

ANNUAL REPORT 2004-2005

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NICCO CORPORATION LTD.

**22nd ANNUAL GENERAL MEETING****Date : 9th August, 2005****Day : Tuesday****Time : 10.30 a.m.**

**Place : "Williamson Magor Hall" of
The Bengal Chamber of
Commerce & Industry
6, Netaji Subhas Road,
Kolkata 700 001**

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NICCO CORPORATION LIMITED

BOARD OF DIRECTORS

Mr Rajive Kaul
 Mr Pillapakkam Bahukutumbi Ramanujam
 Dr Tamal Datta Chaudhuri
 Dr A K Sood
 Mr Narottam Das
 Mr Prabir Chakravarti
 Dr Lakshminaryanapuram Ramier Vaidyanath
 Mr Dharendra Nath Bhattacharjee
 Mr Sanjoy Bhattacharya
 Mr Udayan Roy

Chairman
 Nominee of GIC
 Nominee of IIBI
 Nominee of TDB

Director (Cable Operations)
 Director (Finance) & CFO

SR VICE PRESIDENT & CO. SECRETARY

Mr J S Paul

AUDITORS

Messrs G Basu & Co.,
 Chartered Accountants, Kolkata

BOARD COMMITTEES**Audit Committee**

Mr N Das
 Dr T D Chaudhuri
 Mr Prabir Chakravarti
 Mr D N Bhattacharjee
 Mr J S Paul

Chairman
 Member
 Member
 Member
 Secretary

SOLICITORS

Messrs Khaitan & Co., Kolkata

BANKERS

Allahabad Bank
 Canara Bank
 Central Bank of India
 State Bank of India
 State Bank of Bikaner & Jaipur
 State Bank of Travancore
 UCO Bank

Compensation & Remuneration Committee

Mr N Das
 Mr Rajive Kaul
 Dr L R Vaidyanath
 Mr Prabir Chakravarti

Chairman
 Member
 Member
 Member

Share Transfer Committee

Mr Rajive Kaul
 Mr Sanjoy Bhattacharya
 Mr Udayan Ray

Chairman
 Member
 Member

Shareholders' Grievances Committee

Mr N Das
 Mr D N Bhattacharjee
 Mr Sanjoy Bhattacharya
 Mr Udayan Ray

Chairman
 Member
 Member
 Member

REGISTERED OFFICE

Nicco House,
 2 Hare Street, Kolkata-700 001
 Phone No.: (033) 2248 5102/7
 Fax No. : (033) 2220 9443
 Website : www.niccogroup.com

WORKS

1. Shamnagar, 24-Parganas (North), West Bengal
2. Baripada Dist. Mayurbhanj, Orissa

**NAMES & ADDRESSES OF THE STOCK EXCHANGES WHERE THE SHARES OF THE COMPANY ARE LISTED AND WHETHER LISTING FEES PAID.**

(Pursuant to Clause 49 of the Listing Agreement)

- 1) National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (E)
Mumbai-400 051
e-mail : cmlist@nse.co.in
- 2) The Calcutta Stock Exchange Association Ltd.,
6 Lyons Range,
Kolkata 700 001.
Website : www.cse-india.com

The Company has already paid Annual Listing Fees for the year 2005-06 to the above mentioned 2 Stock Exchanges.

REGISTRARS & SHARE TRANSFER AGENTS

M/s AMI Computers (I) Ltd.
60A & 60B, Chowringhee Road
Kolkata-700 020

Phone Nos : (033) 2280-0900

Fax Nos : (91) 33 2280 0901

e-mail : amicomputers@vsnl.com

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Notice of the Annual General Meeting to the Members

NOTICE is hereby given that the 22nd Annual General Meeting of the Members of Nicco Corporation Limited will be held on Tuesday, the 9th August, 2005, at 10.30 a.m. at the "Williamson Magor Hall" of The Bengal Chamber of Commerce & Industry, 6 Netaji Subhas Road, Kolkata 700 001, to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Profit & Loss Account of the Company for the year ended on 31st March, 2005, the Balance Sheet as on that date and the Directors' Report and the Auditors' Report thereon.
2. (a) To appoint a Director in place of Mr Narottam Das who retires by rotation and being eligible, offers himself for re-appointment.
(b) To appoint a Director in place of Mr P B Ramanujam who retires by rotation and being eligible, offers himself for re-appointment.
(c) To appoint a Director in place of Mr Sanjoy Bhattacharya who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration. In this connection, to consider and, if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
"RESOLVED that pursuant to the provisions of section 224A of the Companies Act, 1956, Messrs G Basu & Co., Chartered Accountants, Kolkata, be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors and that the Board of Directors be and is hereby authorised to determine the remuneration payable to the Company's Auditors as aforesaid."

