LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

OPEN OFFER BY

PPS TOWERS PRIVATE LIMITED

B-18, Vishal Enclave, New Delhi - 110027. Tel No (011) 25113030.

Along with Mr. Vinod Suneja, Mr. Naveen Suneja and Mr.Hitesh Suneja, all residents of B-18, Vishal Enclave, New Delhi-110 027, Tel.No.(011) 25113030
(Persons Acting in Concert)

To

Acquire 24,03,802 equity shares of Rs. 10/- each representing 20% of the total issued, subscribed, paid up & voting share capital of Network Limited at a price of Re. 1/- (One Rupee only) per fully paid equity share ("Offer Price") payable in cash.

Of

NETWORK LIMITED
Registered Office: 806, Siddhartha, 96, Nehru Place, New Delhi - 110019.
Tel No (011) 26444812, Fax: (0120) 2523558

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

ATTENTION:

1. The offer is not a conditional offer.
2. Approval for transfer of shares of a Company registered in India by a Non Resident to a person resident in India is required. The Acquirer shall apply for approval from RBI for transfer of shares in their name in due course after successful completion of this Offer.
3. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of closure of the offer i.e.Tuesday, January 25, 2005.
4. If there is any upward revision in the Offer Price by the Acquirer upto seven working days prior to the date of closure i.e. upto **Wednesday, January 19, 2005,** the same would be informed by way of a Public Announcement in the same newspapers where the original Public Announcement had appeared. Such revision in the Offer Price would be payable for all the equity shares tendered anytime during the Offer Period.
5. **If there is a Competitive Bid:**

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

   As the Offer Price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.
6. **A copy of Public Announcement, Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal are also available on SEBI's web-site: www.sebi.gov.in**

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

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
Chartered Capital & Investment Limited 13, Community Centre, East of Kailash, New Delhi - 110065. Tel.: 011-26419079/26218274; Fax: 011-26219491; Email: ccapdelhi@indiatimes.com Contact Person: Mr. M. K. Doogar	**Alankit Assignments Limited** 205-208, Anarkali Complex, Jhandewalan Extension New Delhi-110 055. Tel.: 011-51540060-63, Fax : 011-51540064 Email: mj@alankit.com Contact Person: Mr. Mahesh Jairath
OFFER OPENS ON: January 12, 2005 (Wednesday)	**OFFER CLOSES ON: January 31, 2005 (Monday)**

FOR PROCEDURE FOR ACCEPTANCE OF THIS OPEN OFFER PLEASE REFER SECTION 9 "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER" (PAGE NOS. 11 TO 14)

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

SCHEDULE OF THE MAJOR ACTIVITIES OF THE OFFER

Sr.No.	Activity	Day and Date
1.	**Date of Public Announcement (PA)**	**Tuesday, November 23, 2004**
2.	Specified Date	Friday, December 10, 2004
3.	**Last Date for a Competitive Bid(s)**	**Tuesday, December 14, 2004**
4.	Date by which Letter of Offer will be dispatched to the Shareholders	Friday, December 31, 2004
5.	**Offer Opening Date**	**Wednesday, January 12, 2005**
6.	**Last Date for the Revision of the Offer Price / Number of Equity Shares.**	**Tuesday, January 18, 2005**
7.	Last date to withdraw acceptance tendered by shareholders	Tuesday, January 25, 2005
8.	**Offer Closing Date**	**Monday, January 31, 2005**
9.	Date by which the acceptance / rejection would be intimated and the corresponding payment for the acquired equity shares and / or the unaccepted equity shares / share certificates will be dispatched.	Tuesday, February 15, 2005

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1. DEFINITIONS

1.	Acquirer/ The Acquirer/PPS	PPS TOWERS PRIVATE LIMITED
2.	ASE	The Ahmedabad Stock Exchange, Ahmedabad
3.	BSE	The Stock Exchange, Mumbai
4.	DSE	The Delhi Stock Exchange Association Limited, Delhi
5.	FEMA	Foreign Exchange Management Act, 1999
6.	Form of Acceptance	Form of Acceptance cum Acknowledgement
7.	Form of Withdrawal	Form of Withdrawal cum Acknowledgement
8.	LOO or Letter of Offer	Offer Document
9.	Manager to the Offer or, Merchant Banker	Chartered Capital and Investment Limited
10.	Negotiated Price	Re.1/- (One Only) for the entire block of 90,14,152 fully paid-up equity shares of face value of Rs.10/- each, acquired through the SPA dated November 19, 2004
11.	NTL	Network Limited, i.e. Target Company
12.	Offer or The Offer	24,03,802 equity shares of Rs. 10/- each representing 20% of the total issued, sub scribed, paid up & voting share capital of Network Limited at a price of Re. 1/- (One Rupee Only) per fully paid equity share ("Offer Price") payable in cash.
13.	Offer Price	Re. 1/- (One Rupee Only)per share for fully paid equity shares of Rs. 10/- each payable in Cash.
14.	PACs	Persons Acting in Concert
15.	Persons eligible to participate in the Offer	Registered shareholders of Network Limited, and unregistered shareholders who own the equity shares of Network Limited any time prior to the Offer closure other than the Parties to SPA i.e. Acquirer & the Seller under SPA.
16.	Public Announcement or **"PA"**	Announcement of the Open Offer by The Acquirer, which appeared in the newspapers on November 23 & 24, 2004.
17.	RBI	Reserve Bank of India
18.	Registrar or Registrar to the Offer	Alankit Assignments Limited
19.	SEBI	Securities and Exchange Board of India
20.	SEBI (SAST) Regulations, 1997	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
21.	SEBI Act	Securities and Exchange Board of India Act, 1992
22.	Seller	HCL Peripherals Limited
23.	SPA	Share Purchase Agreement dated November 19, 2004
24.	Specified Date	Friday, December 10, 2004
25.	Target Company	Network Limited

