LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as a shareholder(s) of **Moving Picture Company (India) Limited**. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

CONSOLIDATED SECURITIES LTD

Registered Office: 8/19, 3rd Floor, Pusa Lane, W.E.A. Karol Bagh, New Delhi – 110 005
Tel. No.+91-11-42503441-444, Fax No. +91-11-42503445, email: csl@cslsec.com

To Acquire upto 32,23,000 equity shares of Rs.10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire preferential allotment of shares as well as warrants) at an offer price of Rs.10.05 (Rupees ten and Paisa Five Only) per fully paid up equity share of Rs. 10/- each, Payable in Cash.

Of

MOVING PICTURE COMPANY (INDIA) LIMITED

Registered Office: I – 6, Jangpura Extension, 1st Floor, New Delhi – 110 014
Tel. No. :+91-11-2431 6197, email: irfanalics@gmail.com

Pursuant to Regulation 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments 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 (if any) from RBI for transfer of shares in their name in due course after successful completion of this Offer.
3. As on the date of Public Announcement, to the best of the Acquirer's knowledge, no other statutory approvals are required to be obtained for the purpose of this Offer.
4. 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 i.e. upto December 19, 2007 (Wednesday).
5. 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 December 13, 2007 (Thursday) 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.
6. **This is not a competitive Bid.**
7. **If there is a Competitive Bid:**
   - **7.1 The Public Offers under all the subsisting bids shall close on the same date.**
   - **7.2 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.**
8. A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal are also available on SEBI's website: **www.sebi.gov.in**

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Chartered Capital And Investment Ltd. 711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad – 380006 Tel: +91-79-2657 7571/2657 5337 Fax: +91-79-2657 5731 Email: info@charteredcapital.net Website: www.charteredcapital.net Contact person: Mr. Manoj Kumar Ramrakhyani	**Mas Services Limited**, AB-4, Safdarjung Enclave, New Delhi – 110 029, Tel: +91-11-26104142, 26104326, Fax: +91-11-26181081, Email: mas_serv@bol.net.in Contact person: Mr. Sharwan Mangla,
OFFER OPENS ON : DECEMBER 7, 2007	**OFFER CLOSES ON : DECEMBER 26, 2007**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS.15 ONWARDS)

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	Original Schedule Day and Date	Revised Schedule Day and Date
1	**Date of Public Announcement (PA)**	**20.07.2007, Friday**	**20.07.2007, Friday**
2	Specified Date (For the purpose of determining the names of shareholders to whom letter of offer would be send)	17.08.2007, Friday	17.08.2007, Friday
3	Last Date for a Competitive Bid	10.08.2007, Friday	10.08.2007, Friday
4	Date by which Letter of Offer will be dispatched to the Shareholders	01.09.2007, Saturday	03.12.2007, Monday
5	**Offer Opening Date**	**12.09.2007, Wednesday**	**07.12.2007, Friday**
6	Last date for revising the offer price/number of shares	20.09.2007, Thursday	13.12.2007, Thursday
7	Last date for withdrawal by Shareholders	26.09.2007, Wednesday	19.12.2007, Wednesday
8	**Offer Closing Date**	**01.10.2007, Monday**	**26.12.2007, Wednesday**
9	Date by which the acceptance/rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	16.10.2007, Tuesday	10.01.2008, Thursday

RISK FACTORS:

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 proceeds may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of MPCIL, 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 the fully expanded voting equity capital amounting to 32,23,000 equity shares of MPCIL under the SEBI (SAST) Regulations, 1997. 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. In the event of over-subscription to the offer, the acceptance will be on a proportionate basis.

iv. The acquirer makes no assurance of market price of shares of the Target Company during or after the offer.

v. The acquirer makes no assurance with respect to financial performance of Target Company.

The risk factors set forth above, pertain to the offer and not in relation to the present or future business or operations of MPCIL or any other related matters, and are neither exhaustive not intended to constitute a complete analysis of the risk involved in participation or otherwise by a shareholder in the offer. Shareholders of MPCIL are advised to consult their stockbrokers or investment consultants, if any, for further risk with respect to their participation in the offer.

Table of Contents

1 DEFINITIONS

1.	Acquirer or The Acquirer or CSL	Consolidated Securities Limited
2.	ASE	Ahmedabad Stock Exchange Limited
3.	Book Value per share	Net worth / Number of equity shares issued
4.	BSE	Bombay Stock Exchange Limited, Mumbai
5.	DSE	The Delhi Stock Exchange Association Ltd
6.	CSE	The Calcutta Stock Exchange Association Ltd
7.	EPS	Profit after tax / Number of equity shares issued
8.	FEMA	Foreign Exchange Management Act, 1999
9.	Form of Acceptance	Form of Acceptance cum Acknowledgement
10.	Form of Withdrawal	Form of Withdrawal cum Acknowledgement
11.	JSE	The Jaipur Stock Exchange Limited
12.	LOO or Letter of Offer	Offer Document

13.	Manager to the Offer or, Merchant Banker	Chartered Capital And Investment Limited
14.	N.A.	Not Available
15.	Offer or The Offer	Open Offer for acquisition of upto 32,23,000 equity shares of Face Value Rs. 10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire preferential allotment of shares as well as warrants) at a price of Rs. 10.05 (Rupees ten and Paisa Five only) per fully paid up equity share of Rs. 10/- each, payable in cash.
16.	Offer Price	Rs. 10.05 (Rupees ten and Paisa Five only) per fully paid up equity share of Rs. 10/- each payable in cash.
17.	Persons eligible to participate in the Offer	Registered shareholders of Moving Picture Company (India) Limited, and unregistered shareholders who own the equity shares of Moving Picture Company (India) Limited any time prior to the Offer closure other than the Acquirer. Existing promoters of the company have agreed & given an undertaking in writing that they will not participate in the open offer.
18.	Post Preferential Share Capital	1,61,15,000 Equity Shares of Rs. 10/- each of the Target Company including 9,26,550 partly paid-up Equity Shares
19.	Post Preferential Voting Capital	1,51,88,450 fully paid–up Equity Shares of Rs. 10/- each of the Target Company
20.	Preferential Issue	Allotment of 50,00,000 fully paid up equity shares of face value of Rs. 10/- each at a price of Rs.10/- per share and 29,90,000 convertible warrants entitling the warrant holder to apply for the equal no. of equity shares of Face Value Rs. 10/- each of the Target Company for cash at an exercise price of Rs.10/- each in accordance with the applicable provisions of SEBI DIP Guidelines (including allotment of 35,00,000 fully paid-up Equity Shares of Rs.10/- each & 17,00,000 Convertible Warrants issued to Acquirer)
21.	Public Announcement or **"PA"**	Announcement of the Open Offer by The Acquirer, which appeared in the newspapers on July 20, 2007.
22.	RBI	Reserve Bank of India
23.	Registrar or Registrar to the Offer	Mas Services Limited
24.	Return on Net Worth	(Profit After Tax/Net Worth) *100
25.	SEBI	Securities and Exchange Board of India
26.	SEBI (SAST) Regulations, 1997 or Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
27.	SEBI DIP Guidelines/ DIP Guidelnes	SEBI (Disclosure & Investor Protection) Guidelines, 2000 and subsequent amendments thereto
28.	SEBI Act	Securities and Exchange Board of India Act, 1992
29.	TC or Target Company or MPCIL	Moving Picture Company (India) Limited

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF 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 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 MOVING PICTURE COMPANY (INDIA) 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 DISCHARGES 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 JULY 31, 2007 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 shareholders of Target Company is being made in accordance with and under Regulations 10 and 12 of the SEBI (SAST) Regulations, 1997 i.e. for substantial acquisition of shares or voting right accompanied with change in management or control of Target Company.

3.1.2 Consolidated Securities Limited is the sole Acquirer in this open offer and there are no person(s) acting in concert with the Acquirer in respect of this offer.

3.1.3 The Board of Directors of Moving Picture Company (India) Limited **("Target Company" or "MPCIL")** has passed a resolution dated July 16, 2007 authorising the preferential allotment of 35,00,000 fully paid up equity shares of Rs 10/- each for cash at a price of Rs. 10/- per equity share aggregating to Rs.350 lacs and 17,00,000 Convertible Warrants entitling the warrant holders to apply for equity shares of Rs 10/- each of the Target Company for cash at an exercise price of Rs.10 per share **("Preferential Issue")** to the acquirer in accordance with the guidelines for preferential issues contained in Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 and subsequent amendments thereto **("SEBI DIP Guidelines").**

In addition to above, the Target Company also proposes to issue 15,00,000 fully paid up equity shares of face value of Rs. 10/- each of the Target Company for cash at a price of Rs.10/- per share aggregating to Rs.150 lacs and 12,90,000 Convertible Warrants entitling the warrant holders to apply for equal numbers of equity shares of Rs.10/- each of the Target Company for cash at an exercise price of Rs. 10/- per share **("Preferential Issue")** to various persons in the Promoters & Promoter Group of the Target Company.

