PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

KSK ENERGY VENTURES LIMITED

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Tel +91-40-23559922, **Fax** +91-40-23559930, **Website:** www.ksk.co.in

This Public Announcement **("PA"** or **"Public Announcement")** is being issued by Axis Bank Limited **("Axis"** or the "**Manager to the Offer")** for and on behalf of **KSK Energy Company Private Limited** (**"KECPL"**), **KSK Energy Limited** (**"KEL"**) and **KSK Surya Limited** (**"KSK Surya"**) (**"KECPL"**, **"KEL"** and **"KSK Surya"** are jointly referred to as **"Acquirers"**) to the public equity shareholders (other than the promoter and promoter group) of **KSK Energy Ventures Limited** (the **"Target Company"** or **"KSKEVL"**) pursuant to and in compliance with, among others, Regulation 11(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the **"SEBI (SAST) Regulations"** or the **"Regulations"**).

1 **BACKGROUND TO THE OFFER**

1.1 The Acquirers are making a voluntary offer (the **"Offer"** or **"Open Offer"**) to the public equity shareholders of the Target Company to acquire up to 7,45,26,091 (Seven Crore Forty Five Lakhs Twenty Six Thousand and Ninety One) fully paid-up equity shares of the Target Company (the "**Offer Size**") constituting 20% of the Voting Share Capital (as defined in paragraph 1.3 below) of the Target Company at a price of Rs. 125.00 (Rupees One Hundred and Twenty Five only) per equity share (the **"Offer Price"**).

1.2 The Acquirers form part of the promoter and promoter group of the Target Company and currently collectively hold 20,47,06,586 (Twenty Crores Forty Seven Lakhs Six Thousand five hundred and eighty six) equity shares in the Target Company constituting 54.94% of the Voting Share Capital of the Target Company as on the date of this Public Announcement.

1.3 The issued, subscribed and paid-up share capital of the Target Company is Rs. 472,63,04,540 (Rupees Four Hundred and Seventy Two Crores Sixty Three Lakhs Four Thousand Five Hundred and Forty) consisting of 37,26,30,454 (Thirty Seven Crores Twenty Six Lakhs Thirty Thousand Four Hundred and Fifty Four) equity shares of face value of Rs. 10.00 (Rupees Ten) each (**"Voting Share Capital"**) and 10,00,00,000 (Ten Crores) compulsorily redeemable preference shares of face value of Rs 10.00 (Rupees Ten) each. Currently there are no outstanding partly paid-up shares or any other instruments convertible into equity shares of the Target Company at a future date.

2. **THE OFFER**

2.1 This Offer is being made by the Acquirers to the public equity shareholders of the Target Company to acquire up to 7,45,26,091 (Seven Crore Forty Five Lakhs Twenty Six Thousand and Ninety One) equity shares being 20% of the Voting Share Capital of the Target Company. The Offer Size has been determined in accordance with Regulations 21(1) and 21(5) of the SEBI (SAST) Regulations. The open offer has been made voluntarily by the Acquirers and not pursuant to any acquisition triggering the provisions of the SEBI (SAST) Regulations.

2.2 This Offer is being made pursuant to Regulation 11(1) of the SEBI (SAST) Regulations, at a price of Rs. 125.00 (Rupees One hundred and twenty five only) per equity share, payable in cash in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions mentioned hereinafter.

2.3 Upon completion of the Offer, assuming full acceptance of the Offer, the Acquirers, will hold 27,92,32,677 (Twenty Seven Crores Ninety Two Lakhs Thirty Two Thousand Six Hundred and Seventy Seven) equity shares in the Target Company representing 74.94% of the Voting Share Capital of the Target Company.

2.4 As on the date of the Public Announcement, the Manager to the Offer holds 54,60,913 (Fifty Four lakhs Sixty Thousand Nine Hundred and Thirteen) equity shares of the Target Company (representing 1.47% of the Voting Share Capital of the Target Company). Further, the Manager to the Offer declares and undertakes that it shall not deal in the equity shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of 15 (fifteen) days from the date of closure of the Offer. The Manager however reserves the right to participate in the open offer.