RISK FACTORS:

1. The Acquirer does not have any prior related experience in the line in which the target company is engaged.
2. The Acquirer company at present is operating at a very low scale and the financials are not strong as to ensure a smooth functioning of the Target Company after its takeover by the acquirer.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF NETWORK LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER, PERSONS ACTING IN CONCERT OR THE COMPANY WHOSE SHARES ARE PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND

DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, CHARTERED CAPITAL AND INVESTMENT LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED DECEMBER 6, 2004 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDEMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

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

3.1.2 PPS Towers Private Limited is the acquirer in this open offer and Mr.Vinod Suneja, Mr.Naveen Suneja & Mr.Hitesh Suneja are persons acting in concert with the Acquirer.

3.1.3 The Acquirer company through its duly authorized director Mr. Vinod Suneja has entered into a Share Purchase Agreement **[SPA]** on November 19th, 2004 to acquire an aggregate of 90,14,152 (Ninety Lacs Fourteen Thousand One Hundred and Fifty Two only) equity shares constituting 74.99% of the total issued, subscribed, paid-up and total voting share capital of **M/s NETWORK LIMITED,** a company registered under the Companies Act, 1956 and having its registered office at 806, Siddhartha, 96, Nehru Place, New Delhi- 110 019 from the promoter of NTL, i.e. **HCL PERIPHERALS LIMITED**, a company registered under the Companies Act, 1956 and having registered office at 806, Siddhartha, 96, Nehru Place, New Delhi-110 019 at a price of Re.1/- for the entire block of equity shares ("Negotiated Price"). The total consideration payable in cash for the whole 90,14,152 equity shares referred above is Re.1/- only. By the above acquisition, the acquirer will hold in aggregate 90,14,152 fully paid equity shares in NTL, constituting 74.99% of total issued, subscribed, paid-up and voting share capital and that resulted in triggering of SEBI (SAST) Regulations, 1997.

3.1.4 The salient features of the SPA dated November 19, 2004 are as under:-

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

3.1.4.2 PPS will make a public announcement to acquire shares in NTL in accordance with the Regulations.

3.1.4.3 The seller and PPS have agreed to the terms and conditions set forth in this agreement.

3.1.4.4 PPS hereby represents and warrants to the seller as follows:

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

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

3.1.6 There may be a change in the composition of the Board of Directors of the Target Company as per SEBI (SAST) Regulations, 1997 and such change will be done after a period of 21 days from the date of PA.

3.2 Details of The Proposed Offer

3.2.1 The Acquirer has made a Public Announcement which was published on November 23rd, 2004 in all editions except Ahmedabad edition and on November 24th, 2004 in the Ahmedabad edition in the following newspapers in accordance with the Regulation 15 and pursuant to Regulation 10 and 12 of SEBI (SAST) Regulations, 1997.

Publication	Editions
Financial Express (English)	All Editions
Jansatta (Hindi)	All Editions

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

3.2.2 The Acquirer make this Open Offer under the SEBI (SAST) Regulations, 1997, to acquire 24,03,802 equity shares of Rs. 10/- each representing 20% of the total issued, subscribed, paid-up and voting share capital from the public shareholders of NTL, other than the parties to the SPA on the terms and subject to the conditions set out in this Letter of Offer, at a price of Re. 1/- (One Rupee Only) per fully paid-up equity share of Rs.10/- each, These equity shares are to be acquired by the Acquirer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

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

3.2.4 Apart from the 90,14,152 equity shares constituting 74.99% of the total issued, subscribed, paid-up and voting share capital from seller under SPA, the Acquirer has not acquired any equity shares in the Target Company since the date of Public Announcement i.e. **November 23, 2004,** upto the date of Letter of Offer.

3.3 Object of the Offer

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

3.3.2 The Acquirer company and it's promoters are interested in taking over the management and control of NTL in order to revive its operations. The current products of the target company have become obsolete with the advancement of technology and therefore, the Acquirer proposes to try and establish facilities for producing advanced versions of the current products. It also proposes to carry on some financing activities related to the main business of the Target company. Thus, substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition.

3.3.3 After the purchase of the shares in accordance with the SPA, the Target Company would become the subsidiary of the Acquirer Company in accordance with the Companies Act, 1956.

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

4. BACKGROUND OF THE ACQUIRER (INCLUDING PACs)

4.1 Background of the Acquirer

4.1.1 PPS Towers Private Limited is the acquirer in this open offer and Mr. Vinod Suneja, Mr. Naveen Suneja & Mr. Hitesh Suneja are persons acting in concert with the Acquirer.

4.1.2 Among the PACs, Mr. Naveen Suneja and Mr. Hitesh Suneja are nephews of Mr. Vinod Suneja. The Acquirer company at present is under the management and control of Mr. Vinod Suneja and his relatives and friends. There is no formal agreement either among PACs or with the Acquirer company.

4.1.3 The Open Offer is being made by **PPS Towers Private Limited** a Company incorporated under The Companies Act, 1956 on 10.05.1989 as a Private Limited Company; vide registration No. 55-36184 with the Registrar of Companies, NCT of Delhi & Haryana. having Registered Office at B-18, Vishal Enclave, New Delhi-110 027 along with Mr. Vinod Suneja S/o:Late Sh. Gurdyal Suneja, Mr. Naveen Suneja S/o: Sh. Satpal Suneja and Mr.Hitesh Suneja S/o: Sh. Satpal Suneja, all residents of B-18, Vishal Enclave, New Delhi-110 027.