As the acquirer does not hold any Equity Share in the Target Company, by the above acquisition, the Acquirer, as a result of the above preferential allotment of 35,00,000 Shares, will acquire 28.69% of the voting capital (26.67% of the share capital) of the Target Company. However, after conversion of 17,00,000 warrants, the acquirer's shareholding will be 34.24% of voting capital (32.27% of the share capital) of the Target Company which resulted in triggering of SEBI (SAST) Regulations, 1997.

The Company has got in-principal approval from the Delhi Stock Exchange Association Limited vide its letters dated November 15, 2007. However, the application for in-principle approval with The Calcutta Stock Exchange Association Limited (CSE) and Ahmedabad Stock Exchange Limited (ASE) is under process.

3.1.4 Apart from shares as per the details given in Para 3.1.3 above, the Acquirer does not hold any equity shares in the paid-up share capital of the Target Company.

3.1.5 Neither the Acquirer 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 1992. In addition, SEBI has not taken any action against the acquirer, Target Company or any of its promoters/directors.

3.1.6 The Acquirer does not intend to make any changes in the Board of Directors of the Target Company at present. However, CSL may nominate representative Director(s) on the Board of MPCIL after the completion of the offer.

3.2 The Offer

3.2.1 The Acquirer has made a Public Announcement which was published on July 20, 2007 (except in Mumbai edition of Business Standard in which it was not published due to technical error at Newspapers' end. However, the same was published in Mumbai edition of Business Standard on July 21, 2007) in the following newspapers in accordance with the Regulation 15(1) and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997.

Publication	Editions
Business Standard (English)	All Editions
Pratahkal (Hindi)	All Editions
Vir Arjun (Hindi)	Delhi
Nav Shakti (Marathi)	Mumbai

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

3.2.2 The Acquirer is making this Open Offer under the SEBI (SAST) Regulations, 1997 to acquire upto 32,23,000 equity shares of Rs. 10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire share allotment as well as warrants) at a price of Rs.10.05(Rupees ten and paisa five) per Fully paid up equity share of Rs. 10/- each, to be paid in cash, subject to the terms and conditions mentioned hereinafter.

3.2.3 There are 9,26,550 partly paid-up shares in the Target Company.

3.2.4 **This is not a competitive bid.**

3.2.5 **The Offer is not subject to any minimum level of acceptances from the shareholders i.e. it is not a conditional offer.** The Acquirer will accept the equity shares of MPCIL those are tendered in valid form in terms of this offer up to maximum of 32,23,000 equity shares.

3.2.6 Acquirer has not acquired any shares of the Target Company after the date of Public Announcement till the date of Letter of Offer.

3.3 Objects of the offer

3.3.1 This offer is being made pursuant to Regulation 10 and 12 of the SEBI (SAST) Regulations 1997, consequent to the preferential allotment of equity shares by MPCIL to the Acquirer as explained in Para 3.1.3 above resulting in substantial acquisition of shares or voting right accompanied with change in management or control of Target Company. The Acquirer considers the Target Company to be of strategic importance in media industry, which is one of the key growth sectors of economy. So, the Acquirer is acquiring the shares as an investment in anticipation of good returns. So the Acquirer is investing by way of subscription to the fresh equity share capital by way of preferential allotment under section 81(1A) of the Companies Act, 1956 & according to the SEBI (DIP) Guidelines and is bringing funds. As a result of the Preferential Issue of equity shares to the Acquirer the aggregate holding of the acquirer will reach to 28.69% of the voting capital (26.67% of the share capital) and after conversion of 17,00,000 warrants, the acquirer's shareholding will be 34.24% of voting capital (32.27% of the share capital) of the Target Company. Hence, this Offer is pursuant to Regulation 10 & 12 and other applicable provisions of the Regulations involving substantial acquisition of shares or voting rights accompanied with change in control or management over the Target Company.

3.3.2 The Acquirer considers the Target Company to be of strategic importance in the Media industry which is one of the key growth sectors of the economy. Investment in the target company is only for the purpose of strategic investment in anticipation of good return on the investment in future.

4 Background of the Acquirer

4.1 Consolidated Securities Limited, a company incorporated under Companies Act, 1956 on 28th December, 1992 with Registrar of Companies, Delhi and Haryana vide Registration No.55-51462 to carry on the business in the area of providing Financial Services in different capacities including acting as Financial Advisors, Consultants and investments in shares and bonds. At present the Registered Office of the Company is situated at 8/19, 3rd Floor, Pusa Lane, W.E.A. Karol Bagh, New Delhi – 110 005, Tel. No.+91-11-42503441-444, Fax No. +91-11-42503445. The Acquirer's main business is to provide Financial Services in different capacities including acting as Financial Advisors, Consultants and investments in shares and derivatives, public issues and acting as NBFC without taking public deposits.

4.2 Consolidated Securities Limited was initially promoted by Prem Lall Gupta, Kamal Jeet Singh Bhatia, Pritam Singh Bhatia, Ravinder Kaur Bhatia, Harinder Kaur Bhatia, Sunil Kala & Dolly Bhatia and current promoter of the CSL is a Company "Mundra Credit & Investment Private Limited". Current Promoters of Mundra Credit & Investment Private Limited are Mr. Rohit Gupta and Mr. Ashok Kathuria and is also controlled by them only. Other Director of Mundra Credit & Investment Private Limited is Mr. Anil Kumar Chaddha. The Promoter Company i.e. Mundra Credit & Investment Private Limited or person having control over it does not belong to any group.

4.3 M/s. Consolidated Securities Limited is the sole Acquirer in the present offer and there is no person(s) acting in concert with the Acquirer in respect of this offer.

4.4 The Acquirer is registered with the Reserve Bank of India (RBI) as Non Banking Financial Institution (NBFC) without accepting public deposit under section 45-IA of the Reserve Bank of India Act, 1934 vide RBI certificate no. B-14.00652 dated 03.03.2003.

4.5 CSL did not hold any Shares in the equity share capital of MPCIL prior to the date of the PA and as of the date hereof, CSL does not hold any Shares in MPCIL except for 35,00,000 Shares and 17,00,000 Warrants which will be allotted under the Preferential Allotment. Therefore, the provisions of Chapter II of SEBI Takeover Regulations are not applicable. No stock exchange has initiated any punitive action against the company.

4.6 The Authorised share capital of the CSL as on the date of PA consists of Rs 450.00 lacs divided in to 45,00,000 equity shares of Rs 10/- each. The Issued, Subscribed and Paid up share capital of the CSL constitutes of 40,03,800 fully paid up equity shares of Rs. 10/- each aggregating Rs. 400.38 lacs.

4.7 The shareholding pattern of Consolidated Securities Limited as on the date of public announcement are as under:

S. No.	Category	No. of Shares Held	% of Shareholding
1.	Promoters and Persons Acting In Concert	20,82,050	52.00 %
2.	Mutual Funds/FIIs/ FIs/ Banks	1,50,000	3.75 %
3.	Public and Others	17,71,750	44.25 %
	Total	**40,03,800**	**100.00 %**

4.8 The Board of Directors of CSL as on PA date consists of following members:-

Sl. No.	Name of the Director	Designation	Qualification and Experience in No. of years and filed of experience	Residential Address	Date of Appointment
1.	Mr.Rohit Gupta	Director	B.Com (Hons.) FCA 14 Years of experience in Merchant Banking, Corporate Finance & Restructuring, Project Finance and Stock Markets.	S-210, 2nd Floor Greater Kailash-I New Delhi 110048	29.10.2005
2.	Mr.Anil Kumar Chadha	Director	B.Com, FICWA, FCS 25 years of experience in the field Corporate Finance, Stock Market and Company Law Matters	66-D, Block-A Hari Nagar New Delhi 110064	29.10.2005
3.	Mr.Ashok Kumar Kathuria	Director	B.A. More than 20 of years of experience in Administration	C-5/85, Sector-5, Rohini Delhi 110085	29.10.2005
4.	Mr.Kapil Aggarwal	Director	B.Com, FCA More than 20 years of experience in Audit, Finance, Taxation and legal matters.	104, Arjun Marg, DLF Phase-I Gurgaon (Haryana)	15.12.2005
5.	Mr.Sanjeev Mahajan	Director	B.Com (Hons.), FCA 13 Years of experience in Audit, Taxation and Merchant Banking	B-34, Bijli Apartment G.T. Karnal Road Delhi 110009	15.12.2005

None of the above Directors are on the Board of the Target Company.

4.9 The Shares of "CSL" are listed on The Jaipur Stock Exchange Limited (JSE), Bombay Stock Exchange Limited (BSE) and The Delhi Stock Exchange Association Ltd (DSE). However CSL had already applied for delisting of its equity shares from DSE & JSE pursuant to special resolution passed in its Annual General Meeting held on 30th September, 2005 and the same is in process. The closing market price of the equity share of CSL on BSE as on November 27, 2007 was Rs.268.75.

