LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as shareholder(s) of Jaipur Polyspin Limited. If you require any clarification about the action to be taken, you may please consult your stockbroker or investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your equity shares in Jaipur Polyspin Limited, please hand over this Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement, Form of Withdrawal cum Acknowledgement and Transfer Deed(s) to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

RAJASTHAN SPINNING & WEAVING MILLS LIMITED

Kharigram, P.O. Gulabpura, Distt Bhilwara, Rajasthan-311021. Tel No (01483) 223144.

To

Acquire 12,40,440 equity shares of Rs. 10/- each representing 20% of the total subscribed capital and voting rights of Target Company at a price of Rs. 29/- (Rupees Twenty Nine only) per fully paid equity share of Rs.10/- each and Rs.14.50/- (Rupees Fourteen and Paise Fifty Only) per partly paid up equity share of Rs. 10/- each, payable in CASH.

Of

JAIPUR POLYSPIN LIMITED

Registered Office: B-22/B-1, Shiv Marg, Bani Park, Jaipur-302016.
Tel No: (0141)-2203822, 2202235 Fax No.(0141)- 2200715.

Pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof

ATTENTION:

1. **The offer is not a conditional offer.**
2. Approval for transfer of shares of a Company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.
3. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the offer.
4. If there is any upward revision in the Offer Price by the Acquirer upto seven working days prior to the date of closure i.e. upto **Friday, January 07, 2005**, the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revision in the Offer Price would be payable for all the equity shares tendered anytime during the Offer Period.
5. **If there is a Competitive Bid:**
   The Public Offers under all the subsisting bids shall close on the same date.
   As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
6. **A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal are also available on SEBI's web-site: www.sebi.gov.in**

All future correspondence, if any, should be addressed to the Manager / Registrar to the Offer at the following addresses:

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Chartered Capital & Investment Limited 13, Community Centre, East of Kailash, New Delhi - 110065. Tel.: 011-26419079/26218274; Fax: 011-26219491; Email: ccapdelhi@indiatimes.com Contact Person: Mr. M. K. Doogar	**MCS Limited** Sri Venkatesh Bhavan, W -40, Okhla Industrial Area, Phase-II, New Delhi-110 020. Tel.: 011-26384909-11; Fax: 011-26384907; Email: mcsdel@vsnl.com Contact Person: Mr. S. P. Gupta / Mr. Ajay
OFFER OPENS ON: December 30, 2004 (Thursday)	OFFER CLOSES ON: January 18, 2005 (Tuesday)

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION "9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 21 TO 23)

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL ARE ENCLOSED WITH THIS LETTER OF OFFER.

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr.No.	Activity	Day and Date
1.	**Date of Public Announcement (PA)**	**Thursday, November 11, 2004**
2.	Specified Date	Tuesday, November 30, 2004
3.	**Last Date for a Competitive Bid(s)**	**Thursday, December 2, 2004**
4.	Date by which Letter of Offer will be dispatched to the Shareholders	Friday, December 24, 2004
5.	**Offer Opening Date**	**Thursday, December 30, 2004**
6.	**Last Date for the Revision of the Offer Price / Number of Equity Shares.**	**Friday, January 07, 2005**
7.	Last date to withdraw acceptance tendered by shareholders	Thursday, January 13, 2005
8.	**Offer Closing Date**	**Tuesday, January 18, 2005**
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	Wednesday, February 2, 2005

TABLE OF CONTENTS

Sr. No.	Particulars	Page No.
1.	Definitions	2
2.	Disclaimer Clause	3
3.	Details of the Offer	3
4.	Background of the Acquirer	4
5.	Disclosure in terms of Regulation 21(3)	13
6.	Background of the Target Company - Jaipur Polyspin Limited	13
7.	Offer Price and Financial Arrangements	18
8.	Terms and Conditions of the Offer	20
9.	Procedure for Acceptance and Settlement of Offer	21
10.	Documents for Inspection	23
11.	Declaration by the Acquirer	24
12.	Enclosures	24

1. DEFINITIONS

1.	Acquirer or The Acquirer	RAJASTHAN SPINNING & WEAVING MILLS LIMITED
2.	BSE	The Stock Exchange, Mumbai
3.	CSE	The Calcutta Stock Exchange Association Limited, Kolkata
4.	DSE	The Delhi Stock Exchange Association Limited, Delhi
5.	FEMA	Foreign Exchange Management Act, 1999
6.	Form of Acceptance	Form of Acceptance cum Acknowledgement
7.	Form of Withdrawal	Form of Withdrawal cum Acknowledgement
8.	JPL	Jaipur Polyspin Limited, i.e. Target Company
9.	JSE	The Jaipur Stock Exchange Limited, Jaipur
10.	LOO or Letter of Offer	Offer Document
11.	Manager to the Offer or, Merchant Banker	Chartered Capital and Investment Limited
12.	MPSE	Madhya Pradesh Stock Exchange
13.	N.A.	Not Available
14.	NSE	The National Stock Exchange of India Limited
15.	Negotiated Price	Rs.29/- (Twenty Nine Only) per fully paid-up equity share of face value of Rs.10/- each.
16.	Offer or The Offer	12,40,440 equity shares of Rs. 10/- each representing 20% of the total subscribed capital and voting rights of Target Company at a price of Rs. 29/- (Rupees Twenty Nine only) per fully paid equity share and Rs.14.50/- (Rupees Fourteen and Paise Fifty Only) per partly paid-up equity share, payable in Cash.
17.	Offer Price	Rs. 29/- (Rupees Twenty Nine only) per share for fully paid equity shares of Rs. 10/- each and Rs.14.50/- (Rupees Fourteen & Paise Fifty only) per share for partly paid equity share of Rs. 10/- each, payable in Cash.
18.	P / E Ratio	Profit Earning Ratio is Market Price of Equity Share divided by Earning Per Share.
19.	Persons eligible to participate in the Offer	Registered shareholders of Jaipur Polyspin Limited, and unregistered shareholders who own the equity shares of Jaipur Polyspin Limited any time prior to the Offer closure other than the Parties to SPA i.e. Acquirer & the Sellers under SPA and Mr. N.L. Bhuwania (Managing Director of JPL) whose shares have been acquired under spot delivery basis.
20.	Public Announcement or "PA"	Announcement of the Open Offer by The Acquirer, which appeared in the newspapers on November 11, 2004.
21.	RBI	Reserve Bank of India
22.	Registrar or Registrar to the Offer	MCS Limited
23.	RSWM	RAJASTHAN SPINNING & WEAVING MILLS LIMITED
24.	SEBI	Securities and Exchange Board of India
25.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
26.	SEBI Act	Securities and Exchange Board of India Act, 1992
27.	Sellers	1. M/s. Naga Dhunseri Group Limited, 2. M/s. Dhunseri Tea & Industries Limited, 3. M/s. Mayfair India Limited, 4. M/s. Plenty Valley Intra Limited, 5. M/s. Mint Investments Limited, 6. Mr. Chandra Kumar Dhanuka, 7. Mr. Mrigank Dhanuka 8. Ms. Aruna Dhanuka [Mr. Chandra Kumar Dhanuka also hold shares on behalf of Shankarlal Chandra Kumar HUF and Sew Bhagwan & Sons (partnership firm)]
28.	SPA	Share Purchase Agreement
29.	Specified Date	Tuesday, November 30, 2004
30.	Target Company	Jaipur Polyspin Limited

Risk Factor:

(i) **In the event that either (a) the regulatory approvals are not received in a timely manner, (b) there is any litigation to stay the Offer, or (c) SEBI instructs the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of JPL, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer may be delayed.**

(ii) **The Acquirer intends to make an offer for 20% of subscribed capital and voting rights amounting to 12,40,440 shares of JPL under the SEBI (SAST) Regulations. Further, the shares tendered in the Offer will lie to the credit of a designated escrow account, till the completion of the Offer formalities. Accordingly, the Acquirer makes no assurance with respect to any decision by the shareholders on whether or not to participate in the Offer.**

(iii) **The Share Purchase Agreement provides that in case of non-compliance of any provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("the Regulations"), this agreement shall not be acted upon either by the Sellers or RSWM.**

(iv) **Out of companies promoted by the Acquirer "Bhilwara Spinners Ltd." is a loss making Company, "Maral Overseas Ltd." incurred loss for the year ended 31st March, 2004 to an extent of Rs.2319 Lacs due to labour strikes and against BSL Ltd. (a) A D.B. civil (company) appeal is pending before Rajasthan High Court for disputed demand of Rs. 15.52 Lacs (b) A money suit is pending before City Civil Court, Kolkata for Rs.4.22 Lacs.**

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

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF JAIPUR POLYSPIN LIMITED 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 ARE 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 ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 24/11/2004 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 The offer to the shareholder of JPL is being made in accordance with and as required under Regulations 10 and 12 of the SEBI (SAST) Regulations, 1997 i.e. for substantial acquisition of shares and change in management and control of JPL.

3.1.2 Rajasthan Spinning & Weaving Mills Limited is the sole acquirer in this open offer and there are no person(s) acting in concert with the Acquirer.

3.1.3 Rajasthan Spinning & Weaving Mills Limited having its registered office at Kharigram, P.O. Gulabpura, Distt Bhilwara, Rajasthan-311021 has entered into a Share Purchase Agreement **[SPA]** on 10th November, 2004 to acquire an aggregate of 36,78,986 (Thirty Six Lacs Seventy Eight Thousand Nine Hundred and Eighty Six only) [7,90,100 shares acquired on spot delivery basis and 28,88,886 shares acquired through SPA] fully paid up equity shares of Rs.10/- each representing 59.32% of the total subscribed equity share capital and 59.32% of the total voting rights of **M/s JAIPUR POLYSPIN LIMITED**, having its registered office at B-22/B-1, Shiv Marg, Bani Park, Jaipur-302016 from the promoter group of JPL, namely **M/s. Naga Dhunseri Group Limited, M/s. Dhunseri Tea & Industries Limited, M/s. Mayfair India Limited, M/s. Plenty Valley Intra Limited, and M/s. Mint Investments Limited** all having registered office at Dhunseri House, 4A, Woodburn Park, Kolkata -700020 and incorporated under The Companies Act, 1956 and **Mr. Chandra Kumar Dhanuka, Mr. Mrigank Dhanuka and Ms. Aruna Dhanuka [Mr. Chandra Kumar Dhanuka** also hold shares on behalf of Shankarlal Chandra Kumar HUF and Sew Bhagwan & Sons (partnership firm)] at a price of Rs. 29/- (Twenty Nine only) per fully paid up equity share payable in cash ("Negotiated Price"). The total consideration paid in cash for the shares acquired as mentioned above is Rs. 10,66,90,594/- (Rupees Ten Crores Sixty Six Lacs Ninety Thousand Five Hundred & Ninety Four Only). The Acquirer has also acquired separately on spot delivery basis 12,300 shares from Mr. N. L. Bhuwania at a consideration of Rs.29/- per share amounting to Rs.3,56,700/- (Rupees Three Lacs Fifty Six Thousand Seven Hundred Only). By both the above acquisitions, the acquirer will hold in aggregate 36,91,286 fully paid equity shares in JPL, constituting 59.52% of total subscribed share capital and 59.52% of voting rights, that resulted in triggering of SEBI (SAST) Regulations, 1997.