4.1.4 The Acquirer company was initially promoted by Mr. Prem Prasad Sharma and Mr. Pitambar Kamat and it is now under the control and management of Mr. Vinod Suneja and his relatives and friends. It does not belong to any group as such.

4.1.5 The Acquirer company is into the business of job works relating to construction, dyeing of clothes etc. It has its major source of income from jobworks related to construction activities.

4.1.6 The Acquirer company does not belong to any specific group and neither it nor the PACs have promoted any company except M/s. Suneja Papers Private Limited.

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

4.1.8 Shareholding pattern of PPS as on 30.11.2004 is as under:-

Sl.No.	Shareholder's Category	No. and Percentage of Shares Held
1.	Promoters	2,700 (27%)
2.	Mutual Funds/FIIs/FIs	Nil
3.	Others	7,300 (73%)
	TOTAL	10,000 (100%)

4.1.9 The Board of Directors of PPS as on P.A. date has the following members:-

Sl.No.	Name	Designation	Qualification/Experience in no. of years	Address	Date of Appointment
1.	Mr. Vinod Suneja	Director	Undergraduate/21 Years of experience in trading of goods.	B-18, Vishal Enclave, New Delhi - 110027	07.10.2004
2.	Mr. Naveen Suneja	Director	Undergraduate/10 years of experience in trading of goods.	B-18, Vishal Enclave, New Delhi - 110027	07.10.2004

None of the above directors are on the board of the Target Company.

4.1.10 The equity shares of PPS are not listed on any stock exchange. It has a paid up equity capital or Rs.1,00,000/- divided into 10,000 fully paid equity shares of Rs.10/- each. Since these shares are not listed, there is no current market price available for these shares.

4.1.11 As certified by Mr.Prabhakar Midha of Prabhakar Midha & Co., Chartered Accountants, A-3/213, Shop No.: 1, Ist Floor, Sector-17, Rohini, Delhi-110 085, Telephone no.: 011-55173608, Fax No.: 011-27856611 (Membership No.: 089865) vide his certificate dated 29.12.2004, the Acquirer is having a Netwoth of Rs.18.19 lacs (Rupees Eighteen Lacs and Nineteen Thousands only) as on 30.09.2004 and also has sufficient liquid surplus funds to meet its obligations in the offer.

4.1.12 The brief audited financials of PPS are as under:-

(Rs. In Lacs)

Profit and loss statement	Year ended 31.03.02 (Audited)	Year ended 31.03.03 (Audited)	Year ended 31.03.04 (Audited)	Six Months ending 30.09.04 (Audited)
Income from operations	0.03	--	3.64	0.19
Other Income	0.03	0.11	0.01	0.03
Total Income	0.06	0.11	3.65	0.22
Total Expenditure	0.06	0.11	3.63	0.16
Profit before Depreciation, interest and tax	--	--	0.02	0.06
Depreciation	--	--	--	--
Interest	--	--	--	--
Profit before tax	--	--	0.02	0.06
Provision for tax	--	--	0.01	----
Profit after tax	--	--	0.01	0.06

Balance Sheet Statement	Year ended 31.03.02 (Audited)	Year ended 31.03.03 (Audited)	Year ended 31.03.04 (Audited)	Six Months ending 30.09.04 (Audited)
Sources of funds				
Paid-Up Share Capital	1.00	1.00	1.00	1.00
Reserves & Surplus (Excluding Revaluation Reserve)	17.13	17.13	17.14	17.20
Secured Loans	--	--	--	--
Unsecured Loans	--	--	--	--
Deferred Tax Liability	--	--	--	--
Total	18.13	18.13	18.14	18.20
Uses of funds				
Net Fixed Assets	--	--	--	--
Investments	9.26	13.38	14.27	--
Net current assets	8.87	4.75	3.87	18.20
Total Miscellaneous expenditure not written off	--	--	--	--
Total	18.13	18.13	18.14	18.20
Net Worth	18.13*	18.13*	16.60*	18.20

* Net worth has been calculated on the basis of net realisable value of quoted investments as on balance sheet date.

Other Financial Data	Year ended 31.03.02 (Audited)	Year ended 31.03.03 (Audited)	Year ended 31.03.04 (Audited)	Six Months ending 30.09.04 (Audited)
Dividend (%)	0	0	0	0
Earning Per Share	--	--	0.10	6.17
Return on Net worth (%)	--	--	0.06	0.34
Book Value Per Share	181.29	181.29	165.97	181.90

4.2 INFORMATION ABOUT PACs

4.2.1 Mr. Vinod Suneja, Mr. Naveen Suneja and Mr. Hitesh Suneja, all resident of B-18, Vishal Enclave, New Delhi-110 027 : Phone No. - (011) 25113030 are PACs with the acquirer. Mr. Naveen Suneja and Mr. Hitesh Suneja are nephews of Mr. Vinod Suneja. There is no formal agreement between them with regard to the present offer / acquisition of shares.

4.2.2 MR. VINOD SUNEJA is having experience in the business of trading of goods / commodities for the last 21 years. As certified by Mr. G.S. Goyal, Proprietor, G.S. Goyal & Associaties, Chartered Accountants, M-7, Akarshan Bhawan, 23, Ansari Road, Daryaganj, New Delhi-110 002, Telephone no.: 011-23278725, Fax no.: 011-23252642, Membership No.: 83083, vide his certificate dated 04.11.2004, Mr. Vinod Suneja S/o: Late Sh. Gurdyal Suneja is having networth of Rs.32 Lacs (Rupees Thirty Two Lacs only) as on 30.09.2004 and is having sufficient liquid funds to fulfill his obligation under the offer.

