

PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF AREVA T & D INDIA LIMITED

Registered Office: E- 48/7, Okhla Industrial Area, Phase II, New Delhi - 110020, India, Tel: + 91 11 47629100; Fax: +91 11 47629129/30

CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS

This Public Announcement (the “PA”) is being issued by DSP Merrill Lynch Limited (the “Manager to the Offer”), for and on behalf of ALSTOM Sextant 5 (the “Acquirer”), ALSTOM Holdings (“Alstom Holdings”), Schneider Electric Industries SAS (“Schneider”), Schneider Electric Services International (“SESI”), Schneider Electric India Private Limited (“Schneider India”), Areva T & D Holding SA, Areva T & D SAS and Long & Crawford Ltd., being the Persons Acting in Concert (the “PACs”) with the Acquirer (wherein each of Areva T & D Holding SA, Areva T & D SAS, and Long & Crawford Ltd. will be PACs subject to and conditional upon the completion of the Global Acquisition referred to in paragraph 5), to the shareholders of Areva T&D India Limited (the “Target Company”) pursuant to and in compliance with Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the “SEBI (SAST) Regulations”).

BACKGROUND TO THE OFFER

1. Areva SA (a company registered with the Register of Trade and Companies of Paris with number 712 054 923 whose registered office is in France at 33, rue Lafayette, 75009 Paris) had conducted a competitive open bidding process for the transfer of its global transmission and distribution electrical business (the “Global Business”). The Acquirer was incorporated as a special purpose vehicle to participate in the bidding process as a consortium between the ALSTOM and Schneider group of companies. The Acquirer is a French Société par actions simplifiée registered with the Register of Trade and Companies of Nanterre with number 517 793 634 whose registered office is located at 3, avenue André Malraux, 92300 Levallois-Perret, France.
2. Prior to participation in the competitive bid process initiated by Areva SA for sale of its Global Business, Alstom Holdings and Schneider entered into a consortium agreement dated November 9, 2009, amended on February 9, 2010 and May 17, 2010 (the “Consortium Agreement”), which lays down the general principles regarding the offer to acquire the Global Business, funding of the Acquirer, management of the Global Business and separation of the same such that the transmission business will be allocated to the ALSTOM group of companies and the distribution business will be allocated to the Schneider group of companies.
3. In the amendment dated May 17, 2010, Alstom Holdings and Schneider have postponed their corresponding obligations with respect to the Target Company until the completion of the Offer formalities due to restrictions under the applicable laws in India.
4. Under the terms of the Consortium Agreement, during the transition period, i.e. between the completion of the Global Acquisition and separation of the Global Business, the transmission business forming part of the Global Business shall be managed solely by Alstom Holdings and the distribution business forming part of the Global Business shall be managed solely by Schneider and the concerned entities shall have control over the financial, operational and strategic policies of the respective businesses. The entities engaged in both transmission and distribution businesses such as the Target Company, shall be managed and controlled based on the same principles set out above. It has been agreed that all decisions concerning the transmission business shall be adopted and implemented only with the prior consent of Alstom Holdings and of Schneider with regard to the distribution business. Further, with effect from the date of completion of the Global Acquisition, the assets and liabilities of transmission business will be fully consolidated and booked into the accounts of Alstom Holdings and the assets and liabilities of the distribution business will be fully consolidated and booked into the accounts of Schneider.
5. On January 20, 2010, the Acquirer, Alstom Holdings, and Schneider entered into a share purchase agreement with Areva SA, whereby the Acquirer agreed to acquire 100% (one hundred percent) of the issued share capital and voting rights of Areva T & D Holding SA (a company registered with the Register of Trade and Companies of Paris with number 449 834 308 whose registered office is in France at 33, rue Lafayette, 75009 Paris) for an aggregate purchase price of Eur 2,290,000,000 (Euro two billion and two hundred and ninety million) i.e. Rs. 133,690,200,000 (Rupees one hundred and thirty three billion and six hundred and ninety million and two hundred thousand) (the “Global Acquisition”). The terms of the share purchase agreement *inter alia* provide that the obligation of the Acquirer to acquire the shares of Areva T & D Holding SA shall be subject to satisfaction of certain conditions precedent, including receipt of the merger clearance from the EU Commission and other applicable regulatory approvals and completion of requisite regulatory filings. Alstom Holdings and Schneider have agreed to jointly guarantee the obligations of the Acquirer under the said share purchase agreement, until completion of the Global Acquisition, including payment of the aggregate purchase price. As per the terms of the share purchase agreement, except as otherwise permitted, for a period of 3 (three) years from the completion of Global Acquisition, Areva SA and the entities or persons controlled by it, will not engage in any activities, in any country where the Global Business is presently conducted by the Areva group of companies, which directly competes with the Global Business.
6. On May 25, 2010 the Acquirer together with Alstom Holdings and Schneider entered into an amendment to the share purchase agreement with Areva SA with specific reference to the Target Company, wherein due to restrictions under the applicable laws in India, the parties agreed to postpone certain obligations of the Acquirer and Areva SA from the date of completion of the Global Acquisition to the earliest of: (a) closure of the Offer, (b) the date on which the Board of Directors of the Target Company appoints the nominees of the Acquirer and/or Alstom Holdings and Schneider, as directors on the Board of Directors of the Target Company, in accordance with applicable laws in India, and (c) 180 (one hundred and eighty) days from the date of completion of the Global Acquisition, provided that if within 120 (one hundred and twenty) days of completion of the Global Acquisition, the Offer has not closed and/or the Acquirer and/or Alstom Holdings and Schneider have not nominated persons to be appointed as directors on the Board of Directors of the Target Company, Areva SA shall discuss in good faith and cooperate with Alstom Holdings and Schneider to give the Acquirer and/or Alstom Holdings and Schneider control over, and to enable the appointment of their nominees as directors of the Target Company, in accordance with applicable laws. Pursuant to the said amendment, the obligations of the Acquirer to procure that the Target Company ceases to use the Areva name and logos, etc. have been postponed.
7. Pursuant to the terms of the Consortium Agreement, Alstom Holdings and SESI will enter into a forward sale agreement on the date of completion of Global Acquisition, whereunder Alstom Holdings shall agree to acquire all the shares of the Acquirer held by SESI, on the date on which the distribution business forming part of the Global Business representing 90% (ninety percent) of the final EBITDA and employees of such distribution business, are transferred to the Schneider group of companies. Notwithstanding the proposed transfer of shares of the Acquirer, the Target Company shall continue to be jointly managed and controlled by Alstom Holdings and Schneider in accordance with the terms of the Consortium Agreement.
8. As mentioned in paragraph 5, the Global Acquisition is subject to satisfaction of certain conditions precedent set out in the share purchase agreement. In this regard, upon receipt of the necessary anti-trust clearances for South Africa (or undertaking of appropriate alternate actions) and the publication of a decree of the French Prime Minister authorizing the Global Acquisition, the Global Acquisition will be consummated, in terms of the share purchase agreement, by transfer of 100% (one hundred percent) of the issued share capital and voting rights of Areva T & D Holding SA to the Acquirer. Areva T & D Holding SA, directly and together with its subsidiaries namely Areva T & D SAS and Long & Crawford Ltd., holds 172,585,900 (one hundred and seventy two million and five hundred and eighty five thousand and nine hundred) fully paid-up equity shares of the Target Company of face value of Rs. 2 (Rupees two) each (each a “Share”), as on January 20, 2010 and on the date of this PA, constituting 72.18% (seventy two point one-eight percent) of the subscribed and paid-up share capital of the Target Company.
9. Pursuant to the Global Acquisition, the Acquirer will indirectly acquire 72.18% (seventy two point one-eight percent) of the subscribed and paid-up share capital and control of the Target Company.
- THE OFFER**
10. This offer is made to all public shareholders of the Target Company, to acquire up to 47,821,327 (forty seven million and eight hundred and twenty one thousand and three hundred and twenty seven) Shares (the “Offer Size”) constituting 20% (twenty percent) of the issued share capital of the Target Company (the “Offer”). The Offer is being made at a price of Rs. 295.34 (Rupees two hundred and ninety five and paise thirty four) for each Share (the “Offer Price”) to be paid in cash in accordance with the SEBI (SAST) Regulations, and subject to the terms and conditions mentioned hereinafter and as will be set out in the letter of offer in relation to the Offer (the “Letter of Offer”). The Offer Size is reckoned in terms of Regulations 21(1) and 21(5) of the SEBI (SAST) Regulations.
11. The Acquirer is a special purpose vehicle incorporated for the purposes of the Global Acquisition. Areva T & D SAS and Long & Crawford Ltd. are wholly owned subsidiaries of and directly controlled by Areva T & D Holding SA. For the purpose of the Offer, Alstom Holdings, Schneider, SESI and Schneider India are persons acting in concert with the Acquirer in terms of Regulation 21(1)(e)(1) of the SEBI (SAST) Regulations. Areva T & D Holding SA, Areva T & D SAS and Long & Crawford Ltd. will become persons acting in concert with the Acquirer, subject to and conditional upon completion of the Global Acquisition.
12. The Offer is made by the Acquirer and the PACs to all public shareholders of the Target Company in terms of Regulations 10 and 12 of the SEBI (SAST) Regulations. Other than the PACs disclosed herein, there are no other persons acting in concert with the Acquirer within the meaning of Regulation 21(1)(e)(2) of the SEBI (SAST) Regulations.
13. The Shares tendered in the Offer shall be acquired by the Acquirer.
14. As on the date of this PA, the Acquirer, Alstom Holdings, Schneider, SESI and Schneider India do not hold any Shares. As on the date of this PA:
- Areva T & D Holding SA holds 27,893,950 (twenty seven million and eight hundred and ninety three thousand and nine hundred and fifty) Shares constituting 11.67% (eleven point six-seven percent);
  - Areva T & D SAS holds 132,919,225 (one hundred and thirty two million and nine hundred and nineteen thousand and two hundred and twenty five) Shares constituting 55.59% (fifty five point five-nine percent); and
  - Long & Crawford Ltd. holds 11,772,725 (eleven million and seven hundred and seventy two thousand and seven hundred and twenty five) Shares constituting 4.92% (four point nine-two percent);
- of the subscribed and paid-up share capital of the Target Company.
15. Neither the Acquirer nor the PACs have acquired any Shares during the 12 (twelve) month period prior to the date of this PA.
16. Neither the President of the Acquirer nor any of the directors of the PACs have acquired any Shares during the 12 (twelve) month period prior to the date of this PA.
17. As on the date of this PA, the Manager to the Offer does not hold any Shares in the Target Company. The Manager to the Offer shall not deal in the Shares of the Target Company until the expiry of 15 (fifteen) days from the date of closure of the Offer.
18. There are no partly paid-up Shares in the Target Company.
19. This is not a competitive bid.
20. The Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable law or regulations or would subject the Acquirer or PACs or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy, in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.