3.1.4 The salient features of the SPA dated November 10, 2004 are as under:-

3.1.4.1 The shares have been or agreed to be sold to RSWM on the condition that in case of non-compliance of any provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("the Regulations"), this agreement shall not be acted upon either by the sellers or RSWM.

3.1.4.2 On 11th day of November, 2004, RSWM will make a public announcement to acquire shares in JPL in accordance with the Regulations.

3.1.4.3 The sellers and RSWM have agreed to the terms and conditions set forth in this agreement.

3.1.4.4 Two of the Sellers i.e. Dhunseri Tea & Industries Limited and Plenty Valley Intra Limited have sold, assigned, transferred and conveyed to the purshaser all of their respective rights, obligations, title and interests in the JPL shares and RSWM have already purchased, acquired and accepted all of the said sellers' respective rights, obligations, titles and interests in and to in the JPL shares. The sale of the JPL shares has been done on spot delivery basis. The Acquirer has complied with the provisions of the SEBI (SAST) Regulations, 1997 to the extend applicable and thus it is in compliance with Regulation 23(6).

3.1.4.5 On 11th November, 2004, i.e after PA the other remaining sellers will sell, assign, transfer and convey to the purchaser all of their respective rights, obligaions, titles and interests in the JPL shares @ Rs.29/- (Rupees Twenty Nine Only) per share and RSWM shall purchase, acquire and accept all of the said sellers' respective rights, obligaitons, titles and interests in and to in the JPL shares. The sale of the JPL shares will be done on spot delivery basis.

3.1.4.6 RSWM hereby represents and warrants to the sellers as follows:

RSWM has full legal right, power and authority to enter into, execute and deliver this agreement and to perform the obligations, undertakings and transactions recorded and set forth herein, and this Agreement has been duly and validly executed and delivered by RSWM and constitutes legal, valid and binding obligations, enforceable against it in accordance with its terms;

3.1.4.7 The Sellers will cause the necessary changes in the Board of Directors of JPL and the transfer of the JPL Shares to be recorded in accordance with the Regulations. It is agreed and understood that Mr Nand Lal Bhuwania and such other directors as RSWM desires will resign as Directors of JPL and JPL's offices, presently, located at Jaipur and Mumbai will be moved to another place of RSWM's choice. Persons nominated by RSWM will be appointed directors in place of the ones resigning. The sellers will cause a board meeting of JPL to be held immediately after 21 days of PA in terms of regulations to make necessary changes in the board of directors of JPL and for such other purposes as may be required/requisitioned by RSWM.

3.1.5 Neither the Acquirer, Sellers nor the Target Company have been prohibited by SEBI from dealing in securities, in terms of directions under Section 11B of the SEBI Act or under any of the Regulations made under the SEBI Act.

3.1.6 In terms of second proviso to regulation 22 (7) of the SEBI (SAST) Regulations, 1997 the Acquirer saught appointment of three representatives as directors on the Board of JPL. Consequently the Board of Directors of JPL at its meeting held on December 6, 2004 appointed Mr. Ravi Jhunjhunwala, Mr. Riju Jhunjhunwala & Mr. J. C. Laddha as directors on the board of Target Company.

3.2 Details of the Proposed The Offer

3.2.1 The Acquirer has made a Public Announcement which was published on 11th November, 2004 in the following newspapers in accordance with the Regulation 15 and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997.

Publication	Editions
Financial Express (English)	All Editions
Jansatta (Hindi)	All Editions
Dainik Navjyoti	Jaipur
Nav Shakti	Mumbai

The Public Announcement is also available on the SEBI website at www.sebi.gov.in

3.2.2. The Acquirer make this Open Offer under the SEBI (SAST) Regulations, 1997, to acquire 12,40,440 equity shares of Rs. 10/- each representing 20% of the total subscribed capital and voting rights of JPL from the public shareholders of JPL, other than the parties to the SPA and Mr. N.L. Bhuwania, on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs. 29/- (Twenty Nine Only) per fully paid-up equity share of Rs.10/- each, and Rs.14.50/- (Rupees Fourteen and Paise Fifty only) per partly paid equity share of Rs.10/- each. These equity shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

3.2.3 Out of total number of equity shares, 201 shares are partly paid-up shares in the Target Company and those partly paid-up shares have no voting right as per the Articles of Association of the Target Company. In case the partly paid shares are made fully paid up (i.e. by paying up all outstanding calls plus interest) at any time before the date of acceptance under the offer, then such shares shall rank pari-pasu with other fully paid shares in terms of the offer and the acquirer shall acquire 20% of the total voting capital.

3.2.4 **The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.**

3.2.5 Apart from the 28,88,886 equity shares constituting 46.58% of total share capital and 46.58% of voting share capital acquired from sellers under SPA, the Acquirer has not acquired any equity shares in the Target Company since the date of Public Announcement i.e. **November, 11 2004**, upto the date of Letter of Offer.

3.3 Objects of the Offer

3.3.1 The Offer to the Public shareholders of JPL is for the purpose of acquiring 20% of the subscribed/voting capital and voting right. After the proposed Offer and transfer of the shares so acquired under para 3.1.3 above, the Acquirer will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

3.3.2 The Acquirer has been modernizing and expanding capacities and has been on the look out for acquisitions for adding to capacities, considering the export potential after the quotas are to be phased out by December 2004. This would definitely add to the exports particularly from the developing countries like India. The Target Company is in the similar line of business having same product mix. The present acquisition of shares of the Target Company would create synergies and help the acquirer to consolidate its operations. The acquirer has plans to carry out modernization of the plant of JPL as may be required, and ultimately to integrate the operations of the Target Company and the Acquirer. Thus substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition.

3.3.3 After the purchase of the shares in accordance with the SPA, the Target Company would become the subsidiary of the Acquirer Company in accordance with the Companies Act, 1956 and if found viable the merger of the two companies would be considered.

3.3.4 Acquirer Company would nominate its own Directors on the Board of Directors of the Target Company after a period of 21 days from the date of PA in terms of regulation 22(7) of SEBI (SAST) Regulations, 1997 after assuming full acceptances.

4. BACKGROUND OF THE ACQUIRER

4.1 Background of the Acquirer

4.1.1 The Open Offer is being made by **Rajasthan Spinning & Weaving Mills Limited** a Company incorporated under The Companies Act, 1956 on 17.10.1960 as a Public Limited Company; vide registration No. 24839 with the Registrar of Companies, Calcutta. The Acquirer is presently registered with Registrar of Companies, Rajasthan vide registration No. 8216. Registered Office of the Acquirer is situated at Kharigram, P.O. Gulabpura, Distt. Bhilwara, Rajasthan -311021. Tel No (01483) 223144.

4.1.2 M/s. Rajasthan Spinning & Weaving Mills Limited is the sole Acquirer in the present offer and there is no person(s) acting in concert with **RSWM.**

4.1.3 The Acquirer Company was originally promoted by Mr. L.N. Jhunjhunwala. The Company continues to be under the promotership of Mr. L. N. Jhunjhunwala and his friends, family and associate Companies, who all may be deemed to be acting in concert with him. The Acquirer belongs to the widely known **"LNJ Bhilwara Group".**

4.1.4 **RSWM** is engaged in the business of manufacturing of Synthetic, cellulosic blended grey, dyed yarn and fabric, cotton mélange yarn etc, with more than 4 decades of experience in manufacturing and marketing of yarns and fabrics. The existing manufacturing facilities of the Company, are all in the State of

Rajasthan include 56160 spindles, 69 looms and dye house at Kharigram, Rajasthan, 61200 spindles in Banswara, Melange unit consisting of 18576 spindles in Mandpam Distt Bhilwara, and 33068 spindles at Rishavdev Distt Udaipur, The Company has presence in the international market and a well established distribution network in the domestic market with sale of the fabric under the brand name 'Mayur'.

4.1.5 The Acquirer has not promoted any Companies and/ or any Venture other than the following:

4.1.5.1 HEG Limited.
4.1.5.2 Maral Overseas Limited
4.1.5.3 BSL Limited.
4.1.5.4 Bhilwara Spinners Limited.
4.1.5.5 Bhilwara Melba De Witte Private Limited.
4.1.5.6 Malana Power Company Limited.
4.1.5.7 Indo Canadian Consultancy Services Limited.
4.1.5.8 A.D. Hydro Power Limited.

4.1.6 The compliances under Chapter II of SEBI (SAST) Regulations, 1997 are applicable to the Acquirer and it has made timely disclosures to the Target Company and also informed the Stock Exchanges.

4.1.7 Shareholding pattern of RSWM as on 30.09.2004 is as under:-

Sl.No.	Shareholder's Category	No. and Percentage of Shares Held
1	Promoters	1,21,81,432 (55.58%)
2	FII/Mutual Fund/FIs/Banks	43,78,508 (19.97%)
3	Public	53,60,060 (24.45%)
4	Total Paid-up Capital	Rs.21,92,00,000 (100%)

4.1.8 The Acquirer at present have no intention to sell, dispose of or otherwise encumber any significant assets of JPL in the succeeding two years, except in the ordinary course of business of JPL. JPL's future policy for disposal of its assets, if any, will be decided by it's Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of JPL.

4.1.9 As per the latest audited financials for the year ended on 31st March, 2004 Acquirer had Turnover of Rs. 67155 Lacs and Net Profit after tax was Rs. 1845 Lacs. Its EPS was Rs. 9.19/- and Return on Net Worth was 10.25%. Book Value per share stood at Rs. 89.50/- and its P/E ratio was 3.8. The Shares of the Company are listed on The Stock Exchange, Mumbai, The National Stock Exchange of India Limited and the Calcutta Stock Exchage Association Limited, Kolkata. The Company has made application to Calcutta Stock Exchange for delisting of its equity shares on 8.12.2003 and its approval is awaited.