4.2.3 MR. NAVEEN SUNEJA is having experience in doing business in the field of trading of goods / commodities for the last 10 years. As certified by Mr. G.S. Goyal, Proprietor, G.S. Goyal & Associaties, Chartered Accountants, M-7, Akarshan Bhawan, 23, Ansari Road, Daryaganj, New Delhi-110 002, Telephone no.: 011-23278725, Fax no.: 011-23252642, Membership No.: 83083 vide his certificate dated 04.11.2004, Mr. Naveen Suneja S/o: Mr. Satpal Suneja is having networth of Rs.36.78 Lacs (Rupees Thirty Six Lacs Seventy Eight Thousand Only) as on 30.09.2004 and is having sufficient liquid funds to fulfill his obligation under the offer.

4.2.4 MR. HITESH SUNEJA is M.Com and M.B.A. by qualification and having total experience of 5 years in service and business. Presently he is in the business of trading of goods / commodities. As certified by Mr. G.S. Goyal, Proprietor, G.S. Goyal & Associaties, Chartered Accountants, M-7, Akarshan Bhawan, 23, Ansari Road, Daryaganj, New Delhi-110 002, Telephone no.: 011-23278725, Fax no.: 011-23252642, Membership No.: 83083, vide his certificate dated 04.11.2004, Mr. Hitesh Suneja S/o: Mr. Satpal Suneja is having networth of Rs.35.97 Lacs (Rupees Thirty Five Lacs Ninety Seven Thousand Only) as on 30.09.2004 and is having sufficient liquid funds to fulfill his obligation under the offer.

4.2.5 The PACs till date have not acquired any share of the target company which would require them to comply with the provisions of chapter II of the Regulations.

4.2.6 None of the PACs are on the board of any Listed company. They also do not hold whole time directorship in any company. However, Mr.Vinod Suneja is a Director in M/s. Suneja Papers Private Limited.

4.2.7 Disclosure in terms of Regulation 16(ix) of the Regulations:-

4.2.7.1 The Acquirer company and it's promoters are interested in taking over the management and control of NTL in order to revive its operations. Thus substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition. At present, the Acquirer has no specific future plan for the Target company and will be devised on as and when required basis.

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

4.2.8 The brief details of M/s. Suneja Papers Private Limited, the only company promoted by any of the PACs is as under:-

a.	Name of Company	**Suneja Papers Private Limited**
b.	Date of Incorporation	April 12, 1991
c.	Nature of Business	Trading of Paper Products
d.	Equity Capital @	Rs.4.92 lacs
e.	Reserves Excluding Revaluation Reserves@	Nil
f.	Total Income/(Loss)@	(Rs.0.02)
g.	Earning Per Share	Nil
h.	NAV	Negative

@ as at 31.03.2004

The company at present is not doing any specific business. Accordingly, the financial figures are insignificant and hence not presented here in detail. It is not a sick industrial company.

5. DELISTING OPTION TO THE ACQUIRER

The offer would result in public shareholding being reduced below 10% as assuming full acceptance, the Acquirer's shareholding in the target company will become 94.99%. In terms of Regulation 21(3)(b) of the Regulations, In case of such an eventuality, the Acquirer undertakes to disinvest through an offer of sale or by way of fresh issue of capital to the public, which will open within six months from the date of closure of the open offer so as to satisfy the listing requirements.

6. BACKGROUND OF THE TARGET COMPANY - NETWORK LIMITED (NTL)

6.1 The Target Company i.e. M/s. Network Limited ("NTL") was incorporated on January 25, 1989 with the Registrar of Companies, NCT of Delhi & Haryana, as a Public Limited Company and got Commencement of Business Certificate on January 09, 1990. It was originally incorporated as "Network India Limited" and it got its name changed vide special resolution passed u/s 21 of The Companies Act, 1956 w.e.f. November 9, 1990. The Company at present has its Registered Office at 806, Siddhartha, 96, Nehru Place, New Delhi-110 019, Phone/Fax No.: 011-26444812, 26212687.

6.2 NTL has been engaged in the business of manufacture and sale of office automation based printing systems, transmission and communication systems and medical diagnostics imaging systems. The company at present is not having any manufacturing unit & there is no business activity carried on as of now.

6.3 As on the date of this PA, NTL has an authorized share capital of Rs. 4000 lacs, comprising of 4,00,00,000 equity shares of Rs 10/- (Rupees Ten Only) each. It has an issued, subscribed and paid-up equity share capital of Rs.1201.90 lacs, consisting of 1,20,19,007 fully paid-up equity shares of Rs.10/- each. As on date of this PA, there are no partly paid-up shares in NTL.