4.10 **The brief audited financials of CSL are as under:-** (Rs. In Lacs)

Profit & Loss Statement	**Year Ended 31.03.2005 (Audited)**	**Year Ended 31.03.2006 (Audited)**	**Year Ended 31.03.2007 (Audited)**
Income from Operations	652.91	2680.28	9609.45
Other Income	0.85	42.38	125.94
Total Income	653.76	2722.66	9735.39
Total Expenditure	610.00	2241.46	8003.94
Profit before Depreciation, Interest and Tax	43.76	481.20	1731.45
Depreciation	0.32	0.82	1.37
Interest	—	43.93	92.85
Profit before Tax	43.44	436.45	1637.23
Provision for Tax	3.94	129.32	499.18
Profit after Tax	**39.50**	**307.13**	**1138.05**

(Rs. In Lacs)

Balance Sheet Statement	**Year Ended 31.03.2005 (Audited)**	**Year Ended 31.03.2006 (Audited)**	**Year Ended 31.03.2007 (Audited)**
Sources of Funds			
Paid up Share Capital	400.38	400.38	400.38
Reserves & Surplus (Excluding Revaluation Reserve)	4.00	242.03	1380.09
Secured Loan	—	7.83	5.12
Unsecured Loan	34.00	—	—
Current Liabilities	1.94	131.24	522.58
Deferred Tax Liability	0.28	0.22	0.47
Total	**440.60**	**781.70**	**2308.64**
Uses of Funds			
Net Fixed Assets	1.94	12.46	12.35
Investments	80.00	97.30	502.21
Current Assets	289.56	671.94	1794.08
Miscellaneous Expenses not written off	—	—	—
Profit & Loss	69.10	—	—
Total	**440.60**	**781.70**	**2308.64**

Other Financial Data	**Year Ended 31.03.2005 (Audited)**	**Year Ended 31.03.2006 (Audited)**	**Year Ended 31.03.2007 (Audited)**
Net Worth (Rs.in Lacs)	335.28	642.41	1780.47
Dividend (%)	—	—	0.00
Earning Per Share (Rs.)	0.99	7.67	28.42
Return on Networth (%)	11.78	47.80	63.92
Book Value Per Share	8.37	16.05	44.47

Formula: - Return on Net Worth=(profit after tax/net worth) *100; Book value of shares=net worth divided by number of equity shares issued; EPS= profit after tax /number of equity shares issued.

CSL is not a Sick industrial Company.

4.11 There are no contingent liabilities in the company as per Auditors' Certificate dated July 30, 2007.

4.12 **Reasons for rise/fall in total income and profit during the relevant years.**

In October, 2005, current promoter of the CSL i.e. "Mundra Credit & Investment Private Limited (MCIPL)" took over the management of the acquirer company from the then existing promoters of the Company. The MCIPL entered into an **SPA** dated July 02, 2005 to acquire 17,07,650 (Seventeen Lacs Seven Thousand Six Hundred Fifty Only) fully paid up equity shares of Rs.10/- each representing 42.65% of the total paid up equity share capital of “Consolidated Securities Limited”. The Mundra Credit & Investment Private Limited had made an open offer in terms of Regulation 10 & 12 of SEBI (SAST) Regulations, 1997 at that time.

The present management has taken over the company in the month of October, 2005. Since then the company is actively involved in investment and trading of shares.

CSL is in the field of making financial and other investments. The increase in the profits for the financial year 2005-06 as compared to the financial year 2004-05 was on account of increase in income from sales of shares and securities and a consequent increase in Short Term as well as Long Term capital gain. The increase in the profits for the financial year 2006-2007 as compared to the financial year 2005-2006 was on account of increase in income from sale of shares and capital employed increased due to redeployment of profits in 2004-2005 and 2005-2006 and better capital markets. The profits of the company are directly linked with the performance of Indian Capital Markets which has been very good since its takeover in October, 2005.

4.13 There is no litigation pending by/against the CSL.

4.14 **Significant Accounting Policies for the year ended March 31, 2007.**

a) Basis of Accounting

The financial statements have been prepared under the historical cost convention on a going concern and accrual basis and comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and relevant provision of the Companies Act, 1956.

b) Revenue Recognition:

i) Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can reliably measured.

ii) Interest income is recognized on time proportion basis.

iii) Dividend income is recognized on receipt.

c) Valuation of Investment:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Long term investments are stated at cost. In case of long term investment the provisions for written down is made for the permanent diminution in value. Current investments are valued at lower of cost or market value.

d) Valuation of Fixed Assets:

Fixed Assets are stated in books at historical cost inclusive of all incidental expenses.

Cost comprises the purchase price and any attributable cost of bringing the assets to working condition for its intended use.

e) Depreciation:

Depreciation on the assets has been provided on SLM basis at the rates prescribed by schedule XIV of the Companies Act, 1956.

f) Miscellaneous Expenditure:

i) Preliminary expenses are written off over a period of ten years from the year in which the expenditure has been incurred.

ii) Public issue expenses are written off over a period of ten years from the year in which the allotment of shares has been made.

g) Retirement Benefits:

No provision has been made for the retirement benefits payable to the employees & the liability for the same will be provided when it is incurred.

h) Inventories

Inventories are valued at cost or net releasable value, whichever is lower.

i) Accounting for Taxes on Income

i) Current tax is determined as the amount of tax payable in respect of taxable income for the year.

ii) Deferred Tax is recognized subject to the consideration of prudence on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods and measured using relevant enacted tax rates.

4.15 There is no change in Accounting Policies during last three financial periods.

4.16 CSL has not promoted any Company since inception.

4.17 Consolidated Securities Limited is acquiring the shares and warrants of MPCIL only as a strategic investor and getting good return on the investment is the only object & purpose of the acquisition of shares/warrants. The acquirer doesn’t have any future plans/ strategies with regard to the Target Company. The Acquirer at present have no intention to sell, dispose of or otherwise encumber any assets of MPCIL in the succeeding two years, except in the ordinary course of business of MPCIL. MPCIL’s future policy for disposal of its assets, if any, will be decided by its Board of Directors, subject to the applicable provisions of the law and prior approval of the shareholders at a General Body Meeting of MPCIL.

4.18 The Acquirer has not made any changes in the Board of Directors of the Target Company. However, CSL may nominate representative Director(s) on the Board of MPCIL after the completion of the offer.

4.19 CSL had not acquired any shares during the past 12 months preceding the date of PA in Moving Picture Company (India) Limited including any acquisition through Open Offer except the shares acquired in the Preferential Issue.

4.20 There has been no name change of the Acquirer since incorporation and there were no mergers, de-mergers and/ or spin-offs involving CSL during the last three years.

4.21 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 vide their certificate dated July 30, 2007.

4.22 Mr. Rohit Gupta is the Compliance Officer of the Company, his contact address is 8/19, 3rd Floor, Pusa Lane, W.E.A. Karol Bagh, New Delhi – 110 005. Phone no. 011-42503441-444.

5 DISCLOSURE IN TERMS OF REGULATION 21

The minimum public Shareholding required for continuous listing of the Shares of MPCIL is twenty five percent of the total issued equity share capital. If the acquisition made in pursuance of a public offer results in the public shareholding (excluding the post offer shareholding of existing promoters & post offer shareholding of the acquirer) in the target company being reduced below the minimum level required as per the Listing Agreement, the existing promoters & acquirer shall take necessary steps to facilitate compliance of the target company with the relevant provisions thereof, within the time period mentioned therein.

6 Background of the Target Company

6.1 The Target Company i.e. **Moving Picture Company (India) Limited,** was incorporated on 1st June, 1989 with the Registrar of Companies, Delhi & Haryana, as a Private Limited Company (Company Registration No.55-36474) as Moving Picture Company (India) Private Limited and converted into Public Limited Company and fresh certificate of incorporation was granted on March 6, 2000 in its existing name. The Company has its Registered Office at I – 6, Jangpura extension, 1st Floor, New Delhi – 110 014, Phone Nos. +91-11-24316197. Its Corporate office is situated at Parsvnath Arcadia, 3rd floor, 739/1, M. G. Road, Sector 14, Gurgaon – 122 001 Haryana, Phone No. +91-124-4082651/52/54, Fax No: ++91 124 4082653. The Company came out with a Public Issue in February, 2001. Mr. Ramesh Sharma & Ms. Uma Gajapati Raju are the present promoters of the company.

6.2 Target Company has been engaged in the business of production TV programmes, documentaries, Corporate Films and Co-production of feature length films.

6.3 As on the date of this PA, Target Company has an authorized share capital of Rs.10,00,00,000/- (Rupees Ten Crores only) , comprising of 1,00,00,000 equity shares of Rs.10/- (Rupees Ten Only) each and paid up capital of Rs.7,66,17,250/- comprising of 71,98,450 equity shares of Rs. 10/- each fully paid up and 9,26,550 partly paid up equity share of Rs. 5 each. Partly paid shares will be accepted in the open offer only after calls in arrears on those shares are paid along with the interest, if any.

However, Board of Directors of the Target Company has proposed to increase its Authorised capital to Rs.20,00,00,000/- (Rupees Twenty Crores Only) comprising of 2,00,00,000 equity shares of Rs. 10/- each subject to the approval of shareholders of the Company at its Extra-Ordinary General Meeting to be held on August 11, 2007.