4.1.10 The Board of Directors of RSWM has the following members:-

Sl.No.	Name	Designation	Address	Date of Appointment
1.	Sh. L.N. Jhunjhunwala	Chairman-Emeritus	63, Friends Colony (East), New Delhi - 110 065	17.10.1960
2.	Sh. Ravi Jhunjhunwala	Chairman	63, Friends Colony (East), New Delhi - 110 065	18.05.1979
3.	Sh. Shekhar Agarwal	Vice Chairman & Managing Director	7, Sadhna Enclave, New Delhi- 110 017	13.02.1984
4.	Sh.Riju Jhunjhunwala	Jt. Managing Director	63, Friends Colony (East), New Delhi - 110 065	23.10.2003
5.	Sh. A.K. Churiwal	Director	Elgin Chambers, 4th Floor, 1-A, Ashutosh Mukherjee Road, Kolkata-700 020	23.10.2003
6.	Sh. D.N. Davar	Director	B-5/82, Safdurjung Enclave, New Delhi-110 029	10.11.2004
7.	Sh. R.P. Khaitan	Director	Salora International Ltd., D-13/4, Okhla Industrial Area, Phase-II, New Delhi-110 020	10.11.2004
8.	Sh. J.C. Laddha	Executive Director	RSWM, Kharigram, P.O. Gulabpura, Distt Bhilwara, Rajasthan-311 021	01.01.1990
9.	Dr.Kamal Gupta	Director	N-23, Sector 11, Noida-201 301	26.12.1987
10.	Sh. A.R. Garde	Director	12, Amar Kala Apartments, Near Azad Society, Ambawadi, Ahmedabad-380 015	04.11.1997
11.	Sh. Ritesh Kumar	Nominee Director-ICICI Bank Ltd.	ICICI Lombard General Insurance Co. Ltd., Zenith House, Keshavrao Khadye Marg, Mahalaxmi, Mumbai-400 034	12.09.2000
12.	Sh. S.K. Srivastava	Nominee Director-LIC	Kuber, 3/136, Vivek Khand - III, Gomti Nagar, Lucknow	29.10.1999

Sh. Ravi Jhunjhunwala, Sh. Riju Jhunjhunwala and Sh. J. C. Laddha representatives of RSWM have been appointed as Directors on the Board of the Target Company in terms of second proviso of sub-regulation 7 of regulation 22 of SEBI (SAST) Regulations, 1997, with effect from December 06, 2004.

4.1.11 **The brief audited financials of RSWM are as under:**

(Rs. In Lacs)

Profit and loss statement	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Six Months Ending 30.09.2004***
Income from operations	43778	44899	63341	33936
Other Income	420	551	602	388
Total Income	44198	45450	63943	34324
Total Expenditure	37538	38438	56422	31410
Profit before Depreciation, interest and tax	6660	7012	7521	2914
Depreciation	3979	4222	4281	1807
Interest	2458	2226	1402	550
Profit before tax	223	564	1838	557
Provision for tax	(297)	(310)	(7)	(11)
Profit after tax	520	874	1845	568

(Rs. In Lacs)

Balance Sheet Statement	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Six Months Ending 30.09.2004***
Sources of funds				
Paid-Up Equity Share Capital	1988	1988	1988	2192#
Paid-UP Preference Share Capital	1450	0	250	0
Reserves & Surplus (Excluding Revaluation Reserve)	13828	14431	15762	17001
Secured Loans	19686	19887	22389	27948
Unsecured Loans	716	1054	13	10
Deferred Tax Liability	2924	2594	2470	2420
Total	40592	39954	42872	49571
Uses of funds				
Net Fixed Assets	26188	23717	24107	27083
Investments	2635	2635	2623	2623
Net current assets	11639	13527	15896	19682
Total Miscellaneous expenditure not written off	130	75	246	183
Total	40592	39954	42872	49571
Net Worth	17136	16344@	17754	19010

Increase in Equity Share Capital is due to issue of Equity Shares on preferentianl basis on June 11, 2004.
@Net worth declined for the year due to Deferred Tax Liability Fund of Rs.2924 lacs, created out of Net Worth.

Other Financial Data	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Six Months Ending 30.09.2004***
Dividend (%)	10	12	20	--
Earning Per Share	1.59	4.38	9.19	2.64**
Return on Net worth (%)	3.03	5.35	10.39	2.99
Book Value Per Equity Share	78.89	82.21	88.04	86.76

* As Certified by the auditor Mr. Sunil Surana of M/s. A.L.Chechani & Co., Chartered Accountants, 15-17, Heera PannaMarket, Pur Road, Bhilwara, Rajasthan (Membership No. 36093) vide his certificate dated 22.12.2004.
** not annualised

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

The Company is not a Sick industrial undertaking

4.1.12 Brief Details of Companies Promoted by Acquirer:-

a.	Name of Company	**HEG Limited**
b.	Date of Incorporation	27th October, 1972
c.	Nature of Business	Manufacture and Export of graphite electrode and direct reduced iron and sponge iron.
d.	Listed at Stock Exchange	BSE, NSE, MPSE, DSE, CSE
e.	Brief Financials:	

(Rs in lacs)

Profit and loss statement	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Six Months Ending 30.09.2004***
Income from operations	53874	53683	46227	22062
Other Income	899	1503	1833	205
Total Income	54773	55186	48060	22267
Total Expenditure	45306	46570	39289	185778
Profit before Depreciation, interest and tax	9467	8616	8771	3689
Depreciation	2260	2334	1935	1102
Interest	3396	2231	772	472
Profit before tax	3811	4050	6064	2115
Provision for tax	717	322	962	499
Profit after tax	3094	3728	5102	1616

(Rs. In Lacs)

Balance Sheet Statement	**Year ended 31.03.2002 (Audited)**	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Six Months Ending 30.09.2004***
Sources of funds				
Paid-Up Share Capital	4031	4031	4031	4031
Reserves & Surplus (Excluding Revaluation Reserve)	17941	20668	22770	N.A.
Secured Loans	26658	18760	23721	N.A.
Unsecured Loans	2102	1785	1426	N.A.
Deferred Tax Liability	6760	6601	5904	N.A.
Total	57492	51846	57853	N.A.
Uses of funds				
Net Fixed Assets	30937	29350	31340	N.A.
Investments	3198	3254	3369	N.A.
Net current assets	23261	19181	23144	N.A.
Total Miscellaneous				
expenditure not written off	96	61	--	N.A.
Total	57492	51846	57853	N.A.
Net Worth	21876	24638	26801	N.A.

Other Financial Data 31.03.2002	**Year ended 31.03.2003 (Audited)**	**Year ended 31.03.2004 (Audited)**	**Year ended Ending (Audited)**	**Six Months 30.09.2004***
Dividend (%)	18	22	30	Nil
Earning Per Share	7.68	9.25	12.66	4.00**
Return on Net worth (%)	14.14	15.13	19.04	N.A.
Book Value Per Share	78.89	61.12	66.49	N.A.

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

* Soruce : Limited Review Report as certified by the auditor and published and adopted by the board of the company.
** Not annualised
The Company is not a Sick industrial undertaking.

a.	Name of Company	**Maral Overseas Limited**
b.	Date of Incorporation	27th January, 1989
c.	Nature of Business	Manufacture and Export of Cotton Combed hosiery yarn, cotton knitted fabrics and cotton knitted garment.
d.	Listed at Stock Exchange	BSE, CSE, MPSE and NSE
e.	Financials:	

(Rs in lacs)

Profit and loss statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Income from operations	25371	26575	23824	12284
Other Income	276	393	760	217
Total Income	25647	26968	24584	12501
Total Expenditure	22000	23423	24843	11107
Profit before Depreciation, interest and tax	3647	3545	(259)	1394
Depreciation	1856	2039	2143	1036
Interest	1525	1233	1206	500
Profit before tax	266	273	(3608)	(142)
Provision for tax	144	(38)	(1289)	(23)
Profit after tax	122	311	(2319)	(119)

(Rs in lacs)

Balance Sheet Statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Sources of funds				
Paid-Up Equity Share Capital	2053	2053	2053	2053
Paid-Up Preference Share Capital Reserves & Surplus	500	--	--	--
(Excluding Revaluation Reserve)	8270	8574	6255	N.A.
Secured Loans	11387	13325	13508	N.A.
Unsecured Loans	--	--	526	N.A.
Deferred Tax Liability	3113	3069	1781	N.A.
Total	25323	27021	24123	N.A.
Uses of funds				
Net Fixed Assets	17664	17095	15656	N.A.
Investments	29	31	12	N.A.
Net current assets	7018	9398	8221	N.A.
Total Miscellaneous expenditure not written off	612	497	234	N.A.
Total	25323	27021	24123	N.A.
Net Worth	10211	10130	8074	N.A.

Other Financial Data	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Dividend (%)	10	--	--	Nil
Earning Per Share	(0.30)#	1.48#	(11.30)	(0.58)**
Return on Net worth (%)	(0.60)#	3.00#	(28.73)	N.A.
Book Value Per Equity Share	47.30	49.33	39.32	N.A.

#Source : Audited profit and loss account published with annual report. Earning Per Share and Return on Net worth is after considering Prefencence dividend and dividend tax.
* Soruce : Limited Review Report as certified by the auditor and published and adopted by the board of the company.
** Not annualised

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

The Company is not a Sick industrial undertaking.

a.	Name of Company	**BSL Limited**
b.	Date of Incorporation	26th October 1970
c.	Nature of Business	Manufacture of fabrics made of man-made fibres, woollen worsted blended fabrics and woollen blended yarn.
d.	Listed at Stock Exchange	BSE, CSE and NSE
e.	Financials:	

(Rs in lacs)

Profit and loss statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Income from operations	14259	13507	13198	7526
Other Income	20	21	18	10
Total Income	14280	13528	13216	7536
Total Expenditure	12242	11605	11580	6668
Profit before Depreciation, interest and tax	2038	1923	1637	868
Depreciation	966	1084	1062	472
Interest	924	814	537	380
Profit before tax	148	24	37	16
Provision for tax	48	(64)	(16)	(51)
Profit after tax	100	88	53	67

(Rs in lacs)

Balance Sheet Statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Sources of funds				
Paid-Up Share Capital	733	733	733	733
Reserves & Surplus (Excluding Revaluation Reserve)	3848	3874	3865	N.A.
Secured Loans	6678	6535	5591	N.A.
Unsecured Loans	7	2	500	N.A.
Deferred Tax Liability	977	872	854	N.A.
Total	12244	12016	11543	N.A.
Uses of funds				
Net Fixed Assets	6431	5362	5611	N.A.
Investments	8	7	6	N.A.
Net current assets	5292	6314	5734	N.A.
Total Miscellaneous expenditure				
not written off	513	333	192	N.A.
Total	12244	12016	11543	N.A.
Net Worth	4068	4274	4406	N.A.

Other Financial Data	**Year ended** 31.03.2002 **(Audited)**	**Year ended** 31.03.2003 **(Audited)**	**Year ended** 31.03.2004 **(Audited)**	**Six Months** Ending **30.09.2004***
Dividend (%)	10%	7.5%	7.5%	Nil
Earning Per Share	1.35	1.20	0.72	0.92**
Return on Net worth (%)	2.46	2.06	1.20	N.A.
Book Value Per Equity Share	55.46	58.27	60.08	N.A.

