepindia.com
(Contact Person: Shri K. Suresh Babu)

Dear Sir,

Sub: Open Offer to acquire 9,00,000 Equity Shares of Indo Zinc Limited representing 20% of the Issued and Subscribed Equity Capital **by ICL Financial Services Ltd**

I / We refer to the Letter of Offer dated October 05, 2009 for acquiring the Shares held by me/us in Indo Zinc Limited

I / We, hereby consent unconditionally and irrevocably to withdraw my / our Shares from the Offer and I/We further authorize the Acquirer to return to me/us, the tendered Shares at my/our sole risk.

I / We note that upon withdrawal of my / our shares from the Offer, no claim or liability shall lie against the Acquirer/ Manager to the Offer/Registrar to the Offer.

I / We note that the Acquirer/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I / We also note and understand that the Acquirer will return the original Share Certificate(s), Share Transfer Deed(s), only on completion of verification of the documents .

--(Tear here) --

Acknowledgement Receipt

Received from Shri/Ms./M/s.. Form withdrawal.

Ledger Folio No. ________________ No. of Share Certificates________ for ____________ Shares of **Indo Zinc Limited.**

Stamp of Registrar

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate Nos.	No. of Share Certificates	Distinctive Numbers	
					From	To
	Total					

(In case of insufficient space, please attach a separate sheet.)

I / We confirm that the equity shares of Indo Zinc Limited, which were tendered by me / us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

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

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
2nd shareholder		
3rd shareholder		
4th shareholder		

In case of shares held in joint names, all shareholders should sign in the same order, as per the specimen signatures registered with TC.

Place : ....
Date : ....

Note: All future correspondence should be addressed to the following address:

M/s. Integrated Enterprises (India) Limited,
2nd Floor, Kences Towers, No:1, Ramakrishna Street
North Usman Road, Chennai - 600 017
Phone: 044-28140801 to 28140803 Fax: 044 - 28142479
Email Id: sureshbabu@iepindia.com
Contact Person: Shri K. Suresh Babu