OFFER PRICE

21. The Shares are listed on the Bombay Stock Exchange Limited (“BSE”), the Calcutta Stock Exchange Association Limited (“CSE”) and the National Stock Exchange of India (“NSE”). Based on information available (Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)), the Shares are frequently traded on the NSE and the BSE, as the same are not infrequently traded within the meaning of Explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations. For the purpose of Regulation 20(4) of the SEBI (SAST) Regulations, the Shares are most frequently traded on the NSE.
22. The Offer Price of Rs. 295.34 (Rupees two hundred and ninety five and paise thirty four) per Share is justified in terms of Regulation 20(4) and 20(12) of the SEBI (SAST) Regulations, since it is the highest of the following:

|    |                                                                                                                                                                                                                  |                   |
|----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| A  | The negotiated price                                                                                                                                                                                             | NA <sup>(i)</sup> |
| B1 | The highest price paid by the Acquirer and PACs for acquisition of Shares during the 26 (twenty six) week period prior to May 28, 2010.                                                                          | NA                |
| B2 | The average of the weekly high and low of the closing prices of the Shares on NSE during the 26 (twenty six) week period prior to May 28, 2010.                                                                  | Rs. 278.18        |
| B3 | The average of the daily high and low of the prices of the Shares on NSE during the 2 (two) week period prior to May 28, 2010.                                                                                   | Rs. 248.17        |
| C1 | The highest price paid by the Acquirer and PACs for acquisition of Shares during the 26 (twenty six) week period prior to January 20, 2010, i.e. the date on which the Global Acquisition was announced.         | NA                |
| C2 | The average of the weekly high and low of the closing prices of the Shares on NSE during the 26 (twenty six) week period prior to January 20, 2010, i.e. the date on which the Global Acquisition was announced. | Rs. 295.33        |
| C3 | The average of the daily high and low of the prices of the Shares on NSE during the 2 (two) week period prior to January 20, 2010, i.e. the date on which the Global Acquisition was announced.                  | Rs. 280.21        |

<sup>(i)</sup> Negotiated price is not applicable as the consideration paid by the Acquirer to Areva SA does not attribute or allocate any specific amount for Areva T & D Holding SA's interest in the Target Company. No specific financial diligence was undertaken by the Acquirer or the PACs with respect to the Target Company in connection with the Global Acquisition. Consequently, no valuation of the Target Company was undertaken at any time in the course of the valuation of the Global Business.

**Other Parameters:** The financial parameters based on the audited financials for the year ended December 31, 2009 of the Target Company are as follows:

| Parameter                                                    | (Rs./ Share) |
|--------------------------------------------------------------|--------------|
| Return of Networth <sup>(1)</sup>                            | 22.16%       |
| Book value per Share <sup>(2)</sup>                          | 36.24        |
| Earning per Share <sup>(3)</sup>                             | 8.03         |
| Price earning multiple (based on Offer Price) <sup>(4)</sup> | 49.2x        |
| Industry Price earning multiple <sup>(5)</sup>               | 30.2x        |