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

* Soruce : Limited Review Report as certified by the auditor and published and adopted by the board of the company.
** Not annualised
The Company is not a Sick industrial undertaking

a.	Name of Company	**Bhilwara Spinners Limited**
b.	Date of Incorporation	7th June, 1980
c.	Nature of Business	Manufacture and Export of synthetic blended yarn
d.	Listed at Stock Exchange	BSE and CSE
e.	Financials:	

(Rs. In Lacs)

Profit and loss statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Income from operations	8886	9152	10263	50777
Other Income	500	49	56	18
Total Income	9386	9201	10319	5095
Total Expenditure	8537	8452	9749	4858
Profit before Depreciation, interest and tax	849	749	570	237
Depreciation	332	333	337	170
Interest	794	729	652	262
Profit before tax	(277)	(313)	(419)	(195)
Provision for tax	14	96	(121)	(5)
Profit after tax	(291)	(409)	(298)	(190)

(Rs in lacs)

Balance Sheet Statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**	Six Months Ending **30.09.2004***
Sources of funds				
Paid-Up Share Capital	678	678	678	678
Reserves & Surplus (Excluding Revaluation Reserve)	422	422	422	N.A.
Secured Loans	4272	4466	4467	N.A.
Unsecured Loans	720	785	778	N.A.
Deferred Tax Liability	840	126	4	N.A.
Total	6934	6478	6350	N.A.
Uses of funds				
Net Fixed Assets	4316	4048	3902	N.A.
Investments	101	101	101	N.A.
Net current assets	1441	1663	1383	N.A.
Total Miscellaneous expenditure not written off	6	--	--	N.A.
Profit and loss account	1068	667	964	N.A.
Total	6934	6478	6350	N.A.
Net Worth	26	433	136	N.A.

Other Financial Data	**Year ended** 31.03.2002 **(Audited)**	**Year ended** 31.03.2003 **(Audited)**	**Year ended** 31.03.2004 **(Audited)**	**Six Months** Ending **30.09.2004***
Dividend (%)	--	--	--	Nil
Earning Per Share	(4.29)	(6.04)	(4.39)	(2.80)**
Return on Net worth (%)	(1119.23)	(94.24)	(219.12)	N.A.
Book Value Per Share	0.38	6.39	2.00	N.A.

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

* Soruce : Limited Review Report as certified by the auditor and published and adopted by the board of the company.
** Not annualised
The Company is not a Sick industrial undertaking.

a.	Name of Company	**Malana Power Company Limited**
b.	Date of Incorporation	20th May, 1997
c.	Nature of Business	Generation and Distribution of hydro electric energy
d.	Listed at Stock Exchange	Not Listed
e.	Financials:	

(Rs in lacs)

Profit and loss statement	**Year ended** 31.03.2002 **(Audited)**	**Year ended** 31.03.2003 **(Audited)**	**Year ended** 31.03.2004 **(Audited)**
Income from operations	3797	6492	6405
Other Income	54	319	313
Total Income	3851	6811	6718
Total Expenditure	827	1085	1423
Profit before Depreciation, interest and tax	3024	5726	5295
Depreciation	750	1070	1057
Interest	2045	2765	1715
Profit before tax	229	1891	2523
Provision for tax	19	844	1004
Profit after tax	210	1047	1519

(Rs in lacs)

Balance Sheet Statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**
Sources of funds			
Paid-Up Share Capital	6678	6678	6678
Reserves & Surplus (Excluding Revaluation Reserve)	210	1173	2692
Secured Loans	25000	24181	21346
Unsecured Loans	--	--	--
Deferred Tax Liability	--	779	1589
Total	31888	32811	32304
Uses of funds			
Net Fixed Assets	31891	30877	29839
Investments	--	--	--
Net current assets	(342)	1534	2186
Total Miscellaneous expenditure not written off	339	400	279
Total	31888	32811	32304
Net Worth	6549	7451	9091

Other Financial Data	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**
Dividend (%)	--	--	--
Earning Per Share	0.32	1.57	2.27
Return on Net worth (%)	3.21	14.05	16.71
Book Value Per Share	9.81	11.16	13.61

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

The Company is not a Sick industrial undertaking.

a.	Name of Company	**Indo Canadian Consultancy Services Limited**
b.	Date of Incorporation	9th January, 1995
c.	Nature of Business	Consultancy Services
d.	Listed At Stock Exchange	Not Listed
e.	Financials:	

(Rs in lacs)

Profit and loss statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**
Income from operations	211.20	167.24	228.61
Other Income	1.59	4.57	2.12
Total Income	212.79	171.81	230.73
Total Expenditure	184.23	163.87	195.23
Profit before Depreciation, interest and tax	28.56	7.94	35.50
Depreciation	8.86	8.79	9.66
Profit before tax	19.70	(0.85)	25.84
Provision for tax	1.50	(1.26)	0.06
Profit after tax	18.20	0.41	25.78

(Rs in lacs)

Balance Sheet Statement	Year ended 31.03.2002 **(Audited)**	Year ended 31.03.2003 **(Audited)**	Year ended 31.03.2004 **(Audited)**
Sources of funds			
Paid-Up Share Capital	34.62	34.62	34.62
Reserves & Surplus (Excluding Revaluation Reserve)	--	--	8.92
Secured Loans	--	--	--
Unsecured Loans	--	--	--
Deferred Tax Liability	--	--	--
Total	34.62	34.62	43.54
Uses of funds			
Net Fixed Assets	26.48	25.58	30.59
Investments	--	--	--
Net current assets	(9.28)	(9.17)	11.71
Total Miscellaneous expenditure not written off including deferred tax asset	0.15	1.35	1.24
Profit and loss account	17.27	16.86	--
Total	34.62	34.62	43.54
Net Worth	17.20	17.66	43.49

Other Financial Data	**Year ended** 31.03.2002 **(Audited)**	**Year ended** 31.03.2003 **(Audited)**	**Year ended** 31.03.2004 **(Audited)**
Dividend (%)	--	--	--
Earning Per Share	5.26	0.12	7.45
Return on Net worth (%)	105.81	2.32	59.28
Book Value Per Share	4.97	5.10	12.56

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

The Company is not a Sick industrial undertaking.

a.	Name of Company	**Bhilwara Melba De Witte Private Limited**
b.	Date of Incorporation	22nd August, 1996.
c.	Nature of Business	Manufacturing automotive furnishing fabric.
d.	Listed at Stock Exchange	Not Listed.
e.	Financials:	

A private limited comapany has been given immunity to disclose its profit and loss account to persons other than the members of the Company as per second proviso to section 220 (1) of The Companies Act, 1956 and hence the management of that Company has desired that this information be not disclosed.

The Company is not a Sick industrial undertaking.

a.	Name of Company	**A.D. Hydro Power Limited**
b.	Date of Incorporation	June 16, 2003
c.	Nature of Business	Generation and Distribution of Power
d.	Listed At Stock Exchange	Not Listed
e.	Financials:	

Balance Sheet Statement	**Ist Year ended** 31.03.2004 (Audited) **Rs. In Lacs**
Sources of funds	
Paid-Up Share Capital	5
Share Application Money	1003
Reserves & Surplus (Excluding Revaluation Reserve)	--
Secured Loans	--
Unsecured Loans	485
Deferred Tax Liability	--
Total	1493
Uses of funds	
Net Fixed Assets	20
Investments	--
Net current assets	12
Total Miscellaneous expenditure not written off including deferred tax asset	0.29
Total	1493
Net Worth	1008

As the project of the company is under implementation stage, therefore, no profit and loss account has been prepared, figures regarding total income, profit after tax & earnings per share is not applicable.

The Company is not a Sick industrial undertaking.

Litigations pending against the Acquirer promoted companies are as under:
Out of the Acquirer promoted companies the following material ligitations are pending only in case of BSL Ltd.:

1. A D. B. Civil (Company) appeal is pending before Rajasthan High Court filed by the Shamrao Vittal Co-operative Bank Ltd. for disputed amount of Rs.15.52 Lacs.
2. A money suit is pending before City Civil Court, Kolkata filed by M/s. Gyani & Co. Kolkata for Rs.4.22 Lacs.

5. DISCLOSURES IN TERMS OF REGULATION 21(3), IF APPLICABLE

The offer would not result in public shareholding being reduced to 10% or less of the voting capital of the Company.

6. BACKGROUND OF THE TARGET COMPANY - JAIPUR POLYSPIN LIMITED (JPL)

6.1 The Target Company i.e. **M/s. Jaipur Polyspin Limited,** "JPL" was incorporated on 24.10.1980 with the Registrar of Companies, Rajasthan, as a Public Limited Company and got Commencement of Business Certificate on 23.12.1980 from the Registrar of Companies, Rajasthan. The Company has its Registered Office at B-22/B-1, Shiv Marg, Bani Park, Jaipur-302016, INDIA. Tel No: (0141) -2203822, 2202235 Fax No. (0141)- 2200715

6.2 As on the date of PA, JPL has an authorized share capital of Rs. 1000 lacs, comprising of 1,00,00,000 equity shares of Rs 10/- (Rupees Ten Only) each. It has an issued equity share capital of Rs.620.25 lacs, consisting of 62,02,500 equity shares of Rs.10/- each and subscribed and paid up equity share capital of Rs. 620.22 lacs, consisting of 62,02,200 equity shares of Rs. 10/- each. (300 shares kept in abeyance being subject to necessary approval). Out of its total issued number of shares of 62,02,500 of Rs.10/- each 58,09,949 shares are fully paid up, where as 3,92,251 shares were partly paid up. The call money of Rs. 5/- per share remained unpaid on these 3,92,251 partly paid shares. These partly paid up shares do not have any voting rights as per Articles of Association of the Target Company. However as on the date of this Letter of Offer out of 3,92,251 partly paid shares only 201 shares remain partly paid-up.

6.3 JPL has been engaged in the business of manufacturing and marketing of synthetic blended yarn. It is an ISO 9001 certified Company and a Government of India recognized Export House. The Company's plant was set up for the manufacture of man made fibres, dyed polyester viscose rings, spun yarns in different blends and colours. JPL is having manufacturing facilities at SP-1, Industrial Area, Ringas, Distt Sikar, Rajasthan-332 404. The present installed capacity of JPL plant is 27,840 spindles.

6.4 The shares of "JPL" are at presently listed on BSE, JSE, DSE and CSE. However as per the information available from the Target Company, the Target Company had applied for delisting of the equity shares from The Delhi Stock Exchange Association Limited, Delhi and The Calcutta Stock Exchange Association Limited, Kolkata in 1999 after its approval by special resolution of shareholders in Annual General Meeting of the Company held on 15.09.1999. But, the Target Company has not received any letter confirming delisting of the securities, from any of these stock exchanges. The shareholders of JPL have approved delisting of is equity shares from Jaipur Stock Exchange Limited, Jaipur in Annual General Meeting held on 31st July 2004, however the Company has not applied for delisting as per the information available.