2.5 Subject to the receipt of statutory approvals as set out in paragraph 7 below, and other terms and conditions set out in this PA and the Letter of Offer to be sent to the public equity shareholders of the Target Company, the Acquirers will acquire equity shares tendered pursuant to the Offer to the extent of the Offer Size. In case the necessary statutory approvals required for the Offer are refused, the Acquirers reserve the right to withdraw the Offer in accordance with Regulation 27 of the SEBI (SAST) Regulations.

2.6 This Offer is being made to all the public equity shareholders of the Target Company and is not conditional or subject to any minimum level of acceptance.

2.7 In terms of the Listing Agreement with the BSE and the NSE (as defined in paragraph 3.1 below), the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. Pursuant to the existing Offer Size and the current shareholding of the promoter group of the Target Company, the public shareholding in the Target Company is not expected to fall below the levels stipulated by the equity listing agreement even after, assuming full acceptance of the Offer, acquisition of the Offer Shares by the Acquirer. In light of the same, the provision of Regulation 21(2) of the Regulations shall not apply.

2.8 Except the acquisition of 82,00,000 (Eighty Two Lakhs) equity shares (representing 2.20% of the Voting Share Capital) by KECPL (one of the Acquirers) as detailed below, none of the Acquirers and/ or Directors of the Acquirers have acquired any equity shares of the Target Company during the twelve (12) month period preceding to the date of this PA:

Name of the Acquirer	Price (Rs.)	Date of Acquisition	No. of Equity Share Purchased
KECPL	110.00	January 19, 2011	2,00,000
KECPL	108.00	January 24, 2011	80,00,000
Total (Eighty Two lakhs equity shares)			82,00,000

2.9 Due to the operation of regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, there could be person(s) deemed to be acting in concert with the Acquirers. However, such person(s) are not acting in concert with the Acquirers for the purposes of this Offer.

2.10 This is not a competitive bid.

2.11 This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of or control over the Target Company.

2.12 There are no partly paid-up equity shares in the Target Company.

2.13 The equity shares of the Target Company will be acquired by the Acquirers free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

2.14 The Target Company, its significant shareholders, namely LB India Holdings Mauritius I Limited (for itself and on behalf of its subsidiaries, all collectively referred to as "LB Group"), KEL and KSK Power Ventur plc (parent company of KEL) have entered into a "Non Statutory Share Lock-Up Agreement" dated October 29, 2009, whereby LB Group has agreed to among other things, not to sell, pledge or transfer 4,55,80,537(Four Crore Fifty Five Lakhs Eighty Thousand Five Hundred and Thirty Seven) equity shares of the Target Company (equivalent to 12.23 % of the Voting Share Capital) till October 29, 2011 unless consent of the other parties is obtained. Pursuant, to the request of the LB Group, KEL and KSK Power Ventur plc have given their consent to waive the non statutory lock up on the said equity shares, thereby enabling LB Group to sell or pledge the said equity shares at their sole discretion.

2.15 KSK Power Ventur plc (parent company of KEL) had on June 7, 2010 entered into a Supplementary Development Agreement (SDA) with respect to grant of Right of First Refusal ("ROFR") on certain indirect shareholding interest of LB Group in the Target Company, namely over 2,42,27,330 (Two Crore Forty Two Lakhs Twenty Seven Thousand Three Hundred and Thirty) equity shares of the Target Company (equivalent to 6.5% of the Voting Share Capital) and such ROFR was to be exercised on or before September 23, 2011. The Parties to the SDA have amended the arrangement whereby the ROFR is now exercisable over 1,06,01,415 (One Crore Six Lakhs One Thousand Four Hundred and Fifteen) equity shares of the Target Company (equivalent to 2.85% of the Voting Share Capital) equity shares of the Target Company and this ROFR could now be exercised by the parties or any nominated alternate third party upto any time on or before May 31, 2013. The Acquirers anticipates that LB Group would not be able to tender these 1,06,01,415 equity shares of the Target Company in the proposed Open Offer being made under this Public Announcement.