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an Ordinary Resolution :
"RESOLVED that the Company hereby accords its approval and consent under sections 198, 269, 309, 310, 311 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 ("the Act") and subject to such other approvals/clearances as may be required, to the re-appointment of and to the payment of remuneration to Mr Udayan Ray as Director (Finance) & CFO of the Company for a period of 2 years with effect from 1st September, 2005 upon the terms and conditions and stipulations and on the remuneration and perquisites as set out in the Explanatory Statement annexed to the Notice convening this Annual General Meeting with an authority and power to the Board of Directors of the Company ("The Board"), to alter and vary the terms and conditions, referred to above, in such manner as may be agreed to by and between the Board and Mr Udayan Ray, within the overall ceiling prescribed under Schedule XIII of the Act.
RESOLVED FURTHER that the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary, usual or expedient to give effect to this resolution."
5. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :
"RESOLVED that the Authorised Share Capital of the Company be and is hereby increased from Rs 60.00 crores divided into 3,80,00,000 Equity Shares of Rs 10/- each and 22,00,000 Cumulative Redeemable Convertible Preference Shares of Rs 100/- each to Rs 69.00 crores divided into 4,70,00,000 Equity Shares of Rs 10/- each and 22,00,000 Cumulative Redeemable Convertible Preference Shares of Rs 100/- each, by creation of 90,00,000 additional Equity Shares of Rs 10/- each and clause (IV) of the Memorandum of Association of the Company be altered by substituting the following clause (IV) :
"(IV) The Authorised Share Capital of the Company is Rs 69,00,00,000/- (Rupees sixty nine crores) divided into 4,70,00,000 Equity Shares of Rs 10/- (Rupees ten) each and 22,00,000 Cumulative Redeemable Convertible Preference Shares of Rs 100/- each with such rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being. The Company has and shall always have power to divide the Share Capital, for the time being, into several classes and attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be permissible by law and to increase or reduce its capital from time to time and to vary, modify or abrogate any rights, privileges or conditions attached to any class of shares in such manner as may for the time being be provided by the Articles of Association of the Company."
6. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :
"RESOLVED that pursuant to section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956, the Guidelines for Preferential Issues contained in the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the SEBI Preferential Issues Guidelines), and subject to such other approvals, consents, permissions and/or sanctions of any such authority that may be required and subject to such conditions and modifications as any such authority may prescribe or impose at the time of granting its approvals, consents, permissions and/or sanctions and which may be agreed to by the Board of Directors of the Company (the Board, which expression shall include any committee thereof constituted by the Board), the consent of the Company be and is hereby accorded to issue, by way of preferential allotment, up to 61,64,383 Equity Shares of Rs 10/- each of the Company at Rs 14.60 per share, as per Stock Prices with reference to the relevant date as



per SEBI Preferential Issue Guidelines, (comprising par value of Rs 10/- per share and a premium of Rs 4.60 per share) (hereinafter referred to as the "Subscription Shares"), to Asset Reconstruction Company (India) Ltd., a Company incorporated under the Companies Act, 1956, and having its Registered Office at 17th Floor, Express Tower, Nariman Point, Mumbai 400 021, upon conversion of secured loan of Rs 9.00 crores due and payable by the Company to the said Asset Reconstruction Company (India) Ltd.