6.5 Based on the latest available audited accounts for the year ending 31st March, 2004, the Company has made Net Sales of Rs. 6843 lacs and Net Profit of Rs. 28.00 lacs after providing depreciation of Rs.263.52 lacs. As at 31.03.2004, the paid up share capital was Rs. 620.20 lacs and the earning per share (EPS) for the year ending 31st March, 2004 was Rs.0.33/- and the P/E ratio of 13.94.

6.6 The authorised share capital of JPL is Rs. 10,00,00,000/- divided into 1,00,00,000 equity shares of Rs. 10/- each. The issued equity share capital is Rs. 6,20,25,000/- subscribed and paid-up equity share capital stood at Rs.6,20,21,919/- comprising of 62,02,200 equity shares of Rs 10/- (Rupees ten each), divided into 62,01,999 fully paid equity shares of Rs.10/- each and 201 partly paid shares of Rs. 10/- each. (Rupees ten each).

Paid up Equity Shares of JPL	No. of Equity Shares/ voting **rights**	% of Shares / voting rights
Fully paid-up equity shares	62,01,999	100%
Partly paid-up equity shares	201	-
Total paid-up equity shares	62,02,200	100%
Total voting rights in the Target Company	62,01,999	100%

The current capital structure of the Company has been build up since inception as under:-

Date of allotment	**No of shares issued**	**% of shares issued**	**Cumulative paid up Capital (In Rs.)**	**Mode of allotment**	**Identity of allottees (promoters/ ex-promoters/ others)**	**Status of compliance**
10.03.81	100	0.001	1.000	Cash	Subscriber	Compliance made
11.12.81	4,87,500	7.86	48,76,000	Cash	Promoter	
19.07.82	16,62,400	26.80	2,15,00,000	Cash	Public Issue	
07.06.86	3,35,018	5.40	2,48,50,180	Cash	Right Issue	
14.07.86	5,03,442	8.12	2,98,84,600	Cash	Right Issue	
13.05.87	9,850	0.16	2,99,83,100	Cash	Right Issue	
28.07.87	2,770	0.05	3,00,10,800	Cash	Right Issue	
10.09.87	7,580	0.12	3,00,86,600	Cash	Right Issue	
26.03.88	1,340	0.02	3,01,00,000	Cash	Right Issue	
17.03.92	9,03,000	14.56	3,91,30,000	Cash	Right Issue	
30.03.93	2,22,000	3.58	4,13,50,000	Cash	Conversion of loan to equity	
24.03.98	20,67,200	33.33	6,20,22,000	Cash	Right Issue	
TOTAL	**6202200**	**100**				

- **There are 201 partly paid up shares in the Company. These partly paid up shares has no voting right as per Articles of Association of the Target Company.**
- **There are no preference shares or outstanding convertible instruments / warrants.**

6.7 The shares of Company has not been suspended by any stock exchange and the entire subscribed capital is listed.

6.8 Based on the information available from the Target Company, Sellers, Promoters and other major shareholders have timely complied with the provisions of Chapter II of the regulations.

6.9 JPL has complied with requirements of the Listing Agreement and no punitive action has been initiated by the stock exchanges where its equity shares are listed.

6.10 The composition of the Board of Directors of JPL as on the date of Letter of Offer is as follows:-

Sr.No.	Name of the	Designation Director	Date of	Educational Appointment in No. of Yrs.	Address Qualifications/Experience
1.	Mr.C.K. Dhanuka	Chairman	29.03.85	B.Com/ 28	14, Dr. U.N. Brahmachary Road, Kolkata-700 017
2.	Mr. N.L. Bhuwania	Managing Director	16.05.94	B.Com./ 41	B-13 F, Shiv Marg, Bani Park, Jaipur-302 016
3.	Mr. Mrigank Dhanuka	Director	25.01.03	ISC from La-Martiniere/3	14, Dr. U.N. Brahmachary Road, Kolkata-700 017
4.	Mr.R.L. Toshniwal	Director	30.10.80	M.Sc. (Textiles)/ 48	11, Maker Tower-B, Cuffe Parade, Mumbai-400 005
5.	Mr. Ravi Jhunjhunwala	Director	06.12.04	B. Com (H), MBA/25	63, Friends Colony (East), New Delhi-110 065
6.	Mr. Riju Jhunjhunwala	Director	06.12.04	Graduate in Buss.Mgt. Studies/4	63, Friends Colony (East), New Delhi-110 065
7.	Mr. J. C. Laddha	Director	06.12.04	B. Com, FCA/31	RSWM, Kharigram, P. O. Gulabpura, Distt. Bhilwara, Rajasthan-311021

Mr. Ravi Jhunjhunwala, Mr. Riju Jhunjhunwala & Mr. J. C. Laddha represent the Acquirer on the Board of the Target Company.

6.11 There has been no merger / de-merger, spin-off during the past three years in JPL.

6.12 The brief audited financial information of JPL are as under:

(Rs. in lacs)

Profit and Loss Statement For the year ended on	31-Mar-02	31-Mar-03	31-Mar-04	Six months Ending **30.09.2004***
Income from operations	6288.13	6348.94	6843.00	3676.99
Other Income	26.36	40.29	110.95	52.89
Increase/(Decrease) in Stocks	(202.22)	189.84	122.07	232.69
Total Income	**6112.27**	**6579.07**	**7076.02**	**3962.57**
Total Expenditure	5718.77	5928.91	6590.54	3760.49
Profit / (Loss) Before Depreciation				
Interest and Tax	393.50	650.16	485.48	202.08
Depreciation	234.93	246.12	263.52	85.16
Interest and Financial Charges	149.13	162.86	193.96	104.90
Profit Before Tax	9.45	241.18	28.00	12.02
Provision for Tax	(15.95)	21.84	8.12	1.05
Profit/(Loss) After Tax*	25.40	219.33	19.88	10.97
Surplus as per Last Balance Sheet	442.64	452.94	617.22	620.40
Profit Available for Appropriation	468.04	672.27	637.10	631.37

- The profitability has been low due to sluggish market conditions however the surge in profits for the year ending 31st March, 2003 was due to continued efforts for cost reduction, improvement in productivity and higher exports (Source: Annual Report of Target Company for financial year 2002-03)

(Rs. in lac)

Balance Sheet Statement As On	31-Mar-02	31-Mar-03	31-Mar-04	Six months **30.09.2004***
Sources of funds				
Paid-up share capital	604.24	604.82	606.02	606.64
Reserves and Surplus (excluding revaluation reserves)	937.41	1122.64	1125.81	1136.36
Net-worth	1541.65	1727.46	1731.83	1743.00
Secured Loans	778.98	1104.07	1188.21	1147.86
Unsecured Loans	180.38	77.62	126.73	48.30
Deferred Tax Liability	159.48	148.69	161.01	161.01
Total	2660.49	3057.84	3207.78	3100.17
Uses of funds				
Net Fixed assets	1570.58	1681.94	1724.60	1662.95
Capital Work in Progress	0.27	9.38	0.15	2.81
Net current assets	1089.64	1366.52	1483.03	1434.41
Misc. expenditure to the extent not written-off	NIL	NIL	NIL	Nil
Total	2660.49	3057.84	3207.78	3100.17

Other Financial Data For the year ended on	31-Mar-02	31-Mar-03	31-Mar-04	Six months Ending **30.09.2004***
Dividend (%)	2.5	5	2.5	Nil
Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	0.42	3.63	0.33	0.17**
Return on Networth (%)	0.61	12.70	1.15	0.96
Book Value per Share (Rs. per equity share of face value of Rs. 10/- each)	24.86	27.85	27.92	28.10

* As certified by the auditor of the target company.
Source: Target Company
** Not annualised

Dividend (%)	=	(Dividend paid / face value of Equity Shares issued) X 100
Earning per Shares	=	Profit after tax / Number of Equity Shares issued.
Return of Net worth (%)	=	(Profit after tax / Net worth) X 100
Book value per Share	=	Net worth divided by Number of Equity Shares issued.

6.13 **Pre- and Post-Offer shareholding pattern** of the Target Company is as per the following table:

Sr. No.	Shareholder Category	Shareholding & Voting rights prior to the Acquisition and offer		Shares/voting rights acquired Which triggered off the Regulations		Shares/Voting rights to be acquired in the open offer (assuming full acceptances)		Shareholding/voting rights after the acquisition and Offer i.e. A+B+C	
		(A)		(B)		(C)			
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group Sellers								
	a. 1. M/s. Naga Dhunsheri Group Ltd.	2040000	32.89	(2040000)	(32.89)	Nil	Nil	Nil	Nil
	2. M/s. Dhunseri Tea & Industries Ltd.	286000	4.61	(286000)	(4.61)	Nil	Nil	Nil	Nil
	3. M/s Mayfair India Limited.	175000	2.82	(174900)	(2.82)	Nil	Nil	100	0.002
	4. M/s Plenty Valley Intra Limited	504100	8.13	(504100)	(8.13)	Nil	Nil	Nil	Nil
	5. M/s Mint Investments Limited	378686	6.11	(374236)	(6.04)	Nil	Nil	4450	0.072
	6. Mr Chandra Kumar Dhanuka	217550	3.51	(217550)	(3.51)	Nil	Nil	Nil	Nil
	7. Ms. Aruna Dhaunka.	10000	0.16	(10000)	(0.16)	Nil	Nil	Nil	Nil
	8. Mr. Mrigank Dhanuka	72200	1.16	(72200)	(1.16)	Nil	Nil	Nil	Nil
	b. Other than (a) above Mr. N.L. Bhuwania	12450	0.20	(12300)	(0.19)	Nil	Nil	150	0.003
	Total (a+b)	**3695986**	**59.59**	**(3691286)**	**(59.52)**	**Nil**	**Nil**	**4700**	**0.08**
2.	a. Acquirer								
	RAJASTHAN SPINNING & WEAVING MILLS LIMITED,	Nil	Nil	3691286	59.52	1240440	20	4931726	79.52
	Total	**Nil**	**Nil**	**3691286**	**59.52**	**1240440**	**20**	**4931726**	**79.52**
3.	Public (other than 1 to 2)	1888423	30.45			(1240440)	(20)	1265774	20.40
4.	FIs / MFs / FIIs / Banks	617791	9.96						
	Total	**6202200**	**100**	**3691286**	**59.52**	**1240440**	**20**	**6202200**	**100**

Note: • The data within bracket indicates sale of equity shares.

6.14 The approximate number of shareholders in JPL in public category is 5109 as informed by Target Company, vide their letter dated 11.11.2004 which includes 87 NRI shareholders.

6.15 The Company has complied with the conditions of Corporate Governance as envisaged under clause 49 of the listing agreement, statutory auditors of the Company have certified compliance of conditions of corporate governance this certificate is attached with annual report of the Target Company.