6.4 As on the date of PA, the Share Capital Structure of the Target Company is as given under. The partly paid-up shares do not carry any voting right.

Paid up Equity Shares of MPCIL	No. of Equity shares /Voting Rights	% of voting rights	% of Shares Capital
Fully paid-up equity shares	71,98,450	100.00	88.60
Partly paid-up equity shares	9,26,550	Nil	11.40
Total paid-up equity shares	81,25,000	100.00	100.00
Total voting rights in the Target Company	71,98,450	100.00	88.60

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

Date of allotment	No of shares issued	% of shares capital issued	Cumulative paid up capital in Rs.	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
25/06/1989	30 *	0.00	3,000	Incorporation	Promoters	N.A.
20/03/1995	9,970 *	1.23	10,00,000	Further Issue	Promoters	N.A.
20/02/1999	1,00,000 *	12.31	1,10,00,000	Bonus	Promoters	N.A.
20/02/1999	2,28,240 *	28.09	3,38,24,000	Further Issue	Promoters	N.A.
08/04/2000	14,92,600	18.37	4,87,50,000	Further Issue	Promoters	N.A.
24/04/2000	3,75,000	4.62	5,25,00,000	Further Issue	Promoters/ Promoter Group	N.A.
12/09/2000	3,75,000	4.62	5,62,50,000	Further Issue	MPCIL-ESOS Trust	N.A.
12/04/2001 & 17/04/2001	25,00,000	30.77	8,12,50,000	Public Issue	Public	Complied
TOTAL	**81,25,000**	**100.00**	8,12,50,000			

* Shares sub-divided into shares of Rs. 10/- each on 5th February, 2000.

6.6 There are no outstanding convertible instruments/warrants. The Equity Shares of the Company has not been suspended by any stock exchange.

6.7 The equity shares of Target Company are presently listed on The Delhi Stock Exchange Association Ltd, (DSE), The Calcutta Stock Exchange Association Limited (CSE) and Ahmedabad Stock Exchange Limited (ASE). Shares of the company are being traded on Bombay Stock Exchange (BSE) under the permitted securities category (T Group). However, shareholders of the company have passed resolution at their AGM held on 23/09/06 to get the equity shares delisted from CSE and ASE and the same is in process.

6.8 MPCIL is complying with the provisions of the listing agreement entered with the Stock Exchanges. Further no punitive action has been taken against the MPCIL by the stock exchanges.

6.9 Promoters, major shareholders of MPCIL and the target company have timely complied with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 except non-compliance of Regulation 8(1), 8(2) and Regulation 8(3) for the year ended March 31, 2002, and delay/non-compliance in compliance in regulation 8(3) for the years 2003, 2004 & 2005 which is not ascertainable. However, the company has agreed vide its letter to SEBI dated October 25, 2007 to pay penalty for delay in compliance/non-compliance with regulation 8(3) for the year 2002, 2003, 2004 & 2005 and have agreed for consent order by the Adjudicated Officer (AO).

6.10 The composition of the Board of Directors of Target Company as on date of Public Announcement is as follows:-

Sl. No.	Name of the Director	Designation	Qualification and Experience in No. of years and filed of experience	Residential Address	Date of Appointment
1.	Mr. Ramesh Sharma	Chairman cum Managing Director	Post B.A. Degree in Mass Communication 28 years of experience in the production of films and documentaries	E.G. II/7 Garden Estate, Mehrauli -Gurgaon Rd, Gurgaon –122 001	01.06.1989
2.	Mrs. Uma Gajapati Raju	Vice Chairperson cum Director Marketing	B. A (English Hon.) 16 years of experience in the production and marketing	EG II/7 Garden Estate Mehrauli-Gurgaon Rd, Gurgaon –122 001.	18.06.1991
3.	Mr. K. V. Varadarajan	Director	B. Sc. (Engg.). He has held position of advisor to the Kerala State Government on Public sector undertaking and Executive Director of Apollo Tyres and Ashok Leyland	395/10, Adarsh Palm Meadows Airport Whitefield Road Ramagundana Halli –Bangalore	31.12.1999
4.	Mr. Pankaj Agrawal	Director	Chartered Accountant, More than two decades experience in finance. He has worked with world's largest international Bank	C-202, Gitanjali Apartments Karkardooma, Delhi- 110092	23.06.2004
5.	Mr. P. L. Kapur	Director	B. Sc., Chartered Accountant, Over 30 years of experience in finance and accounts, banking and corporate laws	C 1/5 Safdarjang Dev. Area, New Delhi 110016	16.07.2001
6.	Mr. Utsav Parekh	Director	B.Com He is a experienced merchant Banker	2/3, Sarat Bose Road, Kolkata-700020	19.11.2001
7.	Mr. Sanjay Kaushik	Director	Post Graduate & Ph. d. Rich experience in Media & Service Industry and involved in major energy related projects in Middle east	E-14/22, Vasant Vihar, New Delhi-110051	28.06.2005
8.	Mr. Vinay Jha	Director	MBA, B.A. (Honours), M.A. (English Literature) He is a retired IAS officer.	405-B, The Laburnum Sector-28, Gurgaon	01.07.2003
9.	Mr. Lalit Varma	Director	B.Sc. Wide experience in the fields of International Trade	H- 49, Sector- 39, Noida- 201303	28.06.2005

As on date of the PA, none of the Directors on the Board of the Target Company represent the Acquirer.

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

6.12 The brief audited financials of MPCIL are as under:-

(Rs. In Lacs)

Profit & Loss Statement	Year Ended 31.03.2005 (Audited)	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2007 (Audited)
Income from Operations	1,022.59	1,663.39	872.95
Other Income	60.19	18.07	153.17
Total Income	1,082.78	1,681.47	1,026.13
Total Expenditure	893.84	1,718.72	1,366.01
Profit before Depreciation, Interest and Tax	188.94	(37.25)	(267.20)
Depreciation	81.42	101.45	91.87
Interest	72.35	90.90	72.69
Profit before Tax	35.17	(229.60)	(431.76)
Provision for Tax	7.60	(74.95)	(158.02)
Profit after Tax	27.57	(154.65)	(273.74)

(Rs. In Lacs)

Balance Sheet Statement	Year Ended 31.03. 2005 (Audited)	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2007 (Audited)
Sources of Funds			
Paid up Share Capital	765.67	766.17	766.17
Reserves & Surplus (Exculding Revaluation Reserve)	943.74	790.61	836.82
Secured Loan	634.30	486.52	148.00
Unsecured Loan	153.45	273.68	147.94
Current Liabilities	321.18	346.63	247.29
Deferred Tax Liability	27.75	(66.68)	(231.93)
Total	2,846.07	2,596.93	1,914.28
Uses of Funds			
Net Fixed Assets	969.07	985.44	1,084.21
Investments	98.00	98.00	44.64
Current Assets	1,637.75	1,407.61	714.92
Miscellaneous Expenses not written off	141.25	105.88	70.51
Total	2,846.07	2,596.93	1,914.28

Other Financial Data	Year Ended 31.03. 2005 (Audited)	Year Ended 31.03.2006 (Audited)	Year Ended 31.03.2007 (Audited)
Net Worth (Rs.in Lacs)	1,568.15	1,450.90	1,532.48
Dividend (%)	-	-	-
Earning Per Share (Rs.)	0.36	(2.02)	(3.57)
Return on Networth (%)	1.76	-	-
Book Value Per Share(Rs.)	20.48	18.94	20.00

Source: Certificate by Statutory Auditors

Formula: - Return on Net Worth= (profit after tax/net worth) *100; Book value of shares=net worth divided by number of equity shares issued; EPS= profit after tax /number of equity shares issued.

The Target Company is a not a Sick Industrial Company**.**

Reasons for fall/rise in total income and Pat in the relevant years

Income in 2005-06 has grown 55.29% over 2004-05. The rise in the income is due to the income from the production of film for M/s. Nijenhuis & De Levita film Producties BV, Natherlands, Production of a programme named POPKORN for Zoom channel and the income from the packing for DD news channel.

The company has incurred a loss during the year 2005-06 because a provision of Rs.100.16 lacs was made against doubtful debts by covering all debts over six months against Rs.42.50 lacs during last year and expenses on production of Jungle Tales (Panchtantra) of Rs.84.25 Lacs were being capitalized and written off during the year.

The company has incurred a loss during the year 2006-07 because of the investment of MPC in its subsidiary TVAM (India) Pvt. Ltd was reduced by an amount of Rs.53.36 lacs which was equal to the accumulated losses in TVAM, obsolete and unused equipment worth Rs.102.26 lacs was written off during the year and a provision of Rs.255.47 lacs was made against doubtful debts by covering all debts over six months, however the same will be reversed to the extent payment is realized from old debtors.