Paid up Equity Shares of NTL	**No. of Equity Shares/voting rights**	**% of Shares / voting rights**
Fully paid-up equity shares	1,20,19,007	100%
Partly Paid-up equity shares	Nil	NA
Total Paid-up Equity shares (No of Shares)	1,20,19,007	100%
Total voting rights in the Target Company	1,20,19,007	100%

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

Date of allotment	No. of Shares issued	% of Shares issued	Cumulative paid up capital in Rs.	Mode of Allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of Compliance
15.01.89	7	0.00	70	Cash	Subscribers	No
31.03.90	51,00,000	42.43	5,10,00,070	Issued pursuant to scheme of amalgamation	Shareholders of amalgamating	Compliance is pending
26.03.92	13,44,000	11.18	6,44,40,070	Conversion of partly convertible debentures into Equity	Debenture holders	
01.11.99	55,75,000	46.39	12,01,90,070	Cash	Preferential Allotment to Promoters	
TOTAL	**1,20,19,007**	**100**				

6.5 The shares of "NTL" are at present listed on The Stock Exchange, Mumbai only. The shares of NTL were also listed at the Delhi Stock Exchange Association Limited, New Delhi and the Ahmedabad Stock Exchange, Ahmedabad, from where the company got it voluntarily delisted. The effective dates of delisting from DSE and ASE are 08/03/2004 and 31/03/2004 respectively. The trading of these shares have never been suspended from trading. The whole capital of NTL is listed.

6.6 There are no outstanding convertible instruments like warrants, FCDs or PCDs etc. in NTL.

6.7 Based on the information available from the Target Company, Seller, Promoters and other major shareholders, the compliance with the provisions of Chapter II of the Regulations was timely made except in case of compliance with Regulations 6(2), 6(4) and 8(3) for 1998 by the Target Company and the late compliance was regularised by the Target Company under the SEBI Regularisation Scheme, 2002.

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

6.9 The composition of the Board of Directors of NTL as on 19th November 2004, the date of PA is as follows:-

Sr.No.	Name of the Director	Designation	Date of Appointment	Educational Qualifications/ Experience in No. of Yrs.	Address
1.	Mr.Suman Ghose Hazra	Director	30.03.98	Chartered Accountant and Cost Accountant having experience in commerce and law/ 28years.	34C, Mansarovar Appartment, Sec.-61, Noida (U.P.)
2.	Mr. Sanjay Jain	Director	28.05.99	Chartered Accountant having experience in the field of Finance, Accountancy and Legal/ 19 years	94, Bahubali Enclave Delhi - 92
3.	Mr. S.Rajaraman	Director	28.10.02	FCS, LLB having experience in the field of finance, corporate legal and secretarial/ 21 Years	E-11, Nightingale Appartments, Vikaspuri, New Delhi - 18

As on date of the PA, none of the directors on the board of the Target Company represent the Acquirer.

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

6.11 Audited financial information of NTL for the financial year ended on March 31, 2002, 2003 and 2004 and for half year ending on 30.09.2004 (Source: Certificate issued by the statutory auditor) is given below:-

Profit and Loss Statement (Rs. In Lacs)

S. No.	For the year ended on	31.03.02	31.03.03	31.03.04	Six Months ending 30.09.04#
1	Income from operations	0.85	0.13	2.00	--
2	Other Income*	409.31	72.95	62.45	--
3	**Total Income**	**410.16**	**73.08**	**64.45**	**--**
4	Total Expenditure	206.72	36.63	39.02	9.00
5	Profit / (Loss) Before Depreciation Interest and Tax	203.44	36.45	25.43	(9.00)
6	Depreciation	7.92	1.35	--	--

7	Interest	--	--	--	--
8	Profit Before Tax	195.52	35.10	25.43	(9.00)
9	Provision for Tax	--	--	1.98	--
10	Profit/(Loss) After Tax	195.52	35.10	23.45	(9.00)

*Other Income figures for the three years are due to profit on sale of fixed assets, unclaimed balances written back and interests on deposits and others.

Balance Sheet Statement (Rs. In Lacs)

S. No.	As on	31.03.02	31.03.03	31.03.04	Six Months ending 30.09.04#
	Sources of funds				
1	Paid-up share capital	1201.90	1201.90	1201.90	1201.90
2	Reserves and Surplus (excluding revaluation reserves)	2123.25	2123.25	2123.25	2123.25
3	Secured Loans	--	--	--	N.A.
4	Unsecured Loans	45.00	45.00	--	N.A.
	Total	**3370.15**	**3370.15**	**3325.15**	**3325.15**
	Uses of funds				
5	Net Fixed assets	21.71	1.27	1.27	N.A.
6	Investments	2.50	2.50	0.00	N.A.
7	Net current assets	(865.95)	(810.41)	(829.46)	N.A.
8	Profit and Loss Account	4211.89	4176.79	4153.34	N.A.
	Total	**3370.15**	**3370.15**	**3325.15**	**N.A.**
	Net-worth	(886.74)	(851.64)	(828.19)	N.A.

Other Financial Data

S. No.	For the year ended on	31.03.02	31.03.03	31.03.04	Six Months ending 30.09.04#
1	Dividend (%)	0.00	0.00	0.00	NIL
2	Earnings per share (Rs. per equity share of face value of Rs. 10/- each)	1.63	0.30	0.19	NIL
3	Return on Networth (%)	(22.05)	(4.12)	(2.83)	N.A.
4	Book Value per Share (Rs. per equity share of face value of Rs. 10/- each)	(7.37)	(7.09)	(6.89)	N.A.