6.16 The following litigation matters are pending against the Company.

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT INVOLVED Rs.	COURT
(A)	**Cases related to Textile committee cess**	Basis of demand was not correct and time barred.	675788.52	Textile Committee Appellate Tribunal, Mumbai
(B)	**Insurance** JPL v/s Oriental Insurance Co. Ltd. Petition No.173/2002	Insurance claim for DG Set - Break Down	2583978.00	National Consumer Disputes Redressal Commission, New Delhi.
	National Insurance Co. v/s JPLAppeal No. 101/2000	Appeal against order dated 10.01.2000 of state commission consumer protection, Raj. in complaint No. 40/96	2565705.00	National Consumer Disputes Redressal Commission, New Delhi.
	JPL v/s Oriental Insurance Co. Ltd.Consumer Complaint No. 18 /2001	Net claim Rs. 648000/- payable to KDEL on receipt.	648000.00	Rajasthan State Consumer Dispute Redressal Commission, Jaipur.
(C)	**Land** JPL v/s RIICOD.B.Civil special appeal (Writ) No. 277/2001	The order passed by the single judge in the review petition may be set aside.To set aside the show cause notice dt. 18.05.2000 issued by RIICO, order dt.18.11.00 passed by the RIICO canceling the lease deed and notice of eviction given by Estate Officer on 29.06.01	1585968.00	High Court, Jaipur
(D)	**Sales Tax** JPL v/s Asstt. Commissioner, Commercial Taxes special circle - 5 Appeal No. ---/2001	Demand of Rs. 89700/- on the basis of information passed on by the Central Excise Department	85215.00	Deputy Commissioner (A) - I
	Asstt. Commissioner, Commercial Taxes special circle - 5 V/s JPLSLP No.748/2002	SLP against order passed by hon'ble high revision no. 351 court of Rajasthan, Jaipur in commercial taxof 1999 dt. 23.04.01 for tax on implied sales of packing material used in sales.	43144.00	Supreme Court - Delhi
(E) 1.	**Power Supply Co.** JPL v/s AVVNL, Ajmer D.P. civil special appeal no. 776/2000	An additional amount charged in power bill for month of August, 1992 Rs. 216834/- towards assessment for period March, 84 to June,84 on basis of Test report dt. 29/30.05.84.	Amount o/s is receivable to Company.	
2.	AVVNL, Ajmer v/s JPL D.P. civil special appeal no. 777/2000	Writ No. 5937/92 filed and stay granted on payment of 50% amount. Writ succeeded and bill/demand notice quashed vide order dt. 26.05.00. Company filed special Appeal (No. 776/2000) for payment of interest from date of deposit of 50% amount on order of court. Further AVVNL also file Appeal (777/2000) against order dt. 26.05.2000.		

STATEMENT OF CASES PENDING BEFORE PAYMENT OF GRATUITY ACT, AUTHORITY, SIKAR

TITLE & CASE NO.	PARTICULARS INVOLVED **IN Rs.**	AMOUNT
Cases relating to Gratuity cases	Gratuity Amount	1,74,949/-

STATEMENT OF LABOUR CASES PENDING BEFORE INDUSTRIAL TRIBUNAL JAIPUR

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT INVOLVED **Rs.**
1.	JPL V/S Bhanwar (52/95)	Dismissal due to various misconduct in 1994	304467
2.	JPL v/s Gopal Ram (41/96)	Dismissal due to various misconduct in 1994	274571
3.	Ram Singh v/s JPL (67/96)	Grade fixation & Termination	140850
4.	JPL v/s Omprakash (10/99)	Dismissal due to habitual absenteeism 33(2)b	150682
5.	Mazdur Union v/s JPL (39/99)	Publish of seniority List	--
6.	Mazdur Union v/s JPL (169/99)	Ist May double payment	--
7.	JPL v/s Asha Ram (61/2000)	Dismissal due to long absenteeism 33(2)b	233716
8.	JPL v/s Ramavtar (86/2000)	Dismissal due to habitual absenteeism 33(2)b	149319

6.17 The Following litigation are sub judice for termination of workers, claiming that their termination was illegal, unjust and unwarranted.

STATEMENT OF LABOUR CASES PENDING BEFORE LABOUR COURT JAIPUR - II

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT INVOLVED
1.	Nathu Singh v/s JPL (456/95)	Termination	396000
2.	Jawahar Lal v/s JPL (20/98)	Whether his dismissal dt. 27.06.88 is legal or not.	313507
3.	Balbeer Singh v/s JPL (31/98)	Whether his termination dt.10.08.97 is legal or not	263615
4.	Gopal Ram v/s JPL (17/99)	33 C (2)	112993
5.	Banwari Lal v/s JPL (194/99)	Whether his termination dt.10.08.97 is legal or not	119546
6.	Bharat Singh v/s JPL (208/99)	6 Days payment	--
7.	Bhawani Shankar v/s JPL (51/2002)	Dismissal	76685
8.	Ganpat Ram v/s JPL (90/2000)	Dismissal	--
9.	JPL v/s Panna Lal (60/2003)	Termination	41942
10.	Sugan Chand & Sayar Singh v/s JPL	Termination	--

STATEMENT OF LABOUR CASES PENDING BEFORE LABOUR COMMISSIONER, JAIPUR

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT **INVOLVED**
1.	Gopal Singh v/s JPL	Termination	
2.	Mahendra v/s JPL	Termination	

STATEMENT OF LABOUR CASES PENDING BEFORE REGIONAL ASSTT. LABOUR COMMISSIONER, SIKAR

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT **INVOLVED**
1.	Lalu Ram v/s JPL	Termination	--

STATEMENT OF LABOUR CASES PENDING BEFORE LABOUR COURT MUMBAI

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT **INVOLVED Rs.**
1.	Paresh I. Acharya 882/2003	Complaint for Increment and Bonus; Transfer to Ringas	28521

STATEMENT OF LABOUR CASES PENDING BEFORE INDUSTRIAL TRIBUNAL MUMBAI

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT **INVOLVED**
1.	Paresh I. Acharya	Against his transfer to Ringas	--

STATEMENT OF LABOUR CASES PENDING BEFORE A.C.J.M. RINGAS

S.NO.	TITLE & CASE NO.	PARTICULARS	AMOUNT **INVOLVED**
1.	Narayan Singh (Ugam Singh)	Death Case.	--

6.18 Mr. V.K. Dadheech, Company Secretary is the Compliance Officer of the Company, his residential address is 128-B, Doctors Colony, Ajmer Road, Jaipur-302021. Telephone No. 0141-2202235, 2203822

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

The shares are frequently traded as per the data available with The Stock Exchange, Mumbai (Source: www.bseindia.com) The annualized trading turnover of shares at The Stock Exchange, Mumbai was 26.55% (based on trading volume of the shares for 26 weeks preceding the PA date).The shares of the Target Company are not traded during the period of last 26 weeks preceding the PA date at the Jaipur Stock Exchange Limited, Jaipur as per the letter dated 5th November, 2004 from Jaipur Stock Exchange and no official data is available from the Calcutta Stock Exchange Association Limited, Kolkata and The Delhi Stock Exchange Association Limited, Delhi. The Offer Price of Rs. 29/- per fully paid up equity share and Rs. 14.50/- (Rupees Fourteen and Paise Fifty Only) per partly paid up shares has been arrived at as per the Regulation 20(4) of SEBI (SAST) Regulations, 1997, after taking into account the highest of (a) Negotiated Price of Rs 29/- (Rupees Twenty Nine only) per share (b) trading price at The Stock exchange, Mumbai for the shares during the relevant period (average of weekly high and low of the closing prices of the shares for 26 weeks preceeding the PA date (Rs. 6.97/-) and average of the daily high and low of the prices of shares during the two weeks preceeding the PA date (Rs. 13.61/-). The Offer price for 201 partly paid shares has been arrived at after taking into account the net amount receivable against these shares and accordingly a proportionate part of the offer price of Rs. 29/- payable for each fully paid share is being offered. Hence the offer price of Rs. 29/- for each fully paid equity share and Rs. 14.50/- for each partly paid share is justified.

7.2 The annualised trading turnover during the preceding six Calendar months ending October, 2004 in BSE is detailed below:-

Sr. No.	Name of the Stock Exchange	Total no. of equity shares traded during the 6 calendar months prior to November, 2004	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares
1.	BSE*	823237	6202200	26.55
2.	JSE	NIL	6202200	NIL
3.	CSE	NIL	6202200	NIL
4.	DSE	NIL	6202200	NIL

*** Source: www.bseindia.com**

(Note: No trading data availabe from CSE,DSE and NIL Trading reported at JSE)

7.3 As the annualised trading turnover (by number of equity shares) of JPL shares at the Stock Exchange, Mumbai was 26.55% of the total no. of listed equity shares, the equity shares of JPL are frequently traded at BSE. The shares of the Target Company are not traded during the period of last 26 weeks preceeding the PA date at the Jaipur Stock Exchange Limited, Jaipur as per the letter dated 5th November, 2004 from Jaipur Stock Exchange and no official data is available from the Calcutta Stock Exchange Association Limited, Kolkata and The Delhi Stock Exchange Association Limited, Delhi. The Offer Price of Rs. 29/- per fully paid up equity share and Rs. 14.50/- (Rupees Fourteen and Paise Fifty Only) per partly paid up share has been arrived at as per the Regulation 20(4) of SEBI (SAST) Regulations, 1997, after taking the highest of the following prices:-

a.	Negotiated Price under the Acquisition	Rs.29/- per fully paid equity of Rs. 10/- each.
b.	Highest Price paid by the Acquirer or PAC's for acquisition including Public or Rights Issue in 26 weeks	Not applicable
c.	Price paid under preferential allotment made to the Acquirer any time during 12 months period upto date of closure of the Offer	Not applicable
d.	Highest average Price calculated as per Regulation 20(4)(c) during the 26 weeks preceding the date of PA .	Rs. 6.97/-
	Highest average Price calculated as per Regulation 20(4)(c) during the 2 weeks preceding the date of PA	Rs. 13.61/-
e.	Other parameters	
	Based on audited results as on March 31, 2004:-	
	i. Return on Networth (%)	1.15
	ii. Book Value (Rs.)	27.92/-
	iii. Earnings Per Share (Rs. per equity share of face value of Rs. 10/- each)	0.33/-
	iv. Price to Earnings Ratio	13.94

Hence, based on the above facts, the Offer Price of Rs. 29/- per fully paid equity share and Rs. 14.50/- per partly paid equity share is justifiable in terms of Regulation 20.