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 Preferential allotment and Offer		Proposed preferential allotment which triggered off the regulation		Shares/Voting rights to be acquired in the open Offer (assuming full acceptance)		Shareholding/ voting rights after the preferential allotment and Offer i.e.	
		(A)		(B)		(C)		(A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1	Promoter	2952933	36.34	1500000	11.43*			5742933	35.64
2	Public								
2	Acquirer - (1) Consolidated Securities Limited	0	0.00	3500000	26.67*	3223000	20.00**	8423000	52.27
2 (2)	a. FIs/MFs/FIIs/Banks, SFIs	521353	6.42			-3223000	20.00**	1949067	12.09
	b. Private Corporate Bodies other than acquirer	1798793	22.14						
	c. Indian Public	2377974	29.27						
	d. NRI/OCB	52472	0.65						
	e. Any other (clearing member)	421475	5.19						
	Sub Total	5172067	63.66						
	Total [2(1)+2(2)]	5172067	63.66	3500000	26.67*			10372067	64.36
	Grand Total	**8125000^**	**100.00^**	**5000000**	**38.10***			**16115000$**	**100.00$**

^ Percentage shareholding and total capital on the basis of pre-preferential paid up capital of the Company.

$ Percentage shareholding and total capital on the basis of post-preferential paid up capital of the Company.

* % has been calculated assuming sum total of existing fully paid up shares i.e. 8125000 shares and 5000000 shares being the total shares. i.e.% of 13125000.

** 20% offer to the public has been calculated after taking into account the 5000000 shares and & 2990000 convertible warrants issued on Preferential Basis.

6.14 The approximate number of shareholders in MPCIL in public category is 2214 as on PA date, which includes 14 NRI shareholders.

6.15 The Company has complied with the conditions of Corporate Governance as envisaged under clause 49 of the listing agreement.

6.16 The details of changes in the shareholding of the promoters of the company as and when it happened is mentioned hereunder.

Sr No.	Date of Transaction	Name of the Promoter	Opening Balance of Promoter's Holding		Change in Promoter's holding		Closing Balance of		Status of Compliance
			No of shares	% of shares	No of shares	% of shares	No of shares	% of shares	
1	02.02.2005	**Ramesh Sharma**	2033490	25.03	-500000	-6.15	1533490	18.87	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	4126270	50.78	-500000	-6.15	3626270	44.63	N.A.
2	26.05.2005	**Ramesh Sharma**	1533490	18.87	-60000	-0.74	1473490	18.14	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	3626270	44.63	-60000	-0.74	3566270	43.89	N.A.
3	07.06.2005	**Ramesh Sharma**	1473490	18.14	-30000	-0.37	1443490	17.77	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	3566270	43.89	-30000	-0.37	3536270	43.52	N.A.
4	05.07.2005	**Ramesh Sharma**	1443490	17.77	-110000	-1.35	1333490	16.41	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	3536270	43.52	-110000	-1.35	3426270	42.17	N.A.

Sr No.	Date of Transaction	Name of the Promoter	Opening Balance of Promoter's Holding		Change in Promoter's holding		Closing Balance of		Status of Compliance
			No of shares	% of shares	No of shares	% of shares	No of shares	% of shares	
5	09.07.2005	**Ramesh Sharma**	1333490	16.41	-100000	-1.23	1233490	15.18	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	3426270	42.17	-100000	-1.23	3326270	40.94	N.A.
6	23.07.2005	**Ramesh Sharma**	1233490	15.18	-500000	-6.15	733490	9.03	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	3326270	40.94	-500000	-6.15	2826270	34.78	N.A.
7	18.08.2005	**Ramesh Sharma**	733490	9.03	-300000	-3.69	433490	5.34	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	2826270	34.78	-300000	-3.69	2526270	31.09	N.A.
8	31.03.2006	**Ramesh Sharma**	433490	5.34	291516	3.59	725006	8.92	Complied
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	2526270	31.09	291516	3.59	2817786	34.68	N.A.
9	02.06.2006	**Ramesh Sharma**	725006	8.92	8484	0.10	733490	9.03	N.A.
		Uma Gajapati Raju	2092780	25.76	0	0.00	2092780	25.76	N.A.
		Total	2817786	34.68	8484	0.10	2826270	34.78	N.A.

6.17 There is no litigation pending against Moving Picture Company (India) Limited. However Moving Picture Company (India) Limited has filed following cases:

Sr. No.	Name of the parties	Brief facts	Forum/Court where pending	Amount (Rs.)	Status
1	Pinky Advertising Company P. Ltd.	Cheque Dishonoured and case filed u/s 138 of Negotiable instruments Act read with Section 426/420 of I.P.C.	In the court of Metropolitan Majistrate, Patiala House, New Delhi	50,000/-	Pending before Honerable court
2	Monarch Communication	Default in payment towards advertisment ran by the Company on programme telecast on DD-I, Subah Savere.	In the court of Civil Judge Tis Hazari Courts, New Delhi	1,64,220/-	Notice is issued by the plantif but pending for service
3	Jainson & Jainsons Advertisers	Default in payment towards advertisment ran by the Company on programme telecast on DD-I, Subah Savere.	In the court of Civil Judge Tis Hazari Courts, New Delhi	1,15,186/-	Decree in favour of MPCIL but Pending for execution before honerable court
4	Chakola Ayurvedic	Cheque Dishonoured and case filed u/s 138 of Negotiable instruments Act read with Section 406/420	Civil Court, Patiala House, New Delhi	1,60,000/-	Non Bailable Warrants issued
5	A & S Advertising P. Ltd.	Cheque Dishonoured and case filed u/s 138 of Negotiable instruments Act read with Section 426/420 of I.P.C.	In the court of Metropolitan Majistrate, Patiala House, New Delhi	33,660/-	Non Bailable Warrants issued
6	Pinky Advertising Company P. Ltd.	Default in payment towards advertisment ran by the Company on programme telecast on DD-I, Subah Savere.	In the court of Civil Judge Tis Hazari Courts, New Delhi	5,65,000/-	Notice is issued by the plantif but pending for service

6.18 Mr. Irfan Ali is the Compliance Officer of the Target Company. His correspondence address is Parsvnath Arcadia, 3rd floor, 739/1, M. G. Road, Sector 14, Gurgaon – 122 001 Haryana (India), Phone No. +91-124-4082651/52/54, Fax No: ++91 124 4082653.

6.19 Acquirer & the promoters would be required to confirm to SEBI (SAST) Regulations, 1997 on conversion of warrants, as applicable.

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of Target Company are presently listed on The Delhi Stock Exchange Association Ltd, (DSE), The Calcutta Stock Exchange Association Limited (CSE) and Ahmedabad Stock Exchange Limited (ASE). Shares of the company are being traded on Bombay Stock Exchange (BSE) under the permitted securities category (T Group). However, shareholders of the company have passed resolution at their AGM held on 23/09/06 to get the equity shares delisted from CSE and ASE.

7.1.2 The annualized trading turnover during the preceding six calendar months ended June 2007 in each of the Stock Exchange where the shares are listed is as follows:

Name of the Stock Exchange	Total number of shares traded during January 2007 to June 2007	Total number of listed shares	Annualised trading turnover (% of the total listed shares)
BSE**	1806850*	8125000	44.48%
ASE	NIL	8125000	NIL
CSE	NIL	8125000	NIL
DSE	NIL	8125000	NIL

*Source: www.bseindia.com

** traded in permitted category

7.1.3 Based on the above information, as the annualized trading turnover is more than 5% of the total number of the listed shares, the equity shares are deemed to be frequently traded on BSE as per the date available with BSE (Source: www.bseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997. However the shares of the company are infrequently traded on ASE, CSE &DSE. In accordance with Regulation 20(4) and 20(5) of the SEBI (SAST) Regulations, 1997 the offer price of Rs. 10.05 (Rupees Ten and Paise Five only) per fully paid up share is justified on following bases.

7.1.4 Following are the average of the weekly high and low of the closing prices and volume data for 26 weeks ended on July 15, 2007 i.e. the weeks preceding the date of Board meeting authorising preferential allotment, at BSE, where the shares of the company are most frequently traded.