2.16 This Public announcement is being released as per regulation 15(1) of SEBI (SAST) Regulations in the following newspapers:

Publication	Language	Editions
Business Standard	English	All Editions
Business Standard	Hindi	All Editions
Andhra Prabha	Telugu	Hyderabad
Navshakti	Marathi	Mumbai

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

3. **OFFER PRICE**

3.1 The equity shares of the Target Company are listed on the Bombay Stock Exchange Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**"). The annualized trading turnover in the equity shares of the Target Company on BSE and NSE based on trading volume during the period November 1, 2010 - April 30, 2011 (six (6) calendar months preceding the month of this PA) is as given below:

Stock Exchange	Equity Shares Traded (November 1, 2010 to April 30, 2011)	Total Equity Shares Listed	Trading Turnover (Annualised) (% of Total Equity Shares Listed)
BSE	1,65,68,156	372,630,454	8.89%
NSE	2,02,84,318	372,630,454	10.89%

As the annualized trading turnover is more than 5% of the total number of listed shares on BSE and NSE, the Equity Shares are deemed to be frequently traded on BSE and NSE and is most frequently traded on NSE within the meaning of the Explanation (i) of regulation 20(5) of the SEBI (SAST) Regulations. Consequently, the minimum Offer Price to be computed for this Offer would be governed by regulation 20(4) of the SEBI (SAST) Regulations as per the following applicable parameters viz.,

S. No.	Parameters	Price (Rs per share)
1.	Negotiated price	Not Applicable
2.	Highest price paid by the Acquirer for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty six week period prior to the date of the Public Announcement	Rs. 110.00
3.	Average of weekly high and low of the closing prices of the shares of the Target Company on NSE, where shares are most frequently traded, for the 26 (twenty six) weeks period ended on May 16, 2011 i.e., the date preceding the Public Announcement.	Rs. 117.59
4.	Average of daily high and low prices of the Target Company on NSE, where shares are most frequently traded, for the 2 (two) weeks period ended on May 16, 2011 i.e., the date preceding the Public Announcement	Rs. 113.33

3.2 In view of the above, the Offer Price of Rs. 125.00 (Rupees One Hundred and Twenty Five only) is justified in terms of regulation 20(4) of SEBI (SAST) Regulations.

3.3 This Offer is being made in terms of Regulation 11(1) of the SEBI (SAST) Regulations, pursuant to the intention of the Acquirers to further consolidate and enhance their stake in the Target Company.

3.4 If the equity shares tendered in this Offer by the shareholders of the Target Company are more than the equity shares to be acquired under this Offer, the acquisition of equity shares from each public equity shareholder will be on a proportionate basis as per the provisions of regulation 21(6) of the Regulations such that the acquisition from each public equity shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target Company is 1 (one) equity share.

4. **INFORMATION ABOUT THE ACQUIRERS**

The Acquirers form part of the promoter/promoter group of the Target Company. Information pertaining to the Acquirers have been provided hereunder.

A) KSK ENERGY COMPANY PRIVATE LIMITED ("KECPL")

4.1.1 KECPL is a private limited company incorporated on October 28, 2005 under the Indian Companies Act, 1956, as amended. It was originally incorporated by the name of Pushkar Power Company Private Limited, which was subsequently changed to KSK Energy Company Private Limited on November 30, 2005. The registered office of KECPL is located at 8-2-293/82/A/431/A, Road No. 22, Jubilee Hills, Hyderabad - 500033, India.

4.1.2 The equity shares of the KECPL are not listed on any stock exchange.

4.1.3 KECPL is into the business of development and investments in power projects and other associated infrastructure business in India.

4.1.4 KECPL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

4.1.5 As on the date of PA, the issued and paid up capital of KECPL is Rs. 616,080,480 divided into 61,608,048 equity shares of face value of Rs.10/-. KECPL is part of the KSK Group and is a wholly owned subsidiary of KEL, which in turn is a wholly owned subsidiary of KSK Power Ventur plc.