- Return on Networth calculated as Profit after tax / Networth as at the end of the year.
  - Book value per share calculated as Networth / Number of outstanding Shares (subscribed and paid-up) as at the end of the year.
  - Earning per Share (EPS) calculated as Net Profit attributable to equity holders /weighted average number of basic Shares.
  - Calculation based on trailing 12 (twelve) months EPS of Rs. 6.0 (Rupees six) per Share from Capital Markets dated May 17-30, 2010, Vol XXV/06.
  - Source: Capital Markets dated May 17-30, 2010, Vol XXV/06; Industry: Electric equipment.
23. In view of the above, the Offer Price of Rs. 295.34 (Rupees two hundred and ninety five and paise thirty four) per Share is justified as per the SEBI (SAST) Regulations.
24. The Offer is not conditional upon any minimum level of acceptance from the shareholders of the Target Company. The Acquirer will accept the Shares that are validly tendered up to a maximum of 47,821,327 (forty seven million and eight hundred and twenty one thousand and three hundred and twenty seven) Shares, representing 20% (twenty percent) of the issued share capital of the Target Company.
- INFORMATION ON THE ACQUIRER AND THE PACS**
- ALSTOM Sextant 5 (“Acquirer”)**
25. ALSTOM Sextant 5, a French Société par actions simplifiée, was incorporated on October 22, 2009 under the laws of France and is registered with the Register of Trade and Companies of Nanterre with number 517 793 634. The registered office of the Acquirer is located at 3, avenue André Malraux, 92300 Levallois-Perret, France; Tel No. +33 1 41 49 20 00; Fax No. +33 1 41 49 24 85.
26. The Acquirer is a special purpose vehicle incorporated for the purposes of the Global Acquisition and is not engaged in any operating activities.
27. As on the date of this PA, the issued and paid-up share capital of Acquirer is Eur 1,000 (Euro one thousand) i.e. Rs. 58,380 (Rupees fifty eight thousand and three hundred and eighty) consisting of 100 (one hundred) shares each of a value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty). As on the date of this PA, Alstom Holdings holds the entire issued and paid-up share capital of the Acquirer. Pursuant to the terms of the Consortium Agreement, on the day prior to the completion of the Global Acquisition at the latest, Alstom Holdings and SESI will subscribe to further shares of the Acquirer, such that Alstom Holdings will hold approximately 70% (seventy percent) and SESI will hold approximately 30% (thirty percent) (the final proportion will be determined subsequent to completion of the Global Acquisition) of the increased issued and paid-up share capital of the Acquirer. Further, on the day prior to the completion of the Global Acquisition at the latest, Alstom Holdings shall subscribe to a T preferred share of a nominal value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty) and SESI shall subscribe to a D preferred share with a nominal value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty). The purpose of the T preferred share is to track the economic performance of the transmission business in order to allow Alstom Holdings to solely receive the proceeds of such economic performance so long as SESI remains a shareholder of the Acquirer. The T preferred share will automatically convert into an ordinary share on the date on which SESI will cease to be a shareholder of the Acquirer. The purpose of the D preferred share is to entitle Schneider Electric SA (which is the ultimate parent company of the Schneider group of companies) to consolidate the results and benefit from the cash flows and value of the distribution business as from completion of the Global Acquisition. The D preferred share will automatically convert into an ordinary share on the date on which SESI will cease to be a shareholder of the Acquirer.
28. Alstom Holdings and Schneider shall in accordance with paragraph 104, make available all funds necessary to fulfill the obligations of the Acquirer under the Offer.
29. The shares of the Acquirer are not listed on any stock exchange.
30. Since the Acquirer has been recently incorporated (on October 22, 2009), its first statutory audited financial statements have been prepared for a period less than 1 (one) year i.e. from October 22, 2009 to March 31, 2010. Based on these statutory audited financial statements, prepared in accordance with the accounting rules and principles applicable in France, the financial information of the Acquirer is as follows:

|                                        | For the period ending March 31, 2010 |
|----------------------------------------|--------------------------------------|
| Sales                                  | -                                    |
| Net profit                             | (2,769)                              |
| Share capital                          | 1,000                                |
| Reserves                               | (2,769)                              |
| Total shareholder's equity (Net-worth) | (1,769)                              |
| Earning per share                      | (27.69)                              |
| Return on net-worth                    | n.m.                                 |

Note: All figures in Euro

Source: Statutory audited accounts – March 2010

PERSONS ACTING IN CONCERT

ALSTOM Holdings (“Alstom Holdings”)

31. ALSTOM Holdings, a French Société anonyme, was incorporated on July 29, 1988 under the laws of France and is registered with the Register of Trade and Companies of Nanterre with number 347 951 238. The registered office of Alstom Holdings is located at 3, avenue André Malraux, 92300 Levallois-Perret, France; Tel No. +33 1 41 49 20 00; Fax No. +33 1 41 49 29 25. Alstom Holdings was incorporated under the name of Kéber Mozart, and subsequently renamed as GEC ALSTHOM SA on June 14, 1989. Its name was thereafter changed to ALSTOM France SA on June 17, 1998, and to its current name ALSTOM Holdings on July 23, 1999.
32. Alstom Holdings is a holding company within the ALSTOM group of companies and acts as the treasury center. It is not engaged in any operating activities. As on the date of this PA, Alstom Holdings holds 100% (one hundred percent) of the issued and paid-up share capital of the Acquirer. Pursuant to the terms of the Consortium Agreement and on the date prior to completion of the Global Acquisition at the latest, Alstom Holdings shall subscribe to such number of additional shares of the Acquirer, such that Alstom Holdings shall hold approximately 70% (seventy percent) (the final proportion will be determined subsequent to completion of the Global Acquisition) of the increased issued and paid-up share capital of the Acquirer. Further, on the day prior to the completion of the Global Acquisition at the latest, Alstom Holdings will subscribe to a T preferred share of a nominal value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty) of the Acquirer. The purpose of the T preferred share is to track the economic performance of the transmission business in order to allow Alstom Holdings to solely receive the proceeds of such economic performance so long as SESI remains a shareholder of the Acquirer. The T preferred share will automatically convert into an ordinary share on the date on which SESI will cease to be a shareholder of the Acquirer.
33. Alstom Holdings is a part of the ALSTOM group of companies. As on the date of this PA, 99.99% (ninety nine point nine-nine percent) of the issued and paid-up share capital of Alstom Holdings is held by ALSTOM (which is the ultimate parent company of the ALSTOM group of companies).
34. As on the date of this PA, the total issued and paid-up share capital of Alstom Holdings is Eur 624,125,422.20 (Euro six hundred and twenty four million and one hundred and twenty five thousand and four hundred and twenty two point two-zero) i.e. Rs. 36,436,442,148.04 (Rupees thirty six billion and four hundred and thirty six million and four hundred and forty two thousand and one hundred and forty eight and paise four) consisting of 26,334,406 (twenty six million and three hundred and thirty four thousand and four hundred and six) shares each of a value of Eur 23.70 (Euro twenty three point seven-zero) i.e. Rs. 1,383.61 (Rupees one thousand three hundred and eighty three and paise sixty one).
35. The shares of Alstom Holdings are not listed on any stock exchange.
36. Based on the statutory audited financial statements, prepared in accordance with accounting rules and principles applicable in France, the financial information of Alstom Holdings is as follows:

|                                            | 12 month period ending March 31, |       |        |
|--------------------------------------------|----------------------------------|-------|--------|
|                                            | 2008                             | 2009  | 2010   |
| Management fees and other operating income | 214                              | 202   | 190    |
| Net profit                                 | 2,009                            | 393   | 990    |
| Share capital                              | 624                              | 624   | 624    |
| Reserves                                   | 3,113                            | 3,506 | 4,496  |
| Total shareholder's equity (Net-worth)     | 3,737                            | 4,130 | 5,120  |
| Earning per share (in Euro)                | 76.29                            | 14.92 | 37.59  |
| Return on net-worth                        | 53.76%                           | 9.52% | 19.34% |

Note: All figures in Euro million, except for per share data

Source: Statutory audited accounts – March 2008, March 2009 and March 2010

Schneider Electric Industries SAS (“Schneider”)

37. Schneider Electric Industries SAS, a French Société par actions simplifiée, was incorporated on August 27, 1942, under the laws of France and is registered with the Register of Trade and Companies of Nanterre with number 954 503 439. The registered office of Schneider is located at 35, rue Joseph Monier, 92500 Rueil - Malmaison, France; Tel No. +33 1 41 29 70 00; Fax No. +33 1 41 29 71 00. Schneider was incorporated under the name Union Lyonnaise Pour Le Financement De L'industrie. Its name was changed to Schneider Electric on December 16, 1993 to Schneider Electric SA on November 15, 1994 and subsequently to its present name, Schneider Electric Industries SAS on May 7, 1999.
38. Schneider is engaged in the business of electrical distribution and industrial engineering equipment.
39. Schneider is a part of the Schneider group of companies. As on the date of this PA, 100% (one hundred percent) of the issued and paid-up share capital of Schneider is held by Schneider Electric SA (which is the ultimate parent company of the Schneider group of companies).
40. As on the date of this PA, the total issued and paid-up share capital of Schneider is Eur 896,313,776 (Euro eight hundred and ninety six million and three hundred and thirteen thousand and seven hundred and eighty six) i.e. Rs. 52,326,798,242.88 (Rupees fifty two billion and three hundred and twenty six million and seven hundred and ninety eight thousand and two hundred and forty two and paise eighty eight) consisting of 56,019,611 (fifty six million and nineteen thousand and six hundred and eleven) shares each of a value of Eur 16 (Euro sixteen) i.e. Rs. 934.08 (Rupees nine hundred and thirty four and paise eight).
41. The shares of Schneider are not listed on any stock exchange.
42. Based on the statutory audited financial statements, prepared in accordance with the accounting rules and principles applicable in France, the financial information of Schneider is as follows:

|                                        | 12 month period ending December 31, |        |        |
|----------------------------------------|-------------------------------------|--------|--------|
|                                        | 2007                                | 2008   | 2009   |
| Sales                                  | 3,267                               | 3,518  | 2,756  |
| Net profit                             | 443                                 | 550    | 672    |
| Share capital                          | 896                                 | 896    | 896    |
| Reserves                               | 4,429                               | 4,078  | 4,223  |
| Regulatory provisions                  | 21                                  | 31     | 46     |
| Total shareholder's equity (Net-worth) | 5,347                               | 5,005  | 5,165  |
| Earning per share (in Euro)            | 7.90                                | 9.82   | 12.00  |
| Return on net-worth                    | 8.28%                               | 11.00% | 13.01% |

Note: All figures in Euro million, except for per share data

Source: Statutory audited accounts – December 2007, December 2008 and December 2009

For more details visit [www.schneider-electric.com](http://www.schneider-electric.com)

Schneider Electric Services International (“SESI”)

43. Schneider Electric Services International was incorporated on December 23, 2005 as a Société anonyme, under the laws of Belgium and is registered with the Commerce Register with number 0878 191181. On January 10, 2008, the legal status of SESI was changed to a Société privée à responsabilité limitée. The registered office of SESI is located at 5, place Du Champs de Mars, Tour Bastion, 1050 Brussels, Belgium; Tel No. +32 (0)221 33 111; Fax No. +32 (0)221 33 142.
44. SESI is a holding company. Pursuant to the terms of the Consortium Agreement and on the date prior to completion of the Global Acquisition at the latest, SESI shall subscribe to such number of additional shares of the Acquirer, such that SESI shall hold approximately 30% (thirty percent) (the final proportion will be determined subsequent to completion of the Global Acquisition), of the increased issued and paid-up share capital of the Acquirer. Further, on the day prior

to the completion of the Global Acquisition at the latest, SESI will subscribe to a D preferred share of a nominal value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty) of the Acquirer. The purpose of the D preferred share is to entitle Schneider Electric SA (which is the ultimate parent company of the Schneider group of companies) to consolidate the results and benefit from the cash flows and value of the distribution business as from completion of the Global Acquisition. The D preferred share will automatically convert into an ordinary share on the date on which SESI will cease to be a shareholder of the Acquirer.

45. SESI is a part of the Schneider group of companies. As on the date of this PA, 79.51% (seventy nine point five-one percent) of the issued and paid-up share capital of SESI is held by Schneider, and 20.49% (twenty point four-nine percent) of the issued and paid-up share capital of SESI is held by Schneider Electric Espana SA (a Spanish company, part of the Schneider group of companies, which is engaged in the business of designing, production, sale and distribution of electrical products and equipment).
46. As on the date of this PA, the total issued and paid-up share capital of SESI is Eur 2,440,000,000 (Euro two billion and four hundred and forty million) i.e. Rs. 142,447,200,000 (Rupees one hundred and forty two billion and four hundred and forty seven million and two hundred thousand) consisting of 244,000,000 (two hundred and forty four million) shares each of a value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty).
47. The shares of SESI are not listed on any stock exchange.
48. Based on the statutory audited non-consolidated financial statements, prepared in accordance with the accounting rules and principles applicable in Belgium, the financial information of SESI is as follows:

|                                        | 12 month period ending December 31, |       |       |
|----------------------------------------|-------------------------------------|-------|-------|
|                                        | 2007                                | 2008  | 2009  |
| Sales                                  | 95                                  | 112   | 121   |
| Financial income                       | 81                                  | 142   | 134   |
| Net profit                             | (9)                                 | 185   | 144   |
| Share capital                          | 2,440                               | 2,440 | 2,440 |
| Reserves                               | (20)                                | 8     | 15    |
| Total shareholder's equity (Net-worth) | 2,420                               | 2,448 | 2,455 |
| Earning per share (in Euro)            | (0.03)                              | 0.76  | 0.59  |
| Return on net-worth                    | n.m.                                | 7.56% | 5.86% |

Note: All figures in Euro million except for per share data

Source: Statutory audited accounts – December 2007, December 2008 and December 2009

For more details visit [www.schneider-electric.com](http://www.schneider-electric.com)

Schneider Electric India Private Limited (“Schneider India”)

49. Schneider Electric India Private Limited, a private limited company, was incorporated on February 24, 1995 under the laws of India. The registered office of Schneider India is located at 9th Floor, DLF Building No. 10, Tower C, DLF Cyber City, Phase II, Gurgaon – 122002, Haryana, India; Tel No. +91 124 3940400; Fax No. +91 124 4222036. On July 1, 1998, it became a deemed public company and the word “private” in its name was deleted pursuant to Section 43A (1-A) of Companies Act, 1956 (as a result of exceeding the sales limit for a private limited company, as then applicable). As a result of deletion of the aforesaid section from the Companies Act, 1956, it again became a private limited company from May 31, 2000 and its name was changed to its present name, i.e. Schneider Electric India Private Limited.
50. Schneider India is engaged in the business of manufacturing and trading of industrial, electrical and electronic items.
51. Schneider India is a part of the Schneider group of companies. As on the date of this PA, 100% (one hundred percent) of the issued and paid-up share capital of Schneider India is held by Schneider.
52. As on the date of this PA, the total issued and paid-up share capital of Schneider India is Rs. 3,654,354,660 (Rupees three billion and six hundred and fifty four million and three hundred and fifty four thousand and six hundred and sixty) consisting of 365,435,466 (three hundred and sixty five million and four hundred and thirty five thousand and four hundred and sixty six) shares of Rs. 10 (Rupees ten) each.
53. The shares of Schneider India are not listed on any stock exchange.
54. Based on the statutory audited financial statements, prepared in accordance with the Notified Accounting Standard by Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956, the financial information of Schneider India is as follows:

|                                        | 12 month period ending March 31, |        |        |
|----------------------------------------|----------------------------------|--------|--------|
|                                        | 2007                             | 2008   | 2009   |
| Sales                                  | 10,075                           | 11,765 | 13,031 |
| Net profit                             | (65)                             | (12)   | (762)  |
| Share capital                          | 601                              | 1,701  | 1,701  |
| Reserves                               | 220                              | 208    | 0      |
| Total shareholder's equity (Net-worth) | 1,221                            | 1,909  | 1,701  |
| Earning per share (in Rs.)             | (1.09)                           | (0.15) | (4.48) |
| Return on net worth                    | n.m.                             | n.m.   | n.m.   |