#Source: As certified by the statutory auditor

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

Sr. No.	Shareholder Category	Shareholding & Voting rights prior to the Acquisition and offer		Shares/voting rights acquired Which triggered off the Regulations		Shares/Voting rights to be acquired in the open offer (assuming full acceptances)		Shareholding/voting rights after the acquisition and Offer	
		(A)		(B)		(C)		(A+B+C)	
		No.	%	No.	%	No.	%	No.	%
1.	Promoter Group a. Seller 1. HCL Peripherals Limited	90,14,152	74.99	(9014152)	(74.99)	Nil	Nil	Nil	Nil
	b. other than (a) above	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	Total (a+b)	90,14,152	74.99	(9014152)	(74.99)	Nil	Nil	Nil	Nil
2.	Acquirer PPS TOWERS PRIVATE LIMITED	Nil	Nil	90,14,152	74.99	24,03,802	20	11417954	94.99
	Total	**Nil**	**Nil**	90,14,152	74.99	24,03,802	20	11417954	94.99
3.	Public (other than 1 to 2)	29,92,655	24.91	Nil	Nil	(24,03,802)	(20)	6,01,053	5.01
4.	FIs / MFs / FIIs / Banks	12,200	0.10	Nil	Nil				
	Total	**1,20,19,007**	**100**					**1,20,19,007**	**100**

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

6.13 The approximate number of shareholders in NTL in public category is 9502 as informed by the Registrar and Transfer Agent of Target Company which includes 1NRI shareholder.

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

6.15 The following litigation matters are pending against the Company as on date of the PA.

S.No	Name of Party	Name of Forum	Liability (Amt. in Laks)	Stage of Proceedings
1.	Dr. V.P. Goyal 1053/98	National Commission, New Delhi	1.5	Complainant filed Revision Petition before the National Commission. Resubmission of evidence (1 lakh with 18% interest from 31.03.94 if machine is not repaired and compensation of Rs.20000/-)
2.	Integ Electronics S-102/03	Civil Judge, Tis Hazari	5.17	Recovery suit Plaintiff evidence
3.	Dr. S.S. Deshpande	State Commission, Mumbai	8.0	Case fixed for final arguments (8 lack + interest from 98 = 11 lack approx.)
4.	Dr. Jamal Ara	National Commission, New Delhi	6.0	Final arguments (6 lack + intt.)
5.	K.K. Sharma	MACT, Patiala House, New Delhi	3.0	Fixed for evidence (cross examination)
6.	Amar Ujala	State Commission, Lucknow	1.50	Case fixed for final arguments.
7.	Janvarta Prakashan	State Commission, Lucknow	1.50	Case fixed for final arguments.
8.	State of U.P.	State Commission, Lucknow	1.50	Case fixed for final arguments.
9.	Fedral Bank Vs. Premium Inst & Network	Debt Recovery Tribunal, New Delhi	26.25	Case fixed for Final arguments
10.	R.K. Agarwal & Others (D-2 Property)	High Court, Delhi	6.96	Rent paid @ Rs.60000/-. Party demanding rent @ Rs. 79350/-. Now suit is for balance recovery of @ Rs. 19350/- from 01.05.95 to 30.04.98 + 18% interest also demading. Damage charges Rs. 6.50 lacks/month from 01.05.98 to till the premises handed over i.e. 31.10.98.
		Total	**61.38**	

6.16 The name and Contact Details of the Compliance Officer are as under:-

Name of Compliance Offer	:	Ms. Chitra Bhalla, Company Secretary
Contact Address	:	806, Siddartha, 96, Nehru Place, New Delhi
Contact Number	:	(0120)-2548368

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

The shares are infrequently traded as per the data available with The Stock Exchange, Mumbai (Source: www.bseindia.com). The annualized trading turnover of shares at The Stock Exchange, Mumbai was 2.15% (based on trading volume of 6 calender months prior to the month in which PA is made). The Offer Price of Re.1/- per equity share has been arrived at as per regulation 20 (5) of the SEBI (SAST) Regulations, 1997 after taking into account the Negotiated Price, any price paid by the Acquirer for the shares of the Target company and other parameters such as Return on Networth, Book Value of shares of the Target Company, Earning Per Share etc. The accumulated losses of the Target Company as at March 31, 2004 has far exceeded its Networth as at that date. NTL does not possess any fixed asset as at 31.03.2004. Keeping the above facts in view, the offer price of Re.1/- (One Rupee Only) per equity share of NTL is justified.

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

Sr. No.	Name of the Stock Exchange	Total no. of equity Shares traded during the 6 calendar months prior to November, 2004	Total no. of equity share listed	Annualised Trading turnover (in terms of % to total listed shares)
1.	BSE*	1,29,132	1,20,19,007	2.15

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

7.3 As the annualised trading turnover (by number of equity shares) of NTL shares at the Stock Exchange, Mumbai was 2.15% of the total no. of listed equity shares, the equity shares of NTL are infrequently traded at BSE i.e. the only stock exchange where the shares are listed. The Offer Price of Re. 1/- (One Rupee Only) per fully paid up equity share has been arrived at as per the Regulation 20(5) of SEBI (SAST) Regulations, 1997, after taking the highest of the following prices:-

a.	Negotiated Price under the Acquisition		Re.1/- for the whole lot of 90,14,152 equity shares
b.	Highest Price paid by the Acquirer or PAC's for acquisition including Public or Rights Issue in 26 weeks		Not applicable
c.	Other parameters		
	Based on audited results as on March 31, 2004:-		
	i.	Return on Networth (%)	Negative
	ii.	Book Value (Rs.)	Negative
	iii.	Earnings Per Share (Rs. per equity share of face value of Rs. 10/- each)	0.19/-
	iv.	Price to Earnings Ratio	27.16

7.4 As certified by Mr.Prabhakar Midha of Prabhakar Midha & Co., Chartered Accountants, A-3/213, Shop No.: 1, Ist Floor, Sector-17, Rohini, Delhi-110 085, Membership No.: 089865, Telephone no.: 011-55173608, Fax No.:011-27856611 vide his certificate dated 29.12.2004, the Acquirer is having a Netwoth of Rs.18.19 lacs (Rupees Eighteen Lacs and Nineteen Thousands only) as on 30.09.2004 and also has sufficient liquid surplus funds to meet its obligations in the offer.