4.1.6 Mr. S. Kishore, Mr. K.A. Sastry, Mr. C Shanker Narayan , Mr. A Hari Prasad, Mr. Sunil Kapoor and Mr. Shishir Shrikant Kalkonde are the current directors of KECPL. Except Mr. S. Kishore and Mr. K.A. Sastry who are also the directors on the board of the Target Company, none of other directors of KECPL are on the board of the Target Company or are an insider within the meaning of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992. Further, Mr. S. Kishore and Mr. K.A. Sastry have recused themselves and not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the SEBI (SAST) Regulations.

4.1.7 As on the date of the PA, KECPL holds 13,484,555 equity shares constituting 3.62 % of the Voting Share Capital of the Target Company.

4.1.8 The audited financial information of KECPL is as follows:

(Rs. in Lakhs except as indicated)

Particulars	Year ended March 31, 2011
Total Income	301.44
Profit After Tax	(6,892.51)
Paid up Share Capital	5,166.90
Share Application Money	28,435.21
Reserves & Surplus (excluding Revaluation Reserves)	10,878.03
Net Worth (excluding Minority Interests)	35,573.52
Earnings per share (Rs.) ^	(13.62)
Book Value per share (Rs.)*	68.85
Return on Networth (%)#	(19.38)

Source: Annual Accounts

^-Earnings per share computed as the PAT / Number of shares

**-Book Value per share computed as the Networth / Number of shares*

#-Return on Networth computed as Profit After Tax / Networth

Events after the reporting date:

(i) KECPL has issued to KEL on April 9, 2011, an additional 9,939,048 equity shares of INR 10 each at a premium of INR 65 per equity share.

Source: Annual Accounts

B) KSK ENERGY LIMITED ("KEL")

4.2.1 KEL was incorporated as Bijlee Bharat Holdings under the Mauritius Companies Act, 2001 on June 14, 2005. The name of the company was changed to KSK Energy Limited on November 22, 2006. The registered office of the Company is located at C/o First Island Trust Company Limited, Suite 308, St. James Court, St. Denis Street, Port Louis, Republic of Mauritius.

4.2.2 The equity shares of the KEL are not listed on any stock exchange.

4.2.3 As on the date of the PA, the outstanding paid up capital of KEL is USD 13,92,44,601 divided into 13,92,44,601 ordinary shares of USD 1 each. KEL is a part of KSK Group and is a wholly owned subsidiary of KSK Power Ventur plc.

4.2.4 The principal activity of KEL is to hold investments in companies engaged in the development, operation and maintenance of power projects and other infrastructure projects.

4.2.5 The Directors on the Board of KEL are as follows: Mr. Denis Sek Sum, Mr. Fung Kong Yune Kim, Mr. S. Kishore, Mr. K.A. Sastry and Mr. Ramzi Nassar. Except Mr. S. Kishore and Mr. K.A. Sastry who are also the directors on the board of the Target Company, none of other directors of KEL are on the board of the Target Company or are an insider within the meaning of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992. Further, Mr. S. Kishore and Mr. K.A. Sastry have recused themselves and not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the SEBI (SAST) Regulations.

4.2.6 KEL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

4.2.7 As on the date of the PA, KEL holds 19,12,22,031 Equity Shares constituting 51.32 % of the Voting Share Capital of the Target Company.

4.2.8 The financial information of KEL is as follows:

(In GBP ('000)/Rs. In Lakhs except as indicated)

Particulars	Year ended March 31, 2011 (GBP)	Year ended March 31, 2011 (INR)
Total Income	1,417.49	1,035.61
Profit After Tax	1,400.02	1,022.85
Paid up Share Capital	21,600.00	15,780.87
Reserves & Surplus (excluding Revaluation Reserves)	9,259.29	6,764.80
Net Worth (excluding Minority Interests)	30,859.29	22,545.68
Earnings per share (GBP & Rs.) ^	0.03	2.44
Book Value per share (GBP & Rs.)*	0.74	53.89
Return on Networth (%)#	4.54	4.54

Source: Annual Accounts

(GBP refers to Great Britain Pound, the official currency of United Kingdom)

^-Earnings per share computed as the PAT / Number of shares

**-Book Value per share computed as the Networth / Number of shares*

#-Return on Networth computed as Profit After Tax / Networth

Exchange rate used is the reference rate as on May 13, 2011 i.e. Rupees 73.0596 / GBP1 (Source: www.rbi.org.in)

Events after the reporting date:

(i) Subsequent to a board meeting held on April 29, 2011, KEL has issued 97,405,400 additional ordinary shares of USD 1.00 each to KSK Power Ventur plc (the "Holding Company") against loan of GBP 58,446,266 granted previously by the Holding Company.