7.4 The details of Trading Prices for JPL Shares at BSE during the last 26 weeks is as under:-

Week No.	Week Ending	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1.	05th November'04	19.07	13.04	16.05	90027
2	29th October'04	12	10.88	11.44	39893
3	22nd October'04	12.62	12.10	12.36	34270
4	15th October'04	13.50	12.31	12.91	46754
5	9th October'04	14.13	10.73	12.43	101355
6	1st October'04	11.06	8.66	9.36	121539
7	24th September'04	8.50	7.54	8.02	163650
8	17th September'04	6.89	6.10	6.50	65304
9	10th September'04	7.19	6.90	7.05	16513
10	3rd September'04	6.55	6.00	6.28	64323
11	27th August'04	5.90	5.50	5.70	4525
12	20th August'04	5.80	5.00	5.40	11478
13	13th August'04	5.38	4.95	5.38	2125
14	6th August'04	5.99	4.95	5.47	3300
15	30th July'04	5.75	5.01	5.38	3864
16	23rd July'04	6.24	5.11	5.68	6425
17	16th July'04	6.15	4.81	5.48	8170
18	9th July'04	Nil	Nil	Nil	Nil
19	2nd July'04	5.35	4.96	5.16	1250
20	25th June'04	4.80	4.20	4.50	1975
21	18th June'04	4.50	4.33	4.42	4450
22	11th June'04	4.81	4.60	4.71	2460
23	4th June'04	5.31	4.80	5.06	5700
24	28th May'04	6.00	5.08	5.54	11046
25	21st May'04	5.08	5.02	5.05	1340
26	14th May'04	6.00	5.10	5.55	3640
Average				**6.97**	

Source: www.bseindia.com

The details of Trading Prices for JPL Shares at BSE during the last 2 weeks on daily basis is as under:-

Day No.	Dates	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1	5th November'04	19.07	19.07	19.07	17025
2	4th November'04	17.34	17.34	17.34	13911
3	3rd November'04	15.77	15.77	15.77	13594
4	2nd November'04	14.34	14.34	14.34	15498
5	1st November'04	13.04	12.10	12.57	29999
6	29th October'04	11.95	11.30	11.63	9220
7	28th October'04	11.20	10.87	11.04	7248
8	27th October'04	11.95	11.00	11.48	7525
9	26th October'04	11.26	11.05	11.16	9700
10	25th October'04	12.00	11.50	11.75	6200
Average				**13.61**	

Source: www.bseindia.com
As the shares of acquirer are frequently traded, therefore regulation 20(5) is not applicable.

7.5 Mr. Vijay Kumar Jain, Partner of M/s. Jain Vijay & Associates, Chartered Accountants, having Office at 1649, 1st Floor, Main Bazar, Pahar Ganj, New Delhi - 110055. (Membership No. 87502) vide his certificate dated 10th November, 2004 has certified that the Net Worth of M/s. Rajasthan Spinning & Weaving Mills Limited, as on 30.09.2004 is Rs. 19008 lacs and that it has sufficient investible liquid financial resources to fulfill its obligations under this Offer. The Acquirer has already deposited Rs.360 lacs in Escrow Account, which is more than 100% of the amount required for open offer.

7.6 Acquirer has entered into a non-compete agreement with the sellers for which the Sellers have received a sum of Rs. 253 lacs which is within the permissible limit as per the SEBI (SAST) Regulations, 1997 and this does not form part of the acquisition price of Rs. 29/- per share paid uder the SPA.

7.7 If the Acquirer acquire equity shares after the date of Public Announcement upto 7 working days prior to the Closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid acceptances received under the Offer.

7.8 Financial Arrangements

7.8.1 The Acquirer has adequate resources to meet the financial requirements of the Offer. The Acquirer has made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997. The acquisition will be financed through internal resources.

7.8.2 Assuming full acceptance, the total requirement of funds for the Offer would be Rs. 3,59,72,760/- (Three Crore Fifty Nine Lacs Seventy Two Thousand Seven Hundred & Sixty Only). The Acquirer has already made firm arrangements for the financial resources required to implement the Offer in full. A**s per Regulation 28, Acquirer has opened an Escrow Account with Bank of Baroda, East of Kailash, New Delhi-110 065, and has deposited Rs 3,60,00,000/- (Rs Three Crores Sixty Lacs Only), being more than 100% of the amount required for the Open Offer.** In terms of second proviso to regulation 22 (7) of the SEBI (SAST) Regulations, 1997 the Acquirer sought appointment of three representatives as directors on the Board of JPL. Consequently the Board of Directors of JPL at its meeting held on December 6, 2004 appointed Mr. Ravi Jhunjhunwala, Mr. Riju Jhunjhunwala & Mr. J. C. Laddha as directors on the board of Target Company.

7.8.3 The Acquirer has duly empowered M/s Chartered Capital & Investment Limited, Manager to the Offer, to realise the value of the Escrow Account in terms of the SEBI (SAST) Regulations, 1997.

7.8.4 The Manager to the Offer, M/s Chartered Capital & Investment Limited, hereby confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8. TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered shareholders of Jaipur Polyspin Limited and unregistered shareholders who own the equity shares of Jaipur Polyspin Limited any time prior to the date of Closure of the Offer, other than the parties to the SPA and the other seller namely Mr. N.L. Bhuwania.

8.1.2 None of the existing shares of JPL are under any Lock-in requirements.

8.2 Statutory Approvals

8.2.1 Approval for transfer of shares of a Company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.

8.2.2 As on the date of Public Announcement, no approval from any bank or financial institutions is required for the purpose of this Offer, to the best of the knowledge of the Acquirer.

8.2.3 As on the date of Public Announcement, to the best of the Acquirer' knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.

8.2.4 In case of delay in receipt of any statutory approval, Regulation 22(12) of SEBI (SAST) Regulations, 1997, will be adhered to, i.e. SEBI has power to grant extension of time to Acquirer for payment of consideration to shareholders subject to Acquirer agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of wilful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

8.3 Others

8.3.1 In case of number of shares received under the offer exceeds the offer size, then the Acquirer will accept shares on pro-rata basis.

8.3.2 Accidental omission to despatch this Letter of Offer to any person to whom this Offer is made or the non-receipt or delayed receipt of this Letter of Offer by any such person will not invalidate this Offer in any way.

8.3.3 This Letter of Offer has been mailed to all the shareholders of JPL (other than parties to the Agreement and Mr. N.L. Bhuwania), whose names appeared on the Register of Members of JPL as on **Tuesday, November 30, 2004 being the Specified Date.**

8.3.4 Unaccepted Share/ Shares Certificates, Share Transfer Forms and other documents, if any, will be credited back to respective depository account or returned by registered post at the shareholder(s) / unregistered owner(s) sole risk.

8.3.5 Consideration for equity shares accepted would be paid by crossed account payee cheques / demand drafts / pay orders and sent by registered post to the address of the first shareholder(s) / unregistered owner(s) at their sole risk.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

9.1 Shareholders who wish to tender their equity shares will be required to send their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed Share Transfer Form(s) to the Registrar to the Offer by hand delivery or registered post, as the case may be, at the address mentioned in Para 9.17 in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

9.2 The Registrar to the Offer, **M/s MCS Limited.**, has opened a special depository account with **Bharat Bhushan Equity Traders Limited** (Depository-***National Securities Depository Limited***).

9.3 Shareholders of JPL to whom this Offer is being made, are free to offer his / her / their equity shares of JPL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in this Offer.

9.4 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 1700 hours upto the date of closure of the offer i.e. **Tuesday, January 18, 2005.**

- Form of Acceptance, duly completed in all respects and signed by all the joint shareholders in the same order and as per the specimen signature(s) registered with JPL.
- Relevant Original Share Certificate(s).
- Valid Share Transfer Deed(s), duly signed (in case the equity shares are held in joint names, by all the shareholders and in the same order as appearing in the Register of Members of JPL or on the Share Certificate issued by JPL) as per the specimen signature(s) lodged with JPL and witnessed by an independent witness (if possible, by a Notary Public, Bank Manager or a Member of a recognised stock exchange with membership number). Please do not fill in any other details in the Share Transfer Deed. In the event that a shareholder needs additional Share Transfer Deed(s), the same can be obtained from the Registrar to the Offer as mentioned hereafter.
- Where the Transfer Deed(s) are executed by Constituted Attorney, attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer.

9.5 Beneficial owners and **shareholders holding shares in the dematerialised form**, will be required to send their Form of Acceptance cum Acknowledgement to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on or before 1700 hours upto the date of closure of the offer i.e. **Tuesday, January 18, 2005,** along with

- a Form of Acceptance cum Acknowledgement, duly completed and signed in accordance with the instructions contained therein by sole/all shareholders whose names appear (in case of joint holdings) in the same order in which their names appear in their beneficiary account;
- a photocopy of the delivery instructions in **"Off-market"** mode or counterfoil of the delivery instruction in **"Off-market"** mode, duly acknowledged by the Depository Participant ("DP"), in favour of **"MCS A/c-JPL-Open Offer Escrow A/c"** ("Depository Escrow Account") filled in as per the instructions given below:

DP Name	: Bharat Bhushan Equity Traders Limited.
Client ID Number	: 10107095
DP ID Number	: IN-301209
Depository	: National Securities Depository Limited- **("NSDL")**

- Delivery Instruction: Special attention should be paid to the following:-
- Beneficial owners, who hold equity Shares of JPL in dematerialised form, are required to execute an "off-market" trade by tendering the Delivery Instruction for debiting their beneficiary account with their concerned depository participant and crediting the above-mentioned account. The credit in the Depository Escrow Account should be received on or before the Offer Closing Date; i.e., **Tuesday, January 18, 2005**, else the application would be rejected.
- The Delivery Instructions to be given to the depository participant should be in "For Off Market Trade" mode only. For each Delivery Instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement.Shareholders having their beneficiary account in Central Depository Services India Limited **("CDSL")** have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

9.6 A copy of the No Objection Certificate / Tax Clearance Certificate if obtained from the Indian tax authorities by the shareholders (applicable to NRIs/OCBs/ FIIs).

9.7 In case the equity shares are held by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed.

9.8 In case of Non-resident equity shareholders, Foreigners, Foreign Companies and Foreign Institutional Investors, photocopies of the approval(s) by the Reserve Bank of India for acquiring and holding equity shares in JPL.

9.9 In case the equity shares stand in the name of a sole shareholder, who is deceased, the Notarised copy of the legal representation obtained from a Competent Court.

9.10 **Special Note for shareholders who have sent their Shares for Dematerialisation:** Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Escrow Depository Account can be received on or before 1700 hours upto the Offer Closing Date i.e. **Tuesday, January 18, 2005**, else the application would be rejected.

9.11 No document should be sent to the Acquirer or to JPL or to the Manager to the Offer.

9.12 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper stating the name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **1700 hours** upto the date of closure of the offer i.e. **Tuesday, January 18, 2005**.