Note: All figures in Rupees million, except for per share data

Source: Statutory audited accounts – March 2007, March 2008 and March 2009

For more details visit: <http://www.schneider-electric.co.in/>

Areva T & D Holding SA

55. Areva T & D Holding SA will be a PAC with the Acquirer subject to and conditional upon completion of the Global Acquisition.
56. Areva T & D Holding SA, a Société Anonyme à Conseil d'Administration (a limited responsibility company), was incorporated on August 13, 2003 under the laws of France and is registered with the Register of Trade and Companies of Paris with number 449 834 308. The registered office of Areva T & D Holding SA is located at 33, rue La Fayette, 75009 PARIS, France; Tel No. +33 1 34 96 62 48; Fax No. +33 1 34 96 62 45. It was incorporated as T&D Holding Etanger and later the name was changed to Areva T&D Holding SA with effect from January 8, 2004.
57. Areva T & D Holding SA is engaged in the business of industrial, commercial, maritime, financial, movable and immovable operations in France and in the fields of electrical, mechanical furnaces or nuclear power machinery, devices, equipment and materials, shipbuilding and repair and metal construction, in the rest of the world.
58. As on the date of this PA, the total issued and paid-up share capital of Areva T & D Holding SA is Eur 500,037,000 (Euro five hundred million and thirty seven thousand) i.e. Rs. 29,192,160,060 (Rupees twenty nine billion and one hundred and ninety two million and one hundred and sixty thousand and sixty) consisting of 50,003,700 (fifty million and three thousand and seven hundred) shares each of a value of Eur 10 (Euro ten) i.e. Rs. 583.80 (Rupees five hundred and eighty three and paise eighty).
59. As on the date of this PA, Areva SA holds 50,003,694 (fifty million and three thousand and six hundred and ninety four) shares constituting 99.99% (ninety nine point nine-nine percent) of the issued and paid-up share capital of Areva T & D Holding SA. Upon completion of the Global Acquisition, the Acquirer shall hold 50,003,700 (fifty million and three thousand and seven hundred) shares constituting 100% (one hundred percent) of the issued and paid-up share capital of Areva T & D Holding SA.
60. As on the date of this PA, Areva T&D Holding SA directly holds 27,893,950 (twenty seven million and eight hundred and ninety three thousand and nine hundred and fifty) Shares constituting 11.67% (eleven point six-seven percent) of the subscribed and paid-up share capital of the Target Company.
61. The shares of Areva T & D Holding SA are not listed on any stock exchange.
62. Based on the statutory audited financial statements, prepared in accordance with the accounting rules and principles applicable in France, the financial information of Areva T & D Holding SA is as follows:

|                                          | 12 month period ending December 31, |       |        |
|------------------------------------------|-------------------------------------|-------|--------|
|                                          | 2007                                | 2008  | 2009   |
| Sales                                    | 112                                 | 166   | 185    |
| Interest income & other financial income | 112                                 | 161   | 277    |
| Net profit                               | 52                                  | 66    | 139    |
| Share capital                            | 500                                 | 500   | 500    |
| Reserves                                 | 121                                 | 162   | 201    |
| Total shareholder's equity (Net-worth)   | 621                                 | 662   | 701    |
| Earning per share (in Euro)              | 1.03                                | 1.32  | 2.78   |
| Return on net-worth                      | 8.32%                               | 9.98% | 19.85% |

...continued from previous page.

75. As on the date of this PA, Areva T&D Holding SA holds 100% (one hundred percent) of the issued and paid-up share capital of Long & Crawford Ltd. Long & Crawford Ltd. is a wholly owned subsidiary of Areva T&D Holding SA.
76. As on the date of this PA, Long & Crawford Ltd. directly holds 11,772,725 (eleven million and seven hundred and seventy two thousand and seven hundred and twenty five) Shares constituting 4.92% (four point nine-two percent) of the subscribed and paid-up share capital of the Target Company.

77. The shares of Long & Crawford Ltd. are not listed on any stock exchange.

78. Based on the statutory audited financial statements, prepared in accordance with the applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Principles), the financial information of Long & Crawford Ltd. is as follows:

|                                        | 12 month period ending December 31, |        |        |
|----------------------------------------|-------------------------------------|--------|--------|
|                                        | 2007                                | 2008   | 2009   |
| Sales                                  | -                                   | -      | -      |
| Dividends received                     | 173                                 | 265    | 285    |
| Net interest payable                   | -                                   | 121    | 54     |
| Total income                           | 173                                 | 144    | 231    |
| Net profit                             | 155                                 | 127    | 154    |
| Share capital                          | 250                                 | 250    | 250    |
| Reserves                               | (119)                               | 8      | 162    |
| Total shareholder's equity (Net-worth) | 131                                 | 258    | 412    |
| Earning per share (in GBP)             | 0.62                                | 0.51   | 0.62   |
| Return on net-worth                    | 118.32%                             | 49.22% | 37.38% |

Note: All figures in GBP '000s, except for per share data

Source: Statutory audited accounts – December 2007, December 2008 and December 2009

#### INFORMATION ABOUT THE TARGET COMPANY

79. The Target Company is a public company limited by shares, incorporated on March 13, 1957 under the Companies Act, 1956, with its registered office located at E-48/7, Okhla Industrial Area, Phase II, New Delhi - 110020, India; Tel.No. : + 91 11 47629100; Fax: +91 11 47629129/30.

80. The Target Company was incorporated as a private limited company under the name 'The English Electric Company of India (Private) Limited' and was converted into a public limited company on February 25, 1963 and its name was changed to 'The English Electric Company of India Limited'. As a result of a scheme of amalgamation pursuant to the provisions of Sections 391 to 394 of the Companies Act, 1956 and with the approval of the shareholders, The General Electric Company of India Limited merged into the Target Company, by an order passed by the Hon'ble High Court of Calcutta on March 26, 1993 and effective from April 1, 1992. The name of the merged entity was changed to GEC ALSTHOM India Limited on April 20, 1993. The name of the Target Company was thereafter changed to ALSTOM Limited with effect from September 1, 1998 and subsequently, on September 23, 2005, its name was changed to its present name Areva T&D India Limited, as a result of acquisition by Areva T & D SA in accordance with the provisions of Regulations 10 and 12 of the SEBI (SAST) Regulations.

81. The registered office of the Target Company was shifted from the State of West Bengal to the National Capital Territory of Delhi with effect from September 1, 2009.

82. The Target Company is engaged in the businesses of 'electricity transmission' as well as 'electricity distribution'. The electricity transmission business of the Target Company includes manufacturing, designing, building and servicing technologically advanced products and systems and its product offerings include power transformers, circuit breakers, gas insulated switchgears, generator circuit breakers, instruments transformers, high voltage protection relays and power systems automation equipments. The electricity distribution business of the Target Company includes the business of manufacturing, designing, building and servicing technologically advanced products and systems and its product offerings include distribution transformers, medium voltage switchgears, medium and low voltage protection relays and electricity distribution automation equipments.

83. As on the date of this PA, the issued share capital of the Target Company is Rs. 478,213,270 (Rupees four hundred and seventy eight million and two hundred and thirteen thousand and two hundred and seventy) and the total subscribed and paid-up equity share capital of the Target Company is Rs. 478,208,070 (Rupees four hundred and seventy eight million and two hundred and eight thousand and seventy) divided into 239,104,035 (two hundred and thirty nine million and one hundred and four thousand and thirty five) Shares. There are no partly paid-up Shares.

84. The Target Company has no convertible instruments, stock options or any other instruments which may result in issuance of Shares by the Target Company prior to the expiration of 15 (fifteen) days after the closure of the Offer.

85. The Shares are listed on the BSE, the CSE and the NSE.

86. As on the date of this PA,

- Areva T & D Holding SA holds 27,893,950 (twenty seven million and eight hundred and ninety three thousand and nine hundred and fifty) Shares constituting 11.67% (eleven point six-seven percent),
- Areva T & D SAS holds 132,919,225 (one hundred and thirty two million and nine hundred and nineteen thousand and two hundred and twenty five) Shares constituting 55.59% (fifty five point five-nine percent), and
- Long & Crawford Ltd. holds 11,772,725 (eleven million and seven hundred and seventy two thousand and seven hundred and twenty five) Shares constituting 4.92% (four point nine-two percent),

of the subscribed and paid-up share capital of the Target Company.

The promoters of the Target Company are Areva T & D Holding SA, Areva T & D SAS and Long & Crawford Ltd. holding an aggregate of 72.18% (seventy two point one-eight percent) of the subscribed and paid-up share capital of the Target Company.