"RESOLVED FURTHER that

- (a) The relevant date for the determination of the applicable price for the Subscription Shares, in accordance with the SEBI Preferential Issues Guidelines is 10th July, 2005, being thirty days prior to the date on which the Meeting of the general body of shareholders is being held, to consider the proposed issue.
- (b) The subscription Shares shall rank pari passu with the existing Equity Shares of the Company in all respects.
- (c) In order to give effect to this resolution, the Committee/Board be and is hereby authorised on behalf of the Company to do all such acts, deeds and things as the Committee/Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question and remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Subscription Shares, including (without limitation) to decide and approve the terms and conditions of the issue of the Subscription Shares, to vary, modify or alter any of the terms and conditions (including the size of the issue or allotment), to enter into any agreements or other instruments, to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit;"

7. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :

"RESOLVED that pursuant to section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the terms of the Restructuring Plan as approved by Corporate Debt Restructuring (CDR) Cell and subject to such other approvals, consents, permissions and/or sanctions of any such authority that may be required and subject to such conditions and modifications as any such authority may prescribe or impose at the time of granting its approval, consent, permission and/or sanction and which may be agreed to by the Board of Directors of the Company (the Board, which expression shall include any committee thereof constituted by the Board), consent of the Company be and is hereby accorded to issue, by way of preferential allotment, up to 20,00,000 Equity Shares of Rs 10/- each, for cash at par, of the Company to Nicco Restructuring Employees' Trust Fund.

"RESOLVED FURTHER that

- (a) The new Equity Shares to be issued may be allotted in phases within a period of 3 (three) years from the date of passing of this resolution and upon such further terms and conditions as may be imposed by the Board or any Committee thereof at the time of such allotment.
- (b) The new Equity Shares shall rank pari passu with the existing Equity Shares of the Company in all respects.
- (c) In order to give effect to this resolution, the Board or any Committee thereof be and is hereby authorised on behalf of the Company to do all such acts, deeds and things as the Board/Committee may, in its absolute discretion consider necessary, expedient, usual, proper or incidental and to settle any question and remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the new Equity Shares and to decide and approve the terms and conditions of the issue of the new Equity Shares, to vary, modify or alter any of the terms and conditions, to enter into any agreements or other instruments, to take such actions or give such directions as may be necessary or desirable and to obtain any approvals, permissions, sanctions which may be necessary or desirable, as they may deem fit;"

8. To consider and, if thought fit, to pass with or without modification(s) the following resolution as a Special Resolution :

"RESOLVED that pursuant to the Securities and Exchange Board of India (Delisting of Securities) Guidelines 2003 (hereinafter referred to as the "Guidelines") on delisting of Securities, the Equity Shares of the Company listed with the Calcutta Stock Exchange Association Ltd. be and are hereby delisted with immediate effect through the Voluntary Delisting Option and the Company's Equity Shares be continued to be listed with the National Stock Exchange of India Ltd.

"RESOLVED FURTHER that the existing Committee of Directors comprising of Mr Rajive Kaul, Mr Sanjoy Bhattacharya and Mr Udayan Ray/the Board/any Committee the Board might appoint, be and is hereby authorised to do such acts and deeds as may be required in connection with the delisting of the Equity Shares as per the Guidelines to give effect to the resolution."

Registered Office:

NICCO HOUSE
2 Hare Street
Kolkata 700 001

By Order of the Board
NICCO CORPORATION LIMITED

J S PAUL
Sr Vice President & Co Secretary

Dated, the 9th July, 2005

**NOTES**

1. A. Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. Proxies in order to be effective must be submitted at the Company's Registered Office, not less than 48 hours before the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, the 1st August, 2005 to Tuesday, the 9th August, 2005, both days inclusive.
4. Members are requested to bring their copies of the Annual Report and Accounts to the Meeting.
5. Members are requested to intimate any change in their addresses, and are also requested to send intimation for consolidation of Accounts, regarding their holdings in shares of erstwhile Nicco Steels Ltd., The National Insulated Cable Co. of India Ltd., Nicco Industries Ltd., and Nicco Batteries Ltd., if any, immediately to the Company's Registrars & Share Transfer Agents, M/s AMI Computers (I) Ltd., 60A & 60B, Chowringhee Road, Kolkata 700 020, Phone No. 2280 0900, Fax No. 033-2280 0901.
6. Information u/s 205A read with the Companies Unpaid Dividend (Transfer to General Revenue Account of the Central Government) Rules, 1978 as amended is given below:
 - (i) Pursuant to section 205 of the Companies Act, 1956, all unclaimed/unpaid dividends upto the Financial Year ended on 31st March, 1994 have been transferred to the General Revenue Account of the Central Government. Shareholders, who have not yet encashed their dividend warrants for the said period are requested to claim the amount from the Registrar of Companies, West Bengal, 234/4, A J C Bose Road, Kolkata 700 020, by submitting an application in the prescribed form.
 - (ii) Consequent upon amendment in section 205A of the Companies Act, 1956 and introduction of section 205C by the Companies (Amendment) Act, 1999 the amount of dividend for the subsequent years remaining unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account of the Company shall be transferred to the Investor Education and Protection Fund set up by the Government of India and no payments shall be made in respect of any such claims by the Fund.
 - (iii) Pursuant to section 205C of the Companies (Amendment) Act, 1999, the unpaid/unclaimed dividend for the financial year ended 31st March, 1997 has been transferred to the Investor Education and Protection Fund set up by the Government of India.
 - (iv) The unpaid/unclaimed dividends due for transfer to the Investor Education and Protection Fund set up by the Central Government are as follows :-

Date of AGM	Financial Year	Date of transfer to Unpaid Dividend Account	Due date for transfer
25.06.1998	1997 (from 01.04.97 to 31.12.97)	12.08.1998	11.08.2005
30.04.1999	1998 (from 01.01.98 to 31.12.98)	18.06.1999	17.06.2006

Members who have not yet encashed their dividend warrant(s) for the above stated Financial Years are requested to make their claims to the Company accordingly and no claims shall lie in this respect once the unclaimed dividend is transferred to the Investor Education and Protection Fund.
7. An Explanatory Statement as required under section 173(2) of the Companies Act, 1956 is annexed hereto.



ANNEXURE TO NOTICE

EXPLANATORY STATEMENT**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173(2)
OF THE COMPANIES ACT, 1956****ITEM NO. 3**

M/s G Basu & Co., Chartered Accountants, Kolkata, Auditors of your Company retire at the forthcoming Annual General Meeting of the Company, and being eligible, offer themselves for re-appointment. It is recommended that M/s G Basu & Co., Chartered Accountants, Kolkata be appointed as Auditors of the Company for the year 2005-06. The Auditors have confirmed that their appointment, if made, will be within the limits prescribed under section 224(IB) of the Companies Act, 1956.

Since the Financial Institutions hold shares in excess of 25% of the Subscribed Capital of the Company, as per the provisions of section 224A of the Companies Act, 1956, the appointment of and remuneration payable to Auditors are required to be approved by the Members by a Special Resolution.

Your Directors recommend the resolution set out in item no. 3 of the convening Notice for adoption.

None of the Directors is interested in the resolution.

ITEM NO. 4 — Re-appointment of Mr Udayan Ray as Director (Finance) & CFO

Mr Udayan Ray was earlier appointed as Director (Finance) & CFO of the Company for a period of 2 years with effect from 1st September, 2003 on the terms approved by the Members at the Annual General Meeting held on 24th September, 2003.

On the recommendation of the Compensation & Remuneration Committee, the Board of Directors ("the Board") of the Company, at its Meeting held on 6th July, 2005, re-appointed Mr Udayan Ray as Director (Finance) & CFO for a further period of 2 years commencing from 1st September, 2005 on the existing terms and conditions subject to the approval of the Members of the Company in a General Meeting and such other approvals/clearances as may be required.

Mr Udayan Ray is a Postgraduate in Commerce and a Fellow of The Institute of Cost & Works Accountants of India.

He is 60 years of age with 35 years extensive experience in Finance, Treasury, Taxation, Operations and Human Resources Management.

He has worked in senior positions in Andrew Yule, IBP-Balmer Lawrie Group, and other Companies/Organisations since 1970 including as Director (Finance) in Andrew Yule & Co. Ltd., as Director in Tide Water Oil Co. Ltd. and Dishergarh Power Supply Ltd. He was with Balmer Lawrie for around 20 years and held senior positions as Director in Balmer Lawrie-Fuchs Ltd., as Chief Executive in Indian Container Leasing Co. Ltd., as General Manager (SBU-Head-Calcutta Operations & Lubricants) and General Manager (Personnel). He also held the position of Secretary, the Institute of Cost & Works Accountants of India.