(Source: www.bseindia.com)

No of Week	Week Ended	Weekly High Closing Price (Rs.)	Weekly Low Closing Price (Rs.)	Average (Rs.)	Volume (No of Shares)
1	21.01.2007	9.28	8.78	**9.03**	57110
2	28.01.2007	9.24	8.27	**8.76**	17650
3	04.02.2007	8.91	8.50	**8.71**	26990
4	11.02.2007	9.41	8.75	**9.08**	64815
5	18.02.2007	8.88	8.23	**8.56**	19021
6	25.02.2007	8.59	7.97	**8.28**	23662
7	04.03.2007	8.50	7.48	**7.99**	20409
8	11.03.2007	7.12	6.25	**6.69**	123856
9	18.03.2007	6.88	6.50	**6.69**	15249
10	25.03.2007	7.16	6.61	**6.89**	8059
11	01.04.2007	6.64	6.06	**6.35**	13588
12	08.04.2007	7.15	6.35	**6.75**	7751
13	15.04.2007	9.10	7.50	**8.30**	43033
14	22.04.2007	10.72	9.00	**9.86**	273748
15	29.04.2007	13.08	11.23	**12.16**	337596
16	06.05.2007	13.70	12.95	**13.33**	194731
17	13.05.2007	12.91	11.65	**12.28**	65154
18	20.05.2007	14.74	12.84	**13.79**	218204
19	27.05.2007	14.15	12.10	**13.13**	80875
20	03.06.2007	12.10	11.41	**11.76**	36305
21	10.06.2007	11.30	10.45	**10.88**	15347
22	17.06.2007	12.05	9.93	**10.99**	21794
23	24.06.2007	11.53	10.50	**11.02**	16501
24	01.07.2007	11.24	9.60	**10.42**	28222
25	08.07.2007	9.75	9.16	**9.46**	19690
26	15.07.2007	11.91	9.81	**10.86**	48903
	26 Weeks Average			**9.69**	

7.1.5 Following are the prices and volume data for 2 weeks ended on July 15, 2007 i.e. the weeks preceding the date of Board meeting authorising preferential allotment, at BSE, where the shares of the company are most frequently traded. (Source: www.bseindia.com)

Day Week	Date	Daily High Price (Rs.)	Daily Low Price (Rs.)	Average (Rs.)	Volume (No of Shares)
1	02.07.2007	9.22	9.13	9.18	6891
2	03.07.2007	9.60	9.30	9.45	1796
3	04.07.2007	10.00	9.16	9.58	2597
4	05.07.2007	9.76	9.16	9.46	1249
5	06.07.2007	9.36	9.27	9.32	7157
6	09.07.2007	9.81	8.95	9.38	4892
7	10.07.2007	10.30	9.90	10.10	12365
8	11.07.2004	10.81	10.70	10.76	7931
9	12.07.2007	11.35	11.35	11.35	5204
10	13.07.2007	11.91	11.91	11.91	18511
	2 Weeks Average			**10.05**	

7.1.6 In accordance with Regulation 20(4) and 20(5) of SEBI (SAST) Regulations, 1997, the Offer price of Rs 10.05 (Rupees Ten & Paise Five only) per fully paid up equity shares is worked out on the following parameters.

The negotiated price	N.A.
Price paid by the Acquirer by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of PA.	Rs.10.00
Higher of (i) to (ii) below : Share price data of MPCIL on BSE, where it is most frequently traded, is as under: i. The average of the weekly High and Low of the closing prices of the shares of MPCIL during 26 weeks period preceding the date of board resolution which authorised the Preferential Issue, i.e. July 16, 2007 ii. The average of the daily High and Low of the prices of the shares of MPCIL during 2 weeks period preceding the date of board resolution which authorised the Preferential Issue, i.e., July 16, 2007.	 Rs.9.69 Rs.10.05
Highest Price as per Regulation 20(4)	Rs.10.05

Other Financial Parameters	Based on Audited Balance Sheet as on 31.03.2007
Net Asset Value (Rs.)	16.00
Price Earning Multiple	0.00
Market Price (Based on Last 3 years Average of monthly High and Low Price) (Rs.)	11.72
Fair Value of Share (Rs.)	7.89

Mr. H. K. Batra, Chartered Accountant, (membership No. 88790) partner of M/s H. K. Batra & Associates, Chartered Accountant, having office at 8/33, 3rd Floor, Sat Bhravan School Marg, W.E.A. Karol Bagh, New Delhi – 110 005, Phone No.+91-11-25750675, 25734317, Fax No.+91-11-25734317, Email: hkbatraassociates@rediffmail.com, have certified vide their certificate dated 18th July, 2007 that the Fair value of Equity share of the MPCIL based on the methodology as laid down by the Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union vs. HLL, 1995 (83 Com Cases, 30), would be Rs.7.89.

In view of the above the offer price of Rs.10.05 is justified in terms of regulations 20(4) and 20(5) of the SEBI (SAST) Regulations, 1997.

7.1.7 There is no non-compete agreement.

7.1.8 If the Acquirer acquires 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.

7.2 **Financial Arrangements**

7.2.1 Assuming full acceptance, the total requirement of funds for the Offer would be Rs. 3,23,91,150/- (Rs. Three Crores Twenty Three Lacs Ninety One Thousand and One Hundred Fifty Only). As per Regulation 28, **Acquirer has created an escrow**

account and marked a lien in favour of Chartered Capital And Investment Limited with Corporation Bank, Ashram Road, Ahmedabad for Rs. 81.00 lacs, being more than 25% of the amount required for the Open Offer.

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

7.2.3 M/s R. Mahajan & Associates, Chartered Accountants having their office at 402, Jain Building, 18/12, W.E.A. Karol Bagh, New Delhi – 110 005, Phone No. +91-11-42503546/47, Fax No.+91-11-42503548, (Membership No:085484) has vide certificate dated November 28, 2007 certified that the Net Worth of M/s. Consolidated Securities Limited is Rs.2338.20 lacs as on September 30, 2007 and also has sufficient liquid funds to meet its obligation in the offer. They have satisfied themselves about the ability of the acquirer to implement the offer in accordance with the regulations.

7.2.4 The Acquirer has duly empowered M/s Chartered Capital And Investment Limited, Manager to the Offer, to operate the escrow account with **Corporation Bank,** in terms of the SEBI (SAST) Regulations, 1997.

7.2.5 The Manager to the Offer, M/s Chartered Capital And Investment Limited, based on the certificate received from Mr. Ratnesh Mahajan, Chartered Accountant, has satisfied himself about the ability of the Acquirer to implement the offer in accordance with the SEBI (SAST) Regulations, 1997.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered shareholders of Moving Picture Company (India) Limited (Other than Acquirer) and unregistered shareholders who own the equity shares of Moving Picture Company (India) Limited any time prior to the date of Closure of the Offer. Existing promoters of the company have agreed & given an undertaking in writing that they will not participate in the open offer.

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

8.2 STATUTORY APPROVALS / OTHER APPROVALS REQUIRED FOR THE OFFER

8.2.1 The Offer is subject to the approval of Reserve Bank of India (RBI) if any, under the Foreign Exchange Management Act, 1999 for transfer of shares of a Company registered in India by a Non Resident to a person resident in India.

8.2.2 To the best of knowledge of the Acquirer no approvals from Banks/Financial Institutions are required to make this Offer.

8.2.3 As on the date of Public Announcement, to the best of the Acquirer's 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 the Acquirer for payment of consideration to the shareholders subject to Acquirer agreeing to pay interest as directed by SEBI. Further in case the delay occurs on account of willful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of SEBI (SAST) Regulations, 1997, will also become applicable.

8.2.5 The offer would be subject to all other statutory approvals that may become applicable at a later date before the completion of offer.

8.3 Others

8.3.1 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.

8.3.2 This Letter of Offer has been mailed to all the shareholders of MPCIL (Other than Acquirer), whose names appeared on the Register of Members of MPCIL as on **August 17, 2007 (Friday) being the Specified Date.,**

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

8.3.4 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 The Offer is not subject to any minimum level of acceptances from shareholders and in case of the shares received under the Offer exceeding the Offer size, the acquirer will accept shares on proportionate basis in terms of regulation 21(6) of SEBI (SAST) Regulations, 1997.

9.2 A Letter of Offer specifying the detailed terms and conditions of the Offer together with a Form of Acceptance cum Acknowledgement and Transfer Deed (for shareholders holding shares in physical forms) will be mailed to the shareholders of MPCIL (other than Acquirer) whose names appear on the Register of Members of MPCIL and to the beneficial owners of the equity shares of MPCIL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on **August 17, 2007 (Friday) (the "Specified Date")**. Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

9.3 All shareholders of the Target Company, (other than the Acquirer), who own equity shares any time before the Closure of the Open Offer, are eligible to participate in the Offer. Existing promoters of the company have agreed & given an undertaking in writing that they will not participate in the open offer.

9.4 The shareholders of MPCIL (other than Acquirer) are eligible to participate in the Offer anytime before the closure of the offer by sending their Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and Transfer Deed(s) duly signed, to the Registrar to the Offer viz. Mas Services Ltd., having its office at AB-4, Safdarjung Enclave, New Delhi – 110 029 either by Registered

Post, Courier or Hand Delivery (Mondays to Fridays between 10.30 AM and 5.00 PM and on Saturdays between 10.30 AM and 1.30 PM), on or before the date of closure of the offer **i.e. December 26, 2007 (Wednesday)** in accordance with the instructions specified in the Letter of Offer & Application Form. Existing promoters of the company have agreed & given an undertaking in writing that they will not participate in the open offer.

9.5 Eligible persons to the Offer may also download a copy of the Letter of Offer and Form of Acceptance cum Acknowledgement, which will be available on SEBI's websites at www.sebi.gov.in and can apply for the Offer in such downloaded form.

9.6 Beneficial owners 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 or courier as the case may be, on Mondays to Fridays between 10.30 AM and 5.00 PM and on Saturdays between 10.30 AM and 1.30 PM, on or before the date of Closure of the Offer, i.e. **December 26, 2007 (Wednesday).**

- 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 MPCIL.
- 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 MPCIL or on the Share Certificate issued by MPCIL as per the specimen signature(s) lodged with MPCIL 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.