(ii) KEL was allotted an additional 1,000,000 ordinary shares for a consideration of USD 1,000,000 in KSK Surya on April 29, 2011.

(iii) KEL was allotted additional 9,939,048 equity shares of INR 10 each at a premium of INR 65 in KECPL on April 9, 2011

Source: Annual Accounts

C) KSK Surya Limited ("KSK Surya")

4.3.1 KSK Surya was incorporated under the Mauritius Companies Act, 2001 on November 11, 2008. The registered office of KSK Surya is located at C/o First Island Trust Company Limited, Suite 308, St. James Court, St. Denis Street, Port Louis, Republic of Mauritius.

4.3.2 The equity shares of the KSK Surya are not listed on any stock exchange.

4.3.3 As on the date of the PA, the paid up capital of KSK Surya is USD 1,000,001 divided into 1,000,001 ordinary shares of USD 1 each. KSK Surya is a part of KSK Group and is a wholly owned subsidiary of KSK Energy Limited.

4.3.4 The principal activity of KSK Surya is to invest, own and operate energy production facilities worldwide.

4.3.5 The Directors on the Board of KSK Surya are Mr. S. Kishore, Mr. K.A. Sastry, Mr. Denis Sek Sum and Mr. Fung Kong Yune Kim. Except Mr. S. Kishore and Mr. K.A. Sastry who are also the directors on the board of the Target Company, none of other directors of KSK Surya are on the board of the Target Company or are an insider within the meaning of the Securities and Exchange Board of India (Insider Trading) Regulations, 1992. Further, Mr. S. Kishore and Mr. K.A. Sastry have recused themselves and not participated in any matter(s) concerning or relating to the Offer including any preparatory steps leading to the Offer in terms of Regulation 22(9) of the SEBI (SAST) Regulations.

4.3.6 KSK Surya has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act, 1992 ("SEBI Act") as amended or under any other regulation made under the SEBI Act.

4.3.7 As on the date of the PA, KSK Surya does not hold any shares in the Voting Share Capital of the Target Company.

4.3.8 The financial information of KSK Surya is as follows:

(In GBP ('000)/Rs. Lakhs except as indicated)

Particulars	Year ended March 31, 2011 (GBP)	Year ended March 31, 2011 (Rs.)
Total Income	0.14	0.11
Profit After Tax	(1.37)	(1.00)
Paid up Share Capital	0.001	0.00
Reserves & Surplus (excluding Revaluation Reserves)	(4.58)	(3.34)
Net Worth (excluding Minority Interests)	(4.58)	(3.34)
Earnings per share (GBP & Rs.) ^	(1,369)	(100,018.59)
Book Value per share (GBP & Rs.)*	(4,576.37	(334,347.76)
Return on Networth (%)#	–	–

Source: Annual Accounts

(GBP refers to Great Britain Pound, the official currency of United Kingdom)

^-Earnings per share computed as the PAT / Number of shares

**-Book Value per share computed as the Networth / Number of shares*

#-Return on Networth computed as Profit After Tax / Networth

Exchange rate used is the reference rate as on May 13, 2011 i.e. Rupees 73.0596 / GBP 1 (Source: www.rbi.org.in)

Events after the reporting date:

(i) KSK Surya has issued to KEL on April 29, 2011, an additional 1,000,000 ordinary shares for a consideration of USD 1,000,000.

Source: Annual Accounts

5. **INFORMATION ABOUT THE TARGET COMPANY**

5.1 KSK Energy Ventures Limited is a public limited company having its registered office located at 8-2-293/82/A/431/A, Road No. 22, Jubilee Hills, Hyderabad - 500033, India, Tel +91-40-23559922, Fax +91-40-23559930. The Acquirers collectively hold 54.94% of the Target Company's Voting Share Capital.