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

7.6 There is no non-compete agreement entered into between the Acquirer and the sellers and accordingly, no non-compete fee is being paid which should have any bearing on the offer price. Thus, the offer price is also justified under regulaiton 20(11) of the regulations.

7.7 Financial Arrangements

7.7.1 Acquirer have adequate resources to meet the financial requirements of the Offer. The Acquirer have made firm arrangement for the resources required to complete the Offer in accordance with the SEBI (SAST) Regulations, 1997. The acquisition will be financed through internal resources and no borrowing from any bank(s)/FIs etc. is being made.

7.7.2 Assuming full acceptance, the total requirement of funds for the Offer would be Rs.24,03,802/- (Rupees Twenty Four Lacs Three Thousand Eight Hundred Two Only). **As per Regulation 28, Acquirer has opened an Escrow Account with Bank of Baroda, East of Kailash, New Delhi-110 065, and have deposited Rs. 24,50,000/- (Rs. Twenty Four Lacs Fifty Thousands Only), being more than 100% of the amount required for the Open Offer.** The Acquirer Company may nominate its own directors on the board of directors of the Target company after a period of 21days from the date of the PA in terms of Regulation 22(7) of the Regulations.

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

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

8 TERMS AND CONDITIONS OF THE OFFER

8.1 Persons eligible to participate in the Offer

8.1.1 Registered shareholders of Network Limited and unregistered shareholders who own the equity shares of Network Limited any time prior to the date of Closure of the Offer, other than the parties to the SPA.

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

8.2 Statutory Approvals

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

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

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

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

8.3 Others

8.3.1 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 NTL (other than parties to SPA), whose names appeared on the Register of Members of NTL as on **Friday, December 10, 2004 being the Specified Date.**

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

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

9.2 The Registrar to the Offer, **M/s. Alankit Assignments Limited** has opened a special depository account with its own Depository Division (Depository-***National Securities Depository Limited).***

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

9.4 Beneficial owner and shareholders holding shares in physical form, who wish to avail of this Offer will have to forward the following documents to the office of the Registrar to the Offer by hand delivery or by registered post, as the case may be, so as to reach them on or before 5.00 PM upto the date of closure of the offer i.e. **Monday, January 31, 2005.**

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

9.5 Beneficial owners and **shareholders holding shares in the dematerialised form,** will be required to send their Form of Acceptance cum Acknowledgement to the Registrar to the Offer either by Registered Post / Courier or by hand delivery on or before 5.00 PM upto the date of closure of the offer i.e. **Monday, January 31, 2005, along with**

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

DP Name	:	Alankit Assignments Limited.
DP ID Number	:	IN-300118
Client ID Number	:	10761052
Depository	:	National Securities Depository Limited- **("NSDL")**

- Delivery Instruction: Special attention should be paid to the following:-
- Beneficial owners, who hold equity Shares of NTL in dematerialised form, are required to execute an "off-market" trade by tendering the Delivery Instruction for debiting their beneficiary account with their concerned depository participant and crediting the above-mentioned account. The credit in the Depository Escrow Account should be received on or before the Offer Closing Date; i.e., **Monday, January 31, 2005**, else the application would be rejected.
- The Delivery Instructions to be given to the depository participant should be in "For Off Market Trade" mode only. For each Delivery Instruction, the beneficial owner should submit a separate Form of Acceptance cum Acknowledgement. Shareholders having their beneficiary account in Central Depository Services India Limited **("CDSL")** have to use inter-depository delivery instruction slip for the purpose of crediting their shares in favour of the special depository account with NSDL.

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

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

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

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

9.10 **<u>Special Note for shareholders who have sent their Shares for Dematerialisation:</u>** Shareholders who have sent their physical Shares for dematerialisation need to ensure that the process of getting Shares dematerialized is completed well in time so that the credit in the Escrow Depository Account can be received on or before 5.00 PM upto the Offer Closing Date i.e. **Monday, January 31, 2005,** else the application would be rejected.

9.11 The offer documents are being dispatched to only those shareholders, who are eligible to participate in the offer. The Acquires, PACs, and the parties to the agreement dated November 19, 2004 being not eligible are not entitled to receive the offer documents.

9.12 In case of non-receipt of Letter of Offer, the eligible shareholders may send his / her / their applications to the Registrar to the Offer on the address mentioned hereinabove, **on a plain paper** stating the **name, address, number of equity shares held, folio number(s), certificate number(s), distinctive number(s), and number of shares** tendered along with the relevant documents as mentioned hereinabove, so as to reach them on or before **5.00 PM** upto the date of closure of the offer i.e. **Monday, January 31, 2005.**

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

*An unregistered shareholder can send his / her / their application to the Registrar to the Offer on the address mentioned hereinabove, on a **<u>plain paper</u>** stating the name, address, number of shares held, folio number(s), certificate number(s), distinctive number(s) and number of equity shares tendered along with the relevant documents as mentioned hereinabove, so as to reach them **<u>on or before 5.00 PM on Monday, January 31, 2005.</u>***

9.14 No indemnity is required from the unregistered shareholders.

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

9.16 In case of shareholders who have not received the LOO and holding shares in the dematerialised form may send their consent to the Registrar to the Offer on plain paper, stating the name, addresses, number of shares held, Depository name, Depository I.D., Client name, Client I.D., number of shares offered along with a photocopy of the original delivery instructions in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the Depository Participant as specified in para 9.5 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. Monday, January 31, 2005. Such shareholders can also obtain the LOO from the Registrar to the Offer by giving an application in writing.