9.7 The Registrar to the Offer, **Mas Services Limited** has opened a special depository account with National Securities Depository Limited ("NSDL") for receiving equity shares during the offer from eligible shareholders who hold equity shares in demat form.

9.8 Beneficial owners and **shareholders holding shares in the dematerialised form**, will be required to send their Form of Acceptance cum Acknowledgement and other documents to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on Mondays to Fridays between 10.30 AM and 5.00 PM and on Saturdays between 10.30 AM and 1.30 PM, on or before the date of Closure of the Offer, i.e., **December 26, 2007 (Wednesday)**, along with a photocopy of the delivery instructions in **"Off market"** mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant (**"DP"**), in favour of **"M/s MAS-MPCIL-OPEN OFFER–ESCROW ACCOUNT" ("Depository Escrow Account")** filled in as per the instructions given below:

DP Name : Integrated Master Securities Pvt. Ltd.;

DP ID : IN300724;

Client ID : 10119762

Depository : National Securities Depository Limited- ("NSDL")

Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instructions slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

9.9 In case of (a) shareholders who have not received the LOO, (b) unregistered shareholders and (c) owner of the equity shares who have sent the equity shares to the Company for transfer, may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of equity shares held, distinctive numbers, folio numbers, number of shares offered along with the documents to prove their title to such equity shares such as broker note, succession certificate, original share certificate / original letter of allotment and valid equity share transfer deeds (one per folio), duly signed by all the shareholders (in case of joint holdings in the same order as per the specimen signatures lodged with MPCIL), and witnessed (if possible) by the Notary Public or a Bank Manager or the Member of the stock exchange with membership number, as the case may be, so as to reach the Registrar to the Offer on or before 5.00 PM upto the date of Closure of the Offer i.e. **December 26, 2007 (Wednesday)**. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing. No indemnity is needed from the unregistered shareholders.

9.10 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.

9.11 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.

9.12 Shareholders who have sent their equity shares for dematerialisation need to ensure that the process of getting shares dematerialised is completed well in time so that the credit in the Depository Escrow Account should be received on or before 5.00 PM upto the date of Closure of the Offer, i.e. **December 26, 2007 (Wednesday),** else the application would be rejected.

9.13 In case of shareholders who have not received the LOO and holding equity 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 equity 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 **9.8** above, so as to reach the Registrar to the Offer on or before 5.00 PM upto the date of Closure of the Offer i.e. **December 26, 2007 (Wednesday)**. Such equity shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

9.14 The following collection centre would be accepting the documents by Hand Delivery /Regd Post/Courier as specified above, both in case of shares in physical and dematerialised form.

Address of the Collection Centre	Contact Person	Phone/Fax / Email
Mas Services Limited, AB-4, Safdarjung Enclave, New Delhi – 110 029,	Mr. Sharwan Mangla	Tel: +91-11-26104142, 26104326, Fax: +91-11-26181081, Email: mas_serv@bol.net.in

Holidays: Sundays and Bank Holidays

9.15 No document shall be sent to the Acquirer or to the Target Company or to the Manager to the offer.

9.16 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 MPCIL who have accepted the Offer, until the cheques / drafts for the consideration and / or the unaccepted shares / share certificates are dispatched / returned.

9.17 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 upto three working days prior to the date of Closure of the Offer, i.e. **December 19, 2007 (Wednesday)**. The withdrawal can also be exercised by submitting an application on a plain paper, alongwith the details such as name, address, distinctive nos., folio no., number of equity shares tendered, etc.

9.18 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:-

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

9.18.2 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 delivery instruction in “off market” mode, duly acknowledged by the DP, in favour of the **“M/s MAS-MPCIL-OPEN OFFER–ESCROW ACCOUNT”** (“Depository Escrow Account”).

9.19 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. Physical shares withdrawn by shareholders would be returned to the shareholders by Registered post.

9.20 Acquirer will acquire all the 32,23,000 fully paid up equity shares tendered in the Offer with valid applications.

9.21 As per the provisions of section 196D(2) of the Income Tax Act, 1961, and as amended (the “Income Tax Act”) , no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115D of the Income Tax Act. However, while tendering their equity shares under the Offer, Non Residents Individuals, Overseas Corporate Bodies and other non resident shareholders will be required to submit a No Objection Certificate (“NOC”) or Tax Clearance Certificate or Certificate for Deduction of Tax at lower rate from Income Tax Authorities under the Income Tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at lower rates is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders. Non Resident Shareholders should also submit copy of the permission received from the Reserve Bank of India for acquisition of the shares of Target Company. In case of its non submission the Acquirer reserves its right to reject the shares tendered in the Offer.

10 Method of Settlement

10.1 At present, the marketable lot of MPCIL is 1 {One} equity shares.

10.2 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 MPCIL 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 fulfillment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

10.3 On fulfillment 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 MPCIL whose equity shares are accepted by the Acquirer at his address registered with MPCIL. **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.**

10.4 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.

10.5 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. January 10, 2008 (Thursday)**, including payment of consideration to the shareholders of MPCIL whose equity shares are accepted for purchase by the Acquirer.

10.6 In case of non-receipt of any of statutory approvals required, as per regulation 22(12), 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 period beyond fifteen days of the closure of the Offer, at such rate as may be prescribed by SEBI.

11 General

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

11.2 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.

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

11.4 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 lodgment of the Form of Acceptance and other relevant particulars.

11.5 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 i.e**. December 13, 2007 (Thursday)** 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.

11.6 **"If there is competitive bid:**

11.6.1 **The Public offers under all the subsisting bids shall close on the same date.**

11.6.2 **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"**

11.7 The Acquirer has not acquired any equity share of MPCIL during the past 12 months prior to the date of this Public Announcement.

11.8 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 5.00 PM upto three working days prior to the date of Closure of the Offer, i.e. **December 19, 2007 (Wednesday)**, as mentioned in Para 9.16.

11.9 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 website: www.sebi.gov.in.

11.10 The manager to the Offer i.e. Chartered Capital And Investment Limited does not hold any shares in MPCIL as on the date of PA.

11.11 Applications which are complete in all respect and which reach the Registrar to the Offer on or before the date of closure of offer i.e. **December 26, 2007 (Wednesday)** would be approved and the shares so offered would be accepted by the Acquirer free from all lien, charges, encumbrances along with all the rights attached to the shares like the right to all dividends, bonus and right shares and all other rights as are attached to such acquired shares.

12 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 711, Mahakant, Opp. V S Hospital, Ellisbridge, Ahmedabad – 380006 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.

12.1 Certificate of Incorporation, Memorandum & Articles of Association of CSL (the Acquirer) and MPCIL (the Target Company).

12.2 Net Worth certificate issued by Mr. Ratnesh Mahajan, Partner of M/s R. Mahajan & Associates, Chartered Accountants, certifying the net worth of Acquirer and confirming firm arrangement of funds for fulfillment of offer obligations.

12.3 Audited Annual Reports of MPCIL and CSL for the years ended on March 31, 2005, 2006 and Audited Financial Statements for the year ended March 31, 2007.

12.4 Copy of FD with Corporation Bank, Ahmedabad as well as copy of letter of Corporation Bank, Ahmedabad certifying that Fixed Deposit of Rs 81.00/- lacs is marked lien in favour of Chartered Capital And Investment Limited.

12.5 Copy of Board Resolution dated July 16 2007.

12.6 Published copy of the Public Announcement, which appeared in the newspapers on July 20, 2007 (Friday).

12.7 Copy of agreement entered with DP for opening special depository account for the purpose of the offer.

12.8 Copy of approval letter No.CFD/DCR/MM/TO/108950/07 dated November 21, 2007 from SEBI in terms of proviso to Regulation 18(2) of the Regulations.

13 DECLARATION BY THE ACQUIRER

The Directors of Acquirer, M/s. Consolidated Securities Limited having its registered office at 8/19, 3rd Floor, Pusa Lane, W.E.A. Karol Bagh, New Delhi – 110 005 accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirer as laid down in the SEBI (SAST) Regulations, 1997 and subsequent amendments made thereof.

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

For and on behalf of **Board of Directors of**
Consolidated Securities Limited

Place : New Delhi
Date : November 28, 2007 **(Director)**

14 ENCLOSURES

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

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION (Please send this Form of Acceptance with enclosures to the Registrar to the Offer)		
OFFER OPENS ON	**:**	**Friday, December 7, 2007**
OFFER CLOSES ON	**:**	**Wednesday, December 26, 2007**
Please read the Instructions overleaf before filling-in this Form of Acceptance		

From:

FOR OFFICE USE ONLY
Acceptance Number
Number of equity shares offered
Number of equity shares accepted
Purchase consideration (Rs.)
Cheque/Demand Draft/Pay Order No.