5.2 The Target Company was incorporated as KSK Energy Ventures Private Limited on February 14, 2001 under the Companies Act, 1956, as amended. It became a public company pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on February 9, 2002, and the word "private" was deleted from its name. The Company became a private limited company pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on July 3, 2006, and the word "private" was added to its name. Subsequently, pursuant to a special resolution of the shareholders of the Company at an extraordinary general meeting held on January 19, 2008, the Company has become a public limited company and the word "private" has been deleted from its name. The certificate of incorporation to reflect the new name was issued on February 6, 2008 by the RoC.

5.3 The issued, subscribed and paid-up share capital of the Target Company is Rs. 4,726,304,540 (Rupees Four Hundred and Seventy Two Crores Sixty Three Lakhs Four Thousand Five Hundred and Forty) consisting of 37,26,30,454 (Thirty Seven Crores Twenty Six Lakhs Thirty Thousand Four Hundred and Fifty Four) equity shares of face value of Rs. 10.00 (Rupees Ten) each and 10,00,00,000 (Ten Crores) compulsorily redeemable preference shares of face value of Rs 10.00 (Rupees Ten) each. Currently there are no outstanding partly paid-up shares or any other instruments convertible into equity shares of the Target Company at a future date.

5.4 The Target Company is a power project development company in India, with experience in developing and operating multiple power plants across India. The Target Company has operational power plants capable of generating 933 MW of power.

5.5 The equity shares of the Target Company are listed on BSE and NSE.

5.6 The audited consolidated financial statements of the Target Company are prepared in accordance with Indian generally accepted accounting standards. The financial highlights based on the audited consolidated financials for the years ended March 31, 2011 is as under:

(Rs. in lakhs except as indicated)

Particulars	Year ended March 31, 2011
Total Income	1,14,355.10
Profit After Tax (after Minority Interest)	18,175.30
Paid up Share Capital	47,263.00
Reserves & Surplus (excluding Revaluation Reserves)	2,46,591.20
Net Worth (excluding Minority Interests and Preference Shares)	2,83,854.20
Earning per share (Rs.) ^	4.75
Book Value per share (Rs.)*	76.18
Return on Networth (%)#	6.40%

Source: Website of BSE and NSE

^-Earnings per share computed as the PAT / Number of shares

**-Book Value per share computed as the Networth / Number of shares*

#-Return on Networth computed as Profit After Tax / Networth

5.7 As on date of this PA, the board of directors of the Target Company comprises of 10 directors namely Mr. Thiruvengadam Lakshman Sankar (Chairman), Mr. Subrahmaniam Ramchandran Iyer, Mr. Girish Nilkanth Kulkarni, Mr. Abhay Mahadeo Nalawade, Mr. Sethuraman Kishore, Mr. Kolluri Ayyappa Sastry, Mr. Henry Klein, Mr. Anil Kumar Kutty, Mr. Kambala Bapi Raju and Mr. Tanmay Das. Mr. S. Kishore and Mr. K.A. Sastry are Whole-time directors on the board of the Target Company and are also on the board of the Acquirers. The above two named directors may therefore be deemed to be persons having an interest in the Acquirers and hence in terms of Regulation 22(9) of the SEBI (SAST) Regulations, have recused themselves and have not participated, and will not participate, in any matters concerning or relating to the Offer including any preparatory steps leading to the Offer.

6. **REASONS FOR THE OFFER AND FUTURE PLANS**

6.1 The Acquirers are engaged in a significant global business with focus on power generation and associated businesses worldwide. With a significant majority of current power generation assets in India, the Acquirers immediate priority is to establish themselves as major private power producers in India. To achieve this objective, the Acquirers wish to further consolidate and enhance their stake in the Target Company.

6.2 The Offer to public equity shareholders of the Target Company is in accordance with Regulation 11(1) and other applicable provisions of the SEBI (SAST) Regulations.

6.3 As of date of this PA, the Acquirers do not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years, except in the ordinary course of business and except to the extent required for the purpose of restructuring, joint venture and/or rationalization of assets, investments, liabilities, business or otherwise of the Target Company for commercial reasons and operational efficiencies, which will be done subject to receipt of statutory approvals wherever necessary.