87. Based on the statutory audited financial statements, prepared in accordance with the Companies Act, 1956, and the Indian Generally Accepted Accounting Principles, the financial information of the Target Company is as follows:

|                                        | 12 month period ending December 31, |        |        |
|----------------------------------------|-------------------------------------|--------|--------|
|                                        | 2007                                | 2008   | 2009   |
| Sales                                  | 20,063                              | 26,412 | 35,659 |
| Net profit                             | 2,163                               | 2,263  | 1,920  |
| Share capital                          | 478                                 | 478    | 478    |
| Reserves                               | 5,015                               | 6,772  | 8,188  |
| Total shareholder's equity (Net-worth) | 5,493                               | 7,250  | 8,666  |
| Earning per share (in Rs.)             | 9.05                                | 9.47   | 8.03   |
| Return on net-worth                    | 39.37%                              | 31.22% | 22.16% |

Note: All figures in Rupees million except for per share data

Source: Statutory audited accounts – December 2007, December 2008 and December 2009

For more details visit, [www.areva-td.in](http://www.areva-td.in)

#### REASONS FOR THE OFFER AND FUTURE PLANS

88. The Acquirer will acquire the entire issued and paid-up share capital of Areva T & D Holding SA, pursuant to completion of the Global Acquisition. Areva T & D Holding SA, directly and together with its subsidiaries namely Areva T & D SAS and Long & Crawford Ltd., holds 72.18% (seventy two point one-eight percent) of the subscribed and paid-up share capital of the Target Company. Upon completion of the Global Acquisition, the Acquirer will indirectly acquire 72.18% (seventy two point one-eight percent) of the subscribed and paid-up share capital and control of the Target Company. Hence, the Acquirer and the PACs are making the Offer pursuant to Regulations 10 and 12 of the SEBI (SAST) Regulations.

89. As noted in paragraphs 2-4, Alstom Holdings and Schneider have entered into a Consortium Agreement which *inter-alia* lays down the principles of joint control and management of the Target Company.

90. Subject to applicable laws, Alstom Holdings and Schneider intend to transfer the distribution business of the Target Company to the Schneider group (as soon as legally feasible) either through a demerger, slump sale of business or any other method which is equitable and cost efficient, such that the value of the transmission and distribution business of the Target Company is preserved, the rights of employees of the Target Company are respected and business continuity is not hampered. It has been agreed between Alstom Holdings and Schneider that high voltage product lines will remain with the ALSTOM group and that the medium voltage product lines will be transferred to the Schneider group pursuant to separation of the activities of the Target Company. To the extent possible, the owned and leased properties will be split between the transmission and distribution businesses. Alstom Holdings and Schneider will enter into appropriate arrangements in compliance with applicable laws such that the sites and services of the Target Company, which are common to both the transmission and distribution businesses, will be shared consequent to execution of the separation of the businesses.

91. Alstom Holdings and Schneider have agreed that the employees who are mainly dedicated to transmission or distribution activities will be allocated to their respective businesses. The management of the transmission and distribution teams will be involved in the allocation process. As regards employees who are not specialized in the transmission or distribution business, in particular within commercial functions relating to power generation, transmission, rail transportation and aluminum activities, they will be absorbed by the business that will be controlled by the ALSTOM group and those who are within commercial functions relating to distribution, oil and gas, mining and heavy industries will be absorbed by the business that will be controlled by the Schneider group. The management of these teams as well as the R&D teams will be involved in the allocation process of the employees who are not dedicated to either transmission or distribution activities.

92. During the transition period (i.e. from the date of completion of Offer formalities and separation of the distribution and transmission businesses of the Target Company), the Target Company will be jointly managed and controlled by Alstom Holdings and Schneider. In the event that the separation of the transmission and distribution business of the Target Company is not effected under any of the above methods due to legal or other constraints, Alstom Holdings and Schneider have agreed to explore alternative options, including but not limited to formation of a joint venture arrangement.

93. The Acquirer and the PACs may dispose off or otherwise encumber any assets of the Target Company in the next 2 (two) years, as may be necessary for the purpose of implementing the separation plan or for restructuring and/or rationalization of assets, investments or liabilities of the Target Company for commercial reasons and to improve operational efficiencies. The Board of Directors of the Target Company will make decisions on these matters in accordance with the requirements of the business of the Target Company.

94. Except as otherwise disclosed in this PA or in the ordinary course of business, the Acquirer and the PACs undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of the Target Company, except with the prior approval of the shareholders of the Target Company.

95. Subject to the terms of the amendment to the share purchase agreement (referred to in paragraph 6) and the provisions of applicable laws, the Acquirer and the PACs intend to have their nominee directors appointed to the Board of Directors of the Target Company, upon completion of the Offer formalities. If, pursuant to the terms of the amendment to the share purchase agreement and the provisions of applicable laws, the Acquirer decides to fully fund the escrow account, the same will be notified by way of a public announcement in the same newspapers in which this PA has appeared.

#### DISCLOSURE UNDER REGULATION 21(2) OF THE SEBI (SAST) REGULATIONS

96. As per the listing agreements with BSE, CSE and NSE ("Listing Agreement"), the Target Company is required to maintain at least 10% (ten percent) public shareholding on a continuous basis. In the event that the acquisition of Shares pursuant to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirer and the PACs undertake to comply with the requirements of the Listing Agreements by adopting one of the methods specified therein.

#### STATUTORY AND OTHER APPROVALS FOR THE OFFER

97. As set out in paragraph 8, the Global Acquisition is subject to the receipt of the necessary anti-trust clearances for South Africa (or undertaking of appropriate alternate actions) for which necessary applications have already been filed and the publication of a decree of the French Prime Minister authorizing the Global Acquisition.

98. The Offer is subject to the receipt of approval from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder, for acquiring Shares validly tendered under the Offer. The Acquirer will make the necessary application to the RBI for its approval as aforesaid.

99. The Acquirer will have the right not to proceed with the Offer and withdraw the same in terms of Regulation 27 of the SEBI (SAST) Regulations in the event that any of the statutory approvals indicated above are not received.

100. As on the date of this PA, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to implement the Offer other than those specified in paragraphs 97 and 98 above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer will also be subject to such other statutory approvals.

101. In case of delay in receipt of any statutory approval(s), the Securities and Exchange Board of India ("SEBI") has the power to grant an extension of time to the Acquirer for payment of consideration to shareholders, subject to the Acquirer agreeing to pay interest for the delayed period, as may be directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will become applicable.

102. Neither the Acquirer nor any of the PACs require any approvals from financial institutions or banks for the Offer.

#### FINANCIAL ARRANGEMENTS

103. The total funding requirement for the Offer is Rs. 14,123,550,716.18 (Rupees fourteen billion and one hundred and twenty three million and five hundred and fifty thousand and seven hundred and sixteen and paise eighteen) (the "Maximum

Consideration"), assuming full acceptance of the Offer.

104. Pursuant to the resolutions of the board of directors of Alstom Holdings dated May 12, 2010, Alstom Holdings has confirmed that it will provide the necessary funds to the extent of 70% (seventy percent) of the Maximum Consideration to enable the Acquirer to be able to fulfill its obligations under Regulation 29 of the SEBI (SAST) Regulations. Pursuant to the resolutions of board of directors of Schneider dated March 18, 2010, Schneider has confirmed that it will provide the necessary funds to the extent of 30% (thirty percent) of the Maximum Consideration to enable the Acquirer to be able to fulfill its obligations under Regulation 29 of the SEBI (SAST) Regulations.