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

Address of Registrar to the Offer:

Sr. No.	Address of Registrar to the Offer	Business Hours	Mode of Delivery
1.	**Alankit Assignments Limited.** 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi-110 055. **Contact Person: Mr. Mahesh Jairath** Phone Nos. (011) 51540060-63 Fax No. (011) 51540064 E-mail: mj@alankit.com	Monday to Friday 10.30 AM to 5.00 PM Saturday 10.30 AM to 1.30 PM	Hand Delivery / Courier/ Registered Post

Holidays: Sundays and Bank Holidays

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

9.19 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing their acceptances tendered in the Offer can do so up to three working days prior to the date of Closure of the Offer i.e. **Tuesday, January 25, 2005.** The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed in the Letter of Offer. The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the collection centre mentioned in the Letter of Offer or above as per the mode of delivery indicated therein on or before 5.00 PM upto the last date of withdrawal i.e. **Tuesday, January 25, 2005.**

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

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

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

9.20.3 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.

9.21 The acquirer shall acquire the shares received from the shareholders under the offer on a proportional basis in terms of Regulation 21(6) & the intimation of returned shares to the Shareholders will be sent at the address as per the records of NTL / Depository as the case may be.

9.22 **Acquirer will acquire all the 24,03,802 fully paid-up equity shares tendered in the Offer with valid applications.**

9.23 Method of Settlement

9.23.1 The marketable lot of NTL is 1 {one} equity share.

9.23.2 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 NTL under this Offer, shall be accepted from such shareholders in terms of the Letter of Offer, but will become a fully valid and binding contract between such shareholder(s) and the Acquirer only upon the fulfilment of all the conditions mentioned herein the Letter of Offer and Form of Acceptance.

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

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

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

9.23.6 The Acquirer shall endeavour to complete all procedures relating to the Offer within fifteen days from the date of Closure of the Offer **(i.e. January 31, 2005),** including payment of consideration to the shareholders of NTL whose equity shares are accepted for purchase by the Acquirer.

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

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

9.24 General

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

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

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

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

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

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

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

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

9.24.7 Acquirer does not hold any share in the Target Company except 90,14,152 fully paid equity shares acquired through SPA.

9.24.8 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. Tuesday, January 25, 2005, as mentioned in para 9.19.

9.24.9 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.**

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

10. DOCUMENTS FOR INSPECTION

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

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

10.2 Certificate from Mr.Prabhakar Midha of Prabhakar Midha and Co., Chartered Accountantnts, A-3/213, Shop #1, First Floor, Sector #17, Rohini, Delhi - 110 085, Telephone no.: 011-55173608, Fax No.: 011-27856611 (Membership No.089865) dated 29.12. 2004 certifying that the Net Worth of M/s. PPS Towers Private Limited, as on 30.09.2004 is Rs. 18.19 lacs and that it has sufficient investible liquid financial resources to fulfill its obligations under this Offer. The Acquirer has already deposited Rs.24.50 lacs in Escrow Account, which is more than 100% of the amount required for open offer.

10.3 Certificates from Mr.G.S. Goyal, Proprietor, G.S. Goyal and Associates, Chartered Accountants, M-7, Akarshan Bhawan, 23, Ansari Road, Darya Ganj, New Delhi-110 002, Telephone no.: 011-23278725, Fax no.: 011-23252642 (Membership No.: 083083) dated 4th November, 2004 certitifying the networth of all the three PACs.

10.4 Annual Report of NTL for years ended on March 31, 2002, 2003 and 2004 and certificate issued by the statutory auditor for period ending 30.09.2004.

10.5 Copy of Certificate of incorporation, Memorandum and Articles of Association of Acquirer and the Target Company.

10.6 Annual Reports for the year ended March 31, 2002, 2003, and 2004 (and Half-Yearly Audited accounts) of the Acquirer company.

10.7 Certificate from Bank of Baroda confirming the amount kept in Escrow Account opened as per SEBI (SAST) Regulation 1997 as on November 22, 2004.

10.8 Copy of Share Purchase Agreement dated November 19, 2004.

10.9 Published copy of the PA, which appeared in the newspapers on November 23, 2004.

10.10 Copy of Account Opening Slip of Depository Participant-Alankit Assignments Limited confirming opening of a special depository account titled "Alankit A/C.-NTL Open Offer Escrow A/c" bearing Client ID 10761052 for the purpose of this offer opened by Alankit Assignments Ltd, the Registrar to the Offer.

10.11 Observation letter no CFD/DCR/TO/MM/29511/04 dated December 28, 2004 on the draft Letter of Offer filed with the Securities and Exchange Board of India.

11 DECLARATION BY THE ACQUIRER

11.1 The Acquirer, PPS Towers Private Limited, its Directors and PACs namely Mr. Vinod Suneja, Mr. Naveen Suneja and Mr.Hitesh Suneja accept full responsibility for the information contained in this Letter of Offer and also for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 1997.

11.2 The Acquirer, PPS Towers Private Limited, its Directors and PACs namely Mr. Vinod Suneja, Mr. Naveen Suneja and Mr.Hitesh Suneja are responsible for ensuring compliance with the SEBI (SAST) Regulations, 1997.

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

For and on behalf of the Board of Directors of
PPS TOWERS PRIVATE LIMITED

Sd/-
Authorised Signatory

Place: New Delhi
Date: 29.12.2004

12. ENCLOSURES

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

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