6.4 The Acquirers undertakes that they shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company as may be required under applicable laws.

6.5 The Acquirers does not have any intention to change the board of directors of the Target Company during the offer period as a direct consequence of the Offer except in the ordinary course of business and in compliance with applicable law.

7. **STATUTORY APPROVALS FOR THE OFFER**

7.1 The Offer is subject to the receipt of approval by the Acquirers from the Reserve Bank of India ("RBI") under the Foreign Exchange Management Act, 1999 and / or the regulations made there under ("FEMA") for acquiring equity shares validly tendered under this Offer (including equity shares tendered by non-resident Indians).

7.2 The Acquirers will make requisite applications to RBI for obtaining the above approval.

7.3 To the best of the knowledge of the Acquirers, there are no other statutory approvals required to implement the Offer other than specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. In case the necessary statutory approvals required for the Offer are refused, the Acquirers reserve the right to withdraw the Offer in accordance with Regulation 27 of the SEBI (SAST) Regulations.

7.4 Subject to the receipt of statutory and other approvals, the Acquirers shall complete all procedures relating to the Offer, including payment of consideration to shareholders whose shares have been accepted within a period of fifteen (15) days from the Offer Closing Date (as defined hereinafter). In case of delay due to the non-receipt of statutory approvals as contemplated in Regulation 22(12) of the SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to the willful default or negligence of the Acquirers or failure of the Acquirers to diligently pursue the applications for such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirers agreeing to pay to the shareholders interest as may be specified by SEBI for any delay beyond fifteen (15) days.

7.5 However, if the delay occurs on account of the willful default or neglect or inaction or non-action by Acquirers in obtaining the requisite approval(s), the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

7.6 To the best of its knowledge, the Acquirers do not require any approvals from financial institutions or banks for the Offer.

8. **OPTION IN TERMS OF REGULATION 21(3)**

8.1 The Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

8.2 Pursuant to the existing Offer Size and the current shareholding of the promoter group of the Target Company, the public shareholding in the Target Company is not expected to fall below the levels stipulated by the equity listing agreement even after, assuming full acceptance of the Offer, acquisition of the Offer Shares by the Acquirers. In light of the same, the provision of Regulation 21(2) of the Regulations shall not apply.

9. **FINANCIAL ARRANGEMENTS**

9.1 The total funding requirement for the Offer (assuming full acceptances) i.e. for the acquisition of up to 74,526,091 equity shares at Rs. 125.00 per equity share is Rs. 931,57,61,375 (Rupees Nine Hundred and thirty one Crores fifty seven lakhs sixty one thousand three hundred and seventy five only) ("**Total Consideration**").

9.2 As on March 31, 2011, the audited networth of KEL and KECPL was GBP 30.86 million (equivalent to Rs. 225.43 crores) and Rs. 355.74 crores respectively. Further, as on May 13, 2011, the cash/cash equivalents of KEL and KECPL was GBP 5.58 million (equivalent to Rs. 40.77 crores) and Rs. 312.19 crores respectively. The Acquirers have in place confirmed sanction letters from banks and financial institutions aggregating to Rs. 600.00 crores to fund the proposed Open Offer transaction.

9.3 KEL has vide its letter dated May 16, 2011 confirmed to unconditionally and irrevocably extend financial support to KSK Surya and ensure that the obligations of KSK Surya as set out under the SEBI (SAST) Regulations are complied with.

9.4 By way of security for performance of the Acquirers obligations under the SEBI (SAST) Regulations, a lien ("**Lien**") has been created by Andhra Bank and Bank of Baroda in favour of the Manager to the Offer against fixed deposits aggregating to Rs 110,00,00,000 (Rupees One hundred and ten crore) ("**Lien Amount**") standing in the name of KECPL.