105. Société Générale, Agence Paris Opera, having its office at 50 Boulevard, Haussmann 75009 Paris, who is the banker for Alstom Holdings, has by letter dated May 26, 2010 confirmed that Alstom Holdings has sufficient means and financial capability to enable the Acquirer to meet its obligations, to the extent of 70% (seventy percent) of the Maximum Consideration. BNP Paribas having its office at 1, Boulevard Haussmann 75 425 Paris Cedex 9 - France, who is the banker for Schneider, has by letter dated May 26, 2010 confirmed that Schneider has sufficient means and financial capability to enable the Acquirer to meet its obligations to the extent of 30% (thirty percent) of the Maximum Consideration.

106. On behalf of the Acquirer, Bank of America N.A., a national banking association organized under the laws of the United States of America, having its head office at Charlotte, North Carolina, USA, and carrying on the business of banking in India as a scheduled commercial bank, and acting through its branch in India located at Express Towers, Nariman Point, Mumbai ("Escrow Bank") has issued a bank guarantee for Rs. 1,570,293,412 (Rupees one billion and five hundred and seventy million and two hundred and ninety three thousand and four hundred twelve) in favour of the Manager to the Offer. The said amount is equivalent to the minimum prescribed amount of 25% (twenty five percent) of the value of the total consideration payable up to Rs. 1,000 (one thousand) million and 10% (ten percent) thereafter as per Regulation 28(2) of the SEBI (SAST) Regulations under the Offer (assuming full acceptance). The said bank guarantee entitles the Manager to the Offer to realize the value thereof in terms of the SEBI (SAST) Regulations.

107. In addition, the Acquirer, the Manager to the Offer and the Escrow Bank have entered into an open offer escrow agreement, dated May 25, 2010 ("Open Offer Escrow Agreement") in accordance with Regulation 28 of the SEBI (SAST) Regulations. Pursuant to the Open Offer Escrow Agreement, the Acquirer has made a cash deposit of Rs. 142,029,342 (Rupees one hundred forty two million and twenty nine thousand and three hundred and forty two) which is in excess of / at least 1% (one percent) of the Maximum Consideration, in an escrow account with the Escrow Bank ("Open Offer Escrow Account"). The Manager to the Offer has been duly authorized to realize the monies lying to the credit of the aforesaid Open Offer Escrow Account in terms of the SEBI (SAST) Regulations under the Open Offer Escrow Agreement.

108. Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

#### OTHER TERMS OF THE OFFER

109. The Letter of Offer together with the form of acceptance cum acknowledgement ("Form of Acceptance") and form of withdrawal ("Form of Withdrawal") (collectively the "Offer Documents") will be mailed to the shareholders (other than the Acquirer and the PACs), whose names appear on the register of members of the Target Company and to the beneficial owners of the Shares of the Target Company whose names appear in the beneficial records of the respective depositories as on the close of business on Friday, June 25, 2010 (the "Specified Date").

110. Shareholders can also download the Letter of Offer and the Form of Acceptance placed on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) and send in their acceptance by filling the same.

111. All owners (registered or unregistered) of Shares, except the Acquirer and the PACs, are eligible to participate in the Offer anytime before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010.

112. Unregistered shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio number, together with the original Share certificates, valid transfer deeds and the original contract notes issued by the broker through whom they acquired their Shares, either by hand delivery on weekdays or by registered post, so that the same are received on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010. No indemnity is required from the unregistered shareholders.

113. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares tendered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Shares held, number of Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account opened by the Registrar to the Offer ("Depository Escrow Account"), so as to reach the Registrar to the Offer, on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010.

114. Shareholders who are holding Shares in physical form and who wish to tender their Shares in the Offer will be required to send the Form of Acceptance, original Share certificates and transfer deeds, duly signed, and addressed to the Registrar to the Offer, either by hand delivery on weekdays or by registered post, so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010, in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

115. As mentioned in paragraph 113 above, the Registrar to the Offer has opened the Depository Escrow Account. The name of the Depository Participant ("DP") is DSP Merrill Lynch Limited, DP ID is IN302638 and the Client ID is 10056839.

116. Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of the Depository Escrow Account, to the Registrar to the Offer, either by hand delivery on weekdays or by registered post, so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010, in accordance with the instructions to be specified in the Offer Documents. The credit for the delivered Shares should be received in the Depository Escrow Account, on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010.

117. Shareholders having their beneficiary account in Central Depository Services (India) Limited (CDSL) shall use the inter-depository delivery instruction slip for the purpose of crediting their Shares in favor of the Depository Escrow Account with the National Securities Depositories Ltd. (NSDL).

118. Shareholders who have sent their Shares for dematerialization need to ensure that the process of getting their Shares dematerialized is completed in time for the credit in the Depository Escrow Account, to be received on or before the closure of the Offer, i.e., no later than Tuesday, August 10, 2010, or else their application will be rejected.

119. The shareholders should also provide all relevant documents which are necessary to ensure transferability of the Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

- duly attested death certificate and succession certificate / probate / letter of administration (in case of single shareholder) if the original shareholder is no more;
- duly attested power of attorney if any person apart from the shareholder has signed the application form and / or transfer deeds;
- in case of companies, the necessary corporate authorization (including certified copy of board resolutions); and
- any other relevant documents.

120. The shareholders who wish to accept the Offer can also deliver the Form of Acceptance along with all of the relevant documents at any of the collection centers mentioned below, in accordance with the procedure as set out in the Offer Documents.

| S. No. | Collection Centre | Address of Collection Centre                                                                                                                                                       | Contact Person    | Tel. No.                            | Fax No.       | Mode of delivery    |
|--------|-------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------------------------|---------------|---------------------|
| 1.     | Mumbai            | Bigshare Services Private Limited, E2 Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400072.                                                           | Mr. Babu Raphael  | 022 4043 0200                       | 022 2847 5207 | Post/ Hand Delivery |
| 2.     | Pune              | Bigshare Services Private Limited, C/o Bral Express, Shop No. 26, Siddhivaynak Kehar Ground Floor, Opposite Yashoda Hotel, Near Hitech Services Narpat Giri Chowk, Pune - 411011.  | Mr. Vishnu Shama  | 9326008464                          | -             | Hand Delivery       |
| 3.     | Baroda            | Bigshare Services Private Limited, C/o Skystock Financial Services, 45, Taskent Society, Near Dave Deep Shopping Complex, Nizampura, Baroda- 390002.                               | Mr. Sanjay Suthar | 9825450718                          | 0265- 2775420 | Hand Delivery       |
| 4.     | Surat             | Bigshare Services Private Limited, C/o Skystock Financial Services, 2nd Garden View, Near Rammonds Showroom, Opposite Rangupvan, Makkaipul, Surat- 395001.                         | Mr. Akil Saiyed   | 9825171771/ 0261- 2472324           | 0261-2352742  | Hand Delivery       |
| 5.     | Chennai           | Bigshare Services Private Limited, C/o Bral Express, Old 64, New 80 Godown Street, Chennai- 600001.                                                                                | Mr. Prakash       | 9382550013/ 044- 32961262/ 42047581 | -             | Hand Delivery       |
| 6.     | New Delhi         | Bigshare Services Private Limited, C/o Sterling Services, T-1895 Upper Ridge Road, Karol Bagh, New Delhi - 110005.                                                                 | Mr. Sridhar       | 9313796360/ 9312546905              | -             | Hand Delivery       |
| 7.     | Jaipur            | Bigshare Services Private Limited, C/o M/s Maloo Finance & Investment Services, 103 & 110 First Floor, Brij Anukampa, Opposite BSNL Office, Ashok Marg, C Scheme, Jaipur - 302001. | Mr. Ramesh Maloo  | 9829006801/ 0141- 2360571/0         | -             | Hand Delivery       |
| 8.     | Kolkata           | Bigshare Services Private Limited, C/o Maheshwari Datamatics Pvt. Ltd., 2nd Floor, 6, Mangoe Lane, Kolkata - 700001.                                                               | Mr. Rajgopal      | 033- 22435029                       | 033-22484787  | Hand Delivery       |
| 9.     | Hyderabad         | Bigshare Services Private Limited, G-10, Left Wing, Amrutha Villa, Opposite Yasodha Hospital, Somajiguda, Raj Bhavan Road, Hyderabad- 500082.                                      | Mr. Bojimon       | 040-2337 4967                       | 040-23370295  | Hand Delivery       |
| 10.    | Ahmedabad         | Bigshare Services Private Limited, C/o Vishwam Advisory Private Limited, 310, Aditya Plaza, Near Kamavati Apartments, Jodhpur, Satellite, Ahmedabad - 380015.                      | Mr. Hitesh Buch   | 079-40321260                        | -             | Hand Delivery       |

All of the centers mentioned herein below will be open as follows:

#### Business Hours:

Monday to Friday: 10.30 AM to 4.30 PM

Saturday: 10.30 AM to 1.00 PM. (The Collection Centre at Hyderabad shall remain open on Saturdays from 10.30 AM to 4.30 PM)

Holidays: Sundays and Public Holidays

121. The Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer, PACs or the Target Company.

122. The Acquirer shall not be responsible in any manner for any loss of Share certificates and other documents during transit and the shareholders are advised to adequately safeguard their interests in this regard.