Considering his educational background and experience as stated above, the Board considers that the Company will benefit from the re-appointment of Mr Udayan Ray as Director (Finance) & CFO and recommends the resolution for your approval.

In accordance with the terms and conditions of appointment, Mr Udayan Ray will be entitled to the remuneration and perquisites as mentioned in the enclosed Annexure 'A'.

Mr Udayan Ray shall hold office as Director (Finance) & CFO for a further period of 2 years with effect from 1st September, 2005 till 31st August, 2007.

The particulars of Mr Udayan Ray, which are required to be disclosed pursuant to Clause 49V(A) of the Listing Agreements are mentioned in the enclosed Annexure 'B'.

This, read with the enclosed Annexure 'A' should be considered as an Abstract of the terms of appointment of Mr Udayan Ray as Director (Finance) & CFO of the Company and a Memorandum as to the nature of the concern or interest of the Directors in the said appointment as required under section 302 of the Companies Act, 1956.

Excepting Mr Udayan Ray, who is interested in his appointment and the remuneration payable to him, no other Director is interested in the said appointment and payment of remuneration.

ITEM NO. 5

a) The present Authorised Share Capital of the Company is as follows :

Equity Share Capital	...	Rs 38,00,00,000/-
Preference Share Capital	...	Rs 22,00,00,000/-
Total		Rs. 60,00,00,000/-



b) Present Issued & Subscribed
Capital of the Company is —

i) Equity Shares of Rs 10/- each	...	Rs 37,62,07,155/-
ii) 21,83,000 - 5% Cumulative Redeemable Preference Shares of Rs 100/- each	...	Rs 21,83,00,000/-
Forfeited Shares	...	Rs 1,36,375/-
Total	...	<u>Rs 59,46,43,525/-</u>

It is proposed to issue 61,64,383 Equity Shares of Rs 10/- each @ Rs 14.60 per share to ARCIL by way of conversion of outstanding loans of Rs 9.00 crores.

It is also proposed to issue 20,00,000 Equity Shares of Rs 10/- each, for cash at par, aggregating to Rs 2.00 crores, to the Nicco Restructuring Employees' Trust Fund.

The proceeds would be utilised to augment the long term financial resources of the Company in accordance with the terms of the Restructuring Plan as already approved by Corporate Debt Restructuring (CDR) Cell.

It is therefore proposed to increase the Authorised Share Capital by Rs 9.00 crores. After such increase the increased Authorised Share Capital would be as follows :

a) 4,70,00,000 Equity Shares of Rs 10/- each	...	Rs 47,00,00,000/-
22,00,000 Cumulative Redeemable Preference Shares of Rs 100/- each	...	Rs 22,00,00,000/-
Total	...	<u>Rs 69,00,00,000/-</u>

The proposed increase in the Authorised Share Capital of the Company requires approval of the Members in General Meeting. The alterations in the Memorandum of Association of the Company are only consequential changes to reflect the proposed change in the Authorised Share Capital of the Company.

None of the Directors of the Company is concerned or interested in the resolution. The Special Resolution set out in item no.5 may be considered accordingly and the Board of Directors recommends the same for your approval.

ITEM NO.6

The Company had approached Asset Reconstruction Company (India) Limited ("ARCIL") to restructure their dues by conversion of outstanding Loan amount of Rs 9.00 crores into Equity Shares (the Subscription Shares), to be allotted as fully paid Equity Shares of Rs 10/- each, in favour of ARCIL at a price to be determined in conformity with SEBI Guidelines in this regard.

ARCIL has agreed to the proposal vide its letter dated 28th June, 2005. A copy of the letter will be available for inspection by Members at the Meeting.

It is therefore proposed to issue Equity Shares on preferential basis to ARCIL, subject to the following requirements :

The aforesaid issue and allotment of Subscription Shares will be governed by the SEBI Preferential Issues Guidelines. Under these Guidelines, the price at which the Subscription Shares are to be issued (which are issued on a preferential basis) shall be not less than the higher of : (a) the average of the weekly high and low of closing prices of the shares quoted on the Stock Exchange during the six months preceding the "relevant date" or (b) the average of the weekly high and low of the closing prices of the shares quoted on a Stock Exchange during the two weeks preceding the "relevant date".