9.5 Further, the Acquirers have created an Escrow Account named "KSK Open Offer - Escrow Account" **("Escrow Account - Cash")** with the Axis Bank Limited, Fort Main Branch at Universal Insurance Building, Ground Floor, Sir P. M. Road, Fort, Mumbai 400001 **("Escrow Bank")**, and has deposited a sum of Rs. 9,40,00,000 (Rupees Nine Crores Forty Lacs only) in the said Escrow Account - Cash, being the amount required under Regulation 28(10) of the SEBI (SAST) Regulations, i.e., in excess of 1% of the Total Consideration on the basis of an open offer escrow agreement dated May 14, 2011 entered into by and between the Acquirers, Axis Bank Limited and the Escrow Bank. The Lien Amount and Escrow Account- Cash are together referred to as "Escrow Accounts".

9.6 Axis Bank Limited as the Manager to the Offer has been duly authorized to realize the value of the aforesaid Escrow Accounts in terms of the SEBI (SAST) Regulations.

9.7 Mr. B. V. Mallikarjuna, Partner, M/s Anant Rao & Mallik, Chartered Accountants, Membership no. 23350, Firm Registration Number: 06266S, (Address: #B-409/410, Kushal Towers, Khairatabad, Hyderabad-500 004, Tel: 040 23320286, Fax: 040 66360666) have vide its certificate dated May 16, 2011, certified the following:

a. the audited networth of KEL and KECPL as on March 31, 2011, was GBP 30.86 million (equivalent to Rs. 225.43 crores) and Rs. 355.74 crores respectively and the same has not deteriorated since then;

b. the cash/cash equivalents of KEL and KECPL as on May 13, 2011, was GBP 5.58 million (equivalent to Rs. 40.77 crores) and Rs. 312.19 crores respectively; and

c. confirmed, irrevocable sanction letters from banks and financial institutions aggregating to Rs. 600.00 crores to fund the proposed transaction.

and further on the basis of the information, explanations and verification of statement of cash and bank balances and confirmed irrevocable sanction letters procured by the Acquirers from banks and financial institutions the Acquirers have sufficient means to meet the financial obligations under the Open Offer.

9.8 The Acquirers have by a certificate dated May 16, 2011 given an undertaking to the Manager to the Offer to meet their financial obligations under the Offer.

9.9 The Acquirers have adequate resources to meet the financial requirements of the Offer in terms of SEBI (SAST) Regulations and has made firm financial arrangements to meet its obligations in full under the Offer.

9.10 Based on the above, the Manager to the Offer is satisfied with the ability of Acquirers 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.

10. **OTHER TERMS OF THE OFFER**

10.1 The Letter of Offer, together with a Form of Acceptance-cum-Acknowledgement and Form of Withdrawal, will be mailed on or before June 25, 2011 to all public equity shareholders i.e. shareholders other than the promoter and promoter group of the Target Company whose names appear in the Register of Members of the Target Company and the beneficial owners of the equity shares, whose names appear on the beneficial records of the respective depositories, in each case at the close of business hours on June 10, 2011 (the "Specified Date").

10.2 The Offer shall open on July 09, 2011 and will remain open until July 28, 2011 (the "Offer Closing Date").

10.3 Shareholders holding equity shares in physical form: Shareholders holding equity shares in physical form who wish to accept this Offer and tender their equity shares will be required to send the Form of Acceptance-cum-Acknowledgement, original share certificate(s) and duly signed transfer deed(s) to the Registrar of the Offer, Karvy Computershare Private Limited, Unit: KSK - Open Offer, (Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad - 500 081, Tel: (91) - 40 - 4465 5000 / 2342 0815 - 23, Fax : (91) - 40 - 2343 1551, E-mail: murali@karvy.com, Contact Person: Mr. M. Murali Krishna / Mr. Williams) ("Registrar") either by hand delivery on weekdays or by registered post, on or before the Offer Closing Date, i.e. no later than July 28, 2011 so as to reach the Registrar on or before the close of business hours, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement. They can also tender their equity shares by hand delivery at any of the collection centers mentioned in paragraph number 10.7.

10.4 The Registrar has opened a special depository account called "KSK Open Offer Escrow Demat Account" with Karvy Stock Broking Limited at National Securities Depository Limited ("NSDL"). The DP ID is IN300394 and the Client ID is 18174096. The public equity shareholders of the Target Company having their beneficiary account with the National Securities Depositary Limited ("NSDL") must use the