9.13 Persons who own equity shares of JPL any time prior to the date of Offer Closure, but are not registered holders, can tender their equity shares for purchase by the Acquirer, by communicating his / her / their desire to tender, in writing to the Registrar to the Offer and obtain from them a copy of the Letter of Offer, the Application Form and Transfer Deed(s) and lodge the same along with the relevant Share Certificate(s) and other documents, as mentioned hereinabove together with the Original Contract Note issued by a registered Stock Broker of a recognised Stock Exchange, only at the address of Registrar to the Offer as mentioned hereinabove:

An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a ***plain paper*** *stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them* ***on or before 1700 hours on Tuesday, January 18, 2005.***

9.14 No indemnity is required from the unregistered shareholders.

9.15 In case the Share Certificate(s) and the instrument(s) of transfer are lodged for transfer with JPL, then **the Form of Acceptance** should be accompanied by (i) the Share Transfer Deed(s) and (ii) the acknowledgement of lodgement or receipt issued by JPL by individual. Whereas the Transfer Deed(s) are executed by Constituted Attorney, also attach a copy of the Power of Attorney duly certified as a True Copy by a Notary Public / Gazetted Officer along with the acknowledgement of lodgement or receipt issued by JPL. In case the equity shares are lodged by a Company / Body Corporate, then a certified True Copy of a valid Board Resolution giving authority and certified true copy of the Memorandum and Articles of Association of such Company / Body Corporate should also be enclosed along with **the Form of Acceptance** and the acknowledgement of lodgement or receipt issued by JPL.

9.16 In case of shareholders who have not received the LOO and holding shares in the dematerialised form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in para 8.5 above, so as to reach the Registrar to the Offer on or before 1700 hours upto the date of Closure of the Offer i.e. **Tuesday, January 18, 2005**. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

9.17 The following collection centre would be accepting the documents as specified above, both in case of shares in physical and dematerialized form.

Address of Registrar to the Offer:

Sr. No.	Address of Registrar to the Offer	Business Hours	Mode of Delivery
1.	**MCS Limited** Contact Person: **Mr. S. P. Gupta / Mr. Ajay** Sri Venkatesh Bhavan, W -40, Okhla Industrial Area, Phase-II, New Delhi-110 020. Tel.: 011-26384909-11; Fax: 011-26384907; Email: mcsdel@vsnl.com	**Monday to Friday** 1000 hours to 1700 hours **Saturday** 1000 hours to 1330 hours **Holidays: Sundays and Bank Holidays**	Hand Delivery / Courier/ Registered Post

9.18 The Registrar to the Offer will hold in trust the shares / share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of JPL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are despatched / returned.

9.19 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. **Thursday,January 13, 2005.** The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 1700 hours upto the last date of withdrawal i.e. **Thursday,January 13, 2005.**

9.20 The withdrawal option can be exercised by submitting the Form of Withdrawal enclosing with it Copy of the Form of Acceptance-cum-Acknowledgement / Plain paper application submitted and the Acknowledgement slip. In case of non receipt of Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:-

9.20.1 In case of physical shares: name, address, distinctive numbers, folio number, share certificate number, number of shares tendered, date of tendering the shares.

9.20.2 In case of dematerialized shares: name, address, number of shares tendered, DP name, DP ID, date of tendering the shares, beneficiary account number and a photocopy of the delivery instructions in "off market" mode or counterfoil of the of the delivery instruction in "off market" mode, duly acknowledged by the DP, in favour of the **"MCS A/c-JPL-Open Offer Escrow A/c"** ("Depository Escrow Account").

9.21 The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.

9.22 The intimation of returned shares to the Shareholders will be sent at the address as per the records of JPL / Depository as the case may be.

9.23 Acquirer will acquire all the 12,40,440 paid-up equity shares tendered in the Offer with valid applications.

9.24 Method of Settlement

9.24.1 The marketable lot of JPL is 1 {one} equity share.

9.24.2 The Form of Acceptance, relevant Original Share Certificate(s), valid Share Transfer Deed(s) and other documents or/ and shares lying in the special depository account, tendered by the shareholders of JPL under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirer only upon the fulfilment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

9.24.3 On fulfilment of all the conditions herein mentioned, the Letter of Offer and Form of Acceptance, the Acquirer will pay the Offer Price by a crossed and "Account Payee Only" cheque(s) or demand draft(s) or pay order(s) drawn in favour of the sole shareholder or first named shareholder in case of joint holding. The payment consideration will be sent by Registered Post to the sole / first named shareholder of JPL whose equity shares are accepted by the Acquirer at his address registered with JPL/ DP. **It is desirable that shareholders holding Shares in physical mode provide bank details of the first/ sole shareholder in the Form of Acceptance cum Acknowledgement, so that the same can be incorporated in the cheque/demand draft. In case of shareholders holding Shares in electronic mode, bank particulars recorded with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished.**

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

9.24.5 The equity shares of JPL held in dematerialised form, which are not accepted in view of not being a valid tender of equity shares or which are withdrawn by the shareholders, will be released to the beneficial owner's depository account with the respective depository participant, from where the credit was initially received in favour of the Depository Escrow Account, at the sole risk of the beneficial owner. An intimation to that effect will be sent to the beneficial owner by Ordinary Post.

9.24.6 The Acquirer shall endeavour to complete all procedures relating to the Offer within fifteen days from the date of Closure of the Offer **(i.e. February 02, 2005)**, including payment of consideration to the shareholders of JPL whose equity shares are accepted for purchase by the Acquirer.

9.24.7 While tendering the Shares under the Offer, the NRIs/OCBs/FIIs will be required to submit the No Objection Certificate/ Tax Clearance Certificate, indicating the amount of tax to be deducted by the Acquirer before remitting the consideration, from the Income Tax Authorities under Income Tax Act, 1961. In case the aforesaid No Objection Certificate/Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder, on the entire consideration amount payable to such shareholder. The Acquirer will send the proof of having deducted and paid the tax along with the payment consideration.

9.24.8 In case of non-receipt of any of statutory approvals, if any required, SEBI may grant extension of time for the purpose of making payments to the shareholders who have successfully tendered their equity shares pursuant to this Offer and in such an event, the Acquirer will pay interest for the delayed payment beyond fifteen days of the closure of the Offer, at such rate as may be prescribed by SEBI.

9.25 General

9.25.1 The Form of Acceptance and instructions contained therein are integral part of this Letter of Offer.

9.25.2 Neither the Acquirer nor the Manager nor the Registrar nor the Target Company will be responsible for any loss in transit or delay in receipt of the completed Form of Acceptance, Share certificate(s), Share transfer deed(s), copy of delivery instructions or other documents.

9.25.3 The Offer Price is denominated and payable in Indian Rupees only.

9.25.4 All the communication in connection with the Form of Acceptance should be addressed to the Registrar to the Offer as mentioned above, with full name of the sole / first applicant, folio number, number of equity shares tendered, date of lodgement of the Form of Acceptance and other relevant particulars.

9.25.5 If there is any upward revision in the Offer Price (Regulation 26) by the Acquirer till the last day of revision, viz., at any time upto seven working days prior to the date of closure of the Open Offer or withdrawal of the Offer, the same would be informed by way of Public Announcement in the same newspapers where original Public Announcement had appeared. Such revised Offer would be payable for all the shares tendered anytime during the Offer.

9.25.6 "If there is competitive bid:

9.25.6.1 The Public Offers under all the subsisting bids shall close on the same date.

9.25.6.2 As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly"

9.25.7 Acquirer does not hold any share in the Target Company except 7,90,100 shares acquired on spot delivery basis and 28,88,886 shares acquired through SPA; and 12,300 shares acquired from Mr. N. L. Bhuwania on spot delivery basis on 10.11.2004.

9.25.8 **In terms of Regulation 22 (5A), shareholders shall have the option to withdraw acceptance tendered earlier, by submitting the Form of Withdrawal enclosed with the LOO, so as to reach Registrars to the Offer on or before 1700 hours upto three working days prior to the date of Closure of the Offer, i.e.Thursday, January 13, 2005, as mentioned in para 9.19.**

9.25.9 Alternatively, a copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal cum Acknowledgement can be obtained from SEBI's official **web-site: www.sebi.gov.in.**

9.25.10 The manager to the Offer i.e. Chartered Capital & Investment Limited does not hold any shares in JPL as on the date of PA.

10. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at 13, Community Centre, East of Kailash, New Delhi - 110065 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

10.1 Undertaking from the Acquirer, stating full responsibility for all information contained in the PA and the Letter of Offer.

10.2 Certificate from Mr. Vijay Kumar Jain, Partner of M/s. Jain Vijay & Associates, Chartered Accountants, having Office at 1649, 1st Floor, Main Bazar, Pahar Ganj, New Delhi - 110055. (Membership No.87502) dated 10th November, 2004 that the Net Worth of M/s. Rajasthan Spinning & Weaving Mills Limited, as on 30.09.2004 is Rs. 19008 lacs and that it has sufficient investible liquid financial resources to fulfill its obligations under this Offer. The Acquirer has already deposited Rs.360 lacs in Escrow Account, which is more than 100% of the amount required for open offer.

10.3 Annual Reports of JPL for years ended on March 31, 2002, 2003 and 2004 and certificate for the period ending 30.09.2004.

10.4 Annual Reports for the year ended March 31, 2002, 2003, and 2004 (and Half-Yearly Limited Review Report of Listed Companies) of the Companies promoted by the Acquirer -.

1. HEG Limited.
2. Maral Overseas Limited.
3. BSL Limited.
4. Bhilwara Spinners Limited.
5. Malana Power Company Limited.
6. Indo Canadian Consultancy Services Limited.
7. A.D. Hydro Power Limited

10.5 Certificate from Bank of Baroda confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 1997 as on November 11, 2004.

10.6 Copy of Share Purchase Agreement dated November 10, 2004.

10.7 Copy of Non-Compete Agreement and Warranties between the Acquirer and Sellers dated November 10, 2004.

10.8 Published copy of the PA, which appeared in the newspapers on November 11, 2004.

10.9 The Letter Dated 14.09.2004 sent by JPL to BSE, DSE, JSE and CSE asking for Price & volume data of its equity shares. as referred in the LOO.

10.10 Letter from the Depository Participant-Bharat Bhushan Equity Traders Limited confirming opening of a special depository account titled "MCS Ltd.-JPL Open Offer Escrow A/c" bearing Client ID 10107095 for the purpose of this offer opened by MCS Ltd.

10.11 Observation letter no CFD/DCR/AK/TO/28541/2004 dated December 16th, 2004 on the draft Letter of Offer filed with the Securities and Exchange Board of India.

11. DECLARATION BY THE ACQUIRER

11.1 The Acquirer, Rajasthan Spinning & Weaving Mills Limited and its Directors accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 1997.

11.2 The Acquirer, Rajasthan Spinning & Weaving Mills Limited and its Directors are responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

11.3 All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

For and on behalf of the Board of Directors of
Rajasthan Spinning & Weaving Mills Limited,

Place : New Delhi
Date : 23.12.2004

Sd/-
Authorised Signatory

12. ENCLOSURES

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal cum Acknowledgement
3. Blank Share Transfer Deed(s).