123. Shares that are subject to any charge, lien or encumbrance are liable to be rejected in the Offer. Applications in respect of Shares of the Target that are a subject matter of litigation wherein the shareholders of the Target are prohibited from transferring the Shares during the pendency of the said litigation will be rejected, if the directions / orders permitting transfer of these Shares are not received together with the Shares tendered under the Offer.

124. Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders desirous of withdrawing the Shares tendered by them in the Offer may do so up to 3 (three) working days prior to the date of closure of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before Thursday, August 5, 2010.

(i) The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

(ii) In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:

- In case of physical Shares: name, address, distinctive numbers, folio number, number of Shares tendered; and
- In case of dematerialized Shares: name, address, number of Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the Depository Escrow Account.

125. In case of partial withdrawal of Shares tendered in physical form, if the original Share certificates are required to be split, the same will be returned on receipt of Share certificates from the Target Company. The facility of partial withdrawal is available only to those holders of Shares whose names appear on the register of members.

126. The Shares are compulsorily traded in dematerialized form, hence the minimum acceptance will be 1 (one) Share.

127. The Registrar to the Offer will hold in trust the Shares held in physical form and in credit of the Depository Escrow Account, the Form of Acceptance, if any, and the transfer form(s) on behalf of the shareholders who have accepted the Offer, till completion of the Offer formalities.

128. If the aggregate of the valid responses to the Offer exceeds the Offer Size, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations.

129. Unaccepted Share certificates, transfer forms and other documents, if any, will be returned by registered post / speed post at the shareholders' / unregistered owners' sole risk to the sole / first shareholder. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective DP as per the details furnished by the beneficial owner in the Form of Acceptance.

130. Compliance with tax requirements:

- (i) While tendering Shares under the Offer, non-resident Indians ("NRI"), overseas corporate bodies ("OCB"), foreign institutional investors ("FII") and other non-resident shareholders will be required to submit a tax clearance or no-objection or certificate for deduction of tax at lower rate certificate ("Tax Clearance Certificate") from the income tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income-tax Act, 1961 ("Income Tax Act"), before remitting the consideration. In case the Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the rate, as may be applicable to the category of the shareholder under the Income Tax Act on the entire consideration amount payable to such shareholder.
- (ii) As per the provisions of Section 196D (2) of the Income Tax Act, no deduction of tax at source will be made from any income by way of capital gains arising from the transfer of securities referred to in Section 115AD of the Income Tax Act to an FII as defined in Section 115AD of the Income Tax Act. However the interest payment for delay in payment of consideration, if any, will not be governed by this provision.

(iii) For interest payments, if any, NRIs, OCBs, FIIs and other non-resident shareholders will be required to submit a Tax Clearance Certificate from the income tax authorities under the Income Tax Act indicating the amount of tax to be deducted by Acquirer before remitting the consideration, failing which the Acquirer will arrange to deduct tax at the rate, as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, on the consideration payable as interest to such shareholder.

(iv) NRIs, OCBs, FIIs and other non-resident shareholders would be required to submit their permanent account number ("PAN") for income tax purposes. In case PAN is not submitted, the Acquirer will arrange to deduct tax at the rate of 20% (twenty percent) or the rate, as may be applicable to the category of the shareholder under the Income Tax Act, whichever is higher.

(v) In case of resident shareholders, tax will be deducted on the interest component exceeding Rs. 5,000 (Rupees five thousand) at the applicable current prevailing rates. If the resident shareholder requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, such shareholders will be required to submit a Tax Clearance Certificate indicating the amount of tax to be deducted by the Acquirer or a self-declaration in form 15G or form 15H as may be applicable. Shareholders eligible to receive interest component exceeding Rs. 5,000 (Rupees five thousand) would be required to submit their PAN for income tax purposes. All resident shareholders would be required to submit their PAN for income tax purposes.

131. Payment to those shareholders whose Share certificates and/or other documents are found valid and in order and are approved by the Acquirer / PACs, will be by way of bankers' cheque / demand draft / National Electronic Funds Transfer ("NEFT") / Real Time Gross Settlement ("RTGS"). Shareholders who opt for receiving consideration through NEFT/ RTGS are requested to give the authorization for the same in the Form of Acceptance and enclose a photocopy of cheque along with the Form of Acceptance. The decision regarding the acquisition (in part or full), or rejection of the Shares tendered pursuant to the Offer and (i) any corresponding payment for the acquired Shares and/or (ii) Share certificates for any rejected Shares or Shares withdrawn, will be dispatched to the shareholders by registered post or by ordinary post as the case may be<sup>10</sup>, at the shareholder's sole risk. Shares held in dematerialized form to the extent not acquired or Shares withdrawn will be credited back to the respective beneficiary account with their respective DPs as per the details furnished by the beneficial owners in the Form of Acceptance.

<sup>10</sup>Dispatches involving payment of a value in excess of Rs. 1,500 (Rupees one thousand and five hundred)- will be made by registered post at the shareholder's sole risk. All other dispatches will be made by ordinary post at the shareholder's sole risk.

132. All bankers' cheques / demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the shareholders provide bank account details in the Form of Acceptance for incorporation in the bankers' cheque / demand draft.

133. The Acquirer / PACs reserve the right to withdraw the Offer pursuant to Regulation 27 of the SEBI (SAST) Regulations. Any such withdrawal will be notified by way of a public announcement in the same newspapers in which this PA has appeared.

134. While tendering the Shares under the Offer, NRIs, OCBs, FIIs and other non-resident shareholders will be required to submit the previous RBI approvals (specific or general) that they obtained to acquire the Shares of the Target Company, if any. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Shares tendered.

135. A schedule of the activities pertaining to the Offer is given below:

| Activity                                                                                                                                                                              | Day & Date                 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|
| Public Announcement Date                                                                                                                                                              | Friday, May 28, 2010       |
| Last date for a competitive bid                                                                                                                                                       | Friday, June 18, 2010      |
| Specified Date*                                                                                                                                                                       | Friday, June 25, 2010      |
| Last Date by which Letter of Offer is to be dispatched to shareholders                                                                                                                | Friday, July 9, 2010       |
| Date of opening of the Offer                                                                                                                                                          | Thursday, July 22, 2010    |
| Last date for upward revision of the Offer Price                                                                                                                                      | Friday, July 30, 2010      |
| Last date for withdrawing acceptance of the Offer                                                                                                                                     | Thursday, August 5, 2010   |
| Date of closure of the Offer                                                                                                                                                          | Tuesday, August 10, 2010   |
| Last date of communicating rejection/acceptance and when payment of consideration for accepted tenders and/or the unaccepted Shares/Share certificates will be dispatched / credited. | Wednesday, August 25, 2010 |