The prices at which the Subscription Shares are to be issued pursuant to the SEBI Preferential Issues Guidelines computed on the above basis is Rs 14.60 per Equity Share and the Subscription Shares are proposed to be issued at the same price.

The present resolution is proposed to be passed in order to enable the Company to issue the Subscription Shares subject to such approvals, consents, permissions and/or sanctions of any Authority that may be required and subject to such conditions and modifications as any such Authority may prescribe or impose at the time of granting its approval, consent, permission and/or sanction and which may be agreed to by the Board of Directors.

The Subscription Shares shall be subject to the Memorandum & Articles of Association of the Company and the terms of issue. The Subscription Shares shall rank pari passu with the existing shares of the Company in all respects.

Disclosures required pursuant to Chapter XIII of the SEBI Preferential Issues Guidelines :

a) Object of the issue through Preferential Offer

Redemption of part of loan in accordance with the terms of the restructuring plan as already approved by Corporate Debt Restructuring (CDR) Cell.



- b) Intention of the Promoters, Directors and key Management persons to subscribe to the offer.

The offer is to be made to Asset Reconstruction Company (India) Ltd.(ARCIL) and none of the Promoters, Directors and key Management persons will subscribe to the offer and acquire further shares in the Company on a preferential basis pursuant to the resolution.

- c) Shareholding Pattern of the Company before and after the offer (assuming up to 61,64,383 Subscription Shares are issued and allotted by the Board) :

Category	Pre-issue Equity holding*	Percentage (%)	Post-issue Equity holding	Percentage (%)
A. Promoters' holding				
1. Promoters	Nil	Nil	Nil	Nil
2. Persons acting in concert				
– Others	99,59,970	26.47	99,59,970	22.66
– NRETF	30,00,000	7.98	31,60,000	7.19
Sub-Total	1,29,59,970	34.45	1,31,19,970	29.85
B. Non-Promoters' holding				
3. Institutional Investors				
a. Mutual Funds and UTI	19,766	0.06	19,766	0.04
b. Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions/ Non-Govt. Institutions)	46,73,462	12.42	46,73,462	10.63
c. FIIs	11,761	0.03	11,761	0.03
Sub-Total	47,04,989	12.51	47,04,989	10.70
4. Others				
a. Others – ARCIL	—	—	61,64,383	14.03
b. Private Corporate Bodies	43,78,190	11.64	43,78,190	9.96
c. Indian Public	1,34,63,899	35.78	1,34,63,899	30.64
d. NRIs/OCBs	21,12,358	5.62	21,12,358	4.82
e. Any other – Trust Funds	1,309	—	1,309	—
Sub-Total	1,99,55,756	53.04	2,61,20,139	59.45
Grand Total	3,76,20,715	100.00	4,39,45,098	100.00

* Shareholding as on 30th June, 2005.

- (d) Proposed time within which the allotment will be completed :

As required under the SEBI Preferential Issues Guidelines, the allotment of the Subscription Shares is proposed to be made within 15 days of the date of passing of the above resolution or within 15 days of receipt of all requisite regulatory approvals, whichever is later.

- (e) The identity of the proposed allottee and the percentage of the post preferential issue capital that may be held by the said allotment.

Identity of proposed allottee	Number of Subscription Shares to be allotted	Percentage of post issue equity capital (%)
ARCIL	61,64,383	14.03

In accordance with the SEBI Preferential Issues Guidelines the Subscription Shares to be allotted to ARCIL shall be subject to a lock in of one year from the date of their allotment by the Board.

The Statutory Auditors of the Company, M/s G Basu & Co., have certified that issue of Subscription Shares is being made in accordance with the requirements of SEBI Preferential Issues Guidelines. A copy of the certificate will be available for inspection by Members at the Meeting.

The Board of Directors believes that the proposed Preferential Issue is in the best interest of the Company and its Members. The Board of Directors therefore commends the Resolution for approval.

Interest of Directors :

None of the Directors of the Company is, in any way, concerned or interested in the resolution.