Tel. No.: Fax No.: E-mail:

To,
M/s Consolidated Securities Limited,
C/o Mas Services Limited.
AB-4, Safdarjung Enclave, New Delhi – 110 029.
Dear Sirs,

Sub: *Open Offer to acquire upto 32,23,000 equity shares of Rs. 10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire share allotment as well as warrants) at an offer price of Rs.10.05 (Rupees Ten and Paise five only) per fully paid-up equity share of Rs.10/- each, payable in cash by M/s Consolidated Securities Limited (hereinafter referred to as the "Acquirer")*

I / We, refer to the Letter of Offer dated November 28, 2007 or acquiring the equity shares held by me / us in **Moving Picture Company (India) Limited (MPCIL)**.

1. I / We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I / We, unconditionally offer to sell to **Consolidated Securities Limited,** the following equity shares in Moving Picture Company (India) Limited. (hereinafter referred to as "MPCIL"), held by me / us, at an offer price of Rs.10.05 (Rupees Ten and Paise Five only) per fully paid-up equity share of Rs.10/- each.

SHARES HELD IN PHYSICAL FORM

2. I/We and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my / our equity shares as detailed below (please enclose additional sheet(s), if required).

Ledger Folio No……………………… Number of share certificates attached………………..Representing ……………………… equity shares			
Number of equity shares held in MPCIL		**Number of equity shares offered**	
In figures	**In words**	**In figures**	**In words**

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
	Total no. of Equity Shares			

— — — — — — — — — — — — — — — — — — — TEAR HERE — — — — — — — — — — — — — — — — — — —

ACKNOWLEDGEMENT SLIP

Sub: Open Offer to acquire upto 32,23,000 equity shares of Rs. 10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire share allotment as well as warrants) at an offer price of Rs.10.05 (Rupees Ten and Paise five only) per fully paid-up equity share of Rs.10/- each, payable in cash by M/s Consolidated Securities Limited (hereinafter referred to as the "Acquirer")

Received from Mr. / Ms. / Mrs. ……………………………………………………………………………. Ledger Folio No/ Client ID. ……………………………DP ID…………………....Number of certificates enclosed ……..…………… under the Letter of Offer dated November 28, 2007 Form of Acceptance, Transfer Deeds(s) and Original Share Certificate(s) as detailed hereunder:

Sr. No.	**Share Certificate No.**	**Distinctive Nos.**		**No. of equity shares**
		From	**To**	
1				
2				
3				
	Total no. of Equity Shares			

Stamp

Authorised Signatory
Date

Note: All future correspondence, if any, should be addressed to **Registrar to the Offer**
Mas Services Limited,
AB-4, Safdarjung Enclave, New Delhi – 110 029, Tel: +91-11-26104142, 26104326, Fax: +91-11-26181081,
Email: mas_serv@bol.net.in, Contact person: Mr. Sharwan Mangla,

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARESOFFERED	NAME OF BENEFICIARY

3. I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled **"M/s MAS-MPCIL-OPEN OFFER – ESCROW ACCOUNT"** ("Depository Escrow Account") details are as under:
DP Name : Integrated Master Securities Pvt. Ltd.
DP ID : IN300724
Client ID : 10119762
Depository : National Securities Depository Limited- ("NSDL")
4. I / We confirm that the equity shares of MPCIL which are being tendered herewith by me / us under the Offer are free from liens, charges and encumbrances of any kind whatsoever.
5. I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorise the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.
6. My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.
7. I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are despatched to the shareholders, as the case may be.
8. I/We note and understand that the Shares would lie in the Special Depository Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer.
9. I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.
10. I / We irrevocably authorise the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with MPCIL/DP :

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with Moving Picture Company (India) Ltd:.

____

Place: ____________ **Date:** ____________ **Tel. No(s). :** ____________ **Fax No.:** ____________

So as to avoid fraudulent encashment in transit, the shareholder(s) holding Shares in physical mode may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. In case of shareholders holding Shares in electronic mode, bank particulars noted 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.

Bank Account No.: ____________ Type of Account: ____________ *(Savings / Current / Other (please specify))*

Name of the Bank: ____________ Name of the Branch and Address: ____________

The Permanent Account No. (PAN / GIR No.) allotted under the Income Tax Act, 1961 is as under:

	1st Shareholder	2nd Shareholder	3rd Shareholder
PAN / GIR No.			

Yours faithfully,
Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

— — — — — — — — — — — — — — — — — — **TEAR HERE** — — — — — — — — — — — — — — — — — —

INSTRUCTIONS

1 Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.

2 The Form of Acceptance should be filled-up in English only.

3 Signature(s) other than in English, Hindi and thumb impressions must be attested by a Notary Public under his Official Seal.

4 Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of MPCIL.

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

5. Business Hours : Mondays to Friday : 10.30 hours to 17.00 hours

Saturday : 10.30 to 13.30 hours

Holidays : Sundays and Bank Holidays

FORM OF WITHDRAWAL CUM ACKNOWLEDGEMENT

(All terms and expressions used herein shall have the same meaning as described thereto in the Letter of Offer)

OFFER OPENS ON	**:**	**Friday, December 7, 2007**
LAST DATE OF WITHDRAWAL	**:**	**Wednesday, December 19, 2007**
OFFER CLOSES ON	**:**	**Wednesday, December 26, 2007**
Please read the Instruction in Letter of Offer and overleaf before filling-in this Form of Withdrawal		

From:

FOR OFFICE USE ONLY
Withdrawal Number
Number of equity shares offered
Number of equity shares withdrawn

Tel. No.: Fax No.: E-mail:

To,
M/s Consolidated Securities Limited,
C/o Mas Services Limited.
AB-4, Safdarjung Enclave, New Delhi – 110 029.
Dear Sirs,

Sub: *Open Offer to acquire upto 32,23,000 equity shares of Rs. 10/- each representing 20% of the fully expanded voting equity capital of the Target Company (including the entire share allotment as well as warrants) at an offer price of Rs.10.05 (Rupees Ten and Paise five only) per fully paid-up equity share of Rs.10/- each, payable in cash by M/s Consolidated Securities Limited (hereinafter referred to as the "Acquirer")*

I / We, refer to the Letter of Offer dated November 28, 2007 or acquiring the equity shares held by me / us in **Moving Picture Company (India) Limited (MPCIL)**.

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

I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on __________ alongwith original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')

Sr. No.	Certificate No.	Distinctive No(s)		No. of Shares
		From	To	
	Total number of Equity Shares			

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed will be held in trust for me/us by you and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.

— **TEAR HERE** —

Folio No.\DP ID Client ID:

Serial No.:
(Acknowledgement Slip)

Received from Mr./Ms. ____

Address ____

____

Form of withdrawal in respect of ____________________ Number of Share

Certificates representing ____________________ number of shares.

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

Singnature of Official and Date of Receipt	Stamp of Registrar of the Offer

Mas Services Limited,
AB-4, Safdarjung Enclave, New Delhi – 110 029,
Tel: +91-11-26104142, 26104326, Fax: +91-11-26181081, Email: mas_serv@bol.net.in Contact person: Mr. Sharwan Mangla,

SHARES HELD IN DEMATERLISED FORM

DP NAME	DP I.D.	CLIENT I D	NO OF SHARESOFFERED	NAME OF BENEFICIARY

I/We have done an off market transaction for crediting the equity Shares to the special depository account in NSDL styled **"M/s MAS-MPCIL-OPEN OFFER – ESCROW ACCOUNT**" ("Depository Escrow Account") details are as under:

DP Name : Integrated Master Securities Pvt. Ltd.

DP ID : IN300724

Client ID : 10119762

Depository : National Securities Depository Limited- ("NSDL")

I/We note that the Shares will be credited back only to that Depository Account, from which the Shares have been tendered and necessary standing instructions have been issued in this regard.

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

In case of dematerialised Shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

Yours faithfully,

Signed and Delivered:

	FULL NAME (S) OF THE HOLDERS	SIGNATURE (S)
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Place:

Date:

Note: In case of joint holdings all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centers 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. Wednesday, December 19, 2007.
2. Shareholders should enclose the following:-
   a. For Equity Shares held in demat form:
   Beneficial owners should enclose
   i. Duly signed and completed Form of Withdrawal.
   ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
   iii. Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

   b. For Equity Shares held in physical form:
   Registered Shareholders should enclose:
   i. Duly signed and completed Form of Withdrawal.
   ii. Copy of the Form of Acceptance cum Acknowledgement/ Plain paper application submitted and the Acknowledgement slip.
   iii. In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Target Company and duly witnessed at the appropriate place.

   Unregistered owners should enclose:
   - Duly signed and completed Form of Withdrawal.
   - Copy of the Form of Acceptance cum Acknowledgement/Plain paper application submitted and the Acknowledgement slip
3. The withdrawal of Shares will be available only for the Share certificates / Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.
4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company/ Depository as the case may be.
5. The Form of Withdrawal alongwith enclosure should be sent only to the Registrar to the Offer.
6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from MPCIL. The facility of partial withdrawal is available only on to Registered shareholders.
7. **Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.**

THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK

BOOK POST / UPC

(Printed Material)

To,

If undelivered please return to :

Mas Services Limited

[Unit : Moving Picture Company (India) Ltd.]

AB-4, Safdarjung Enclave,

New Delhi – 110 029,

Ganapati, 079-26568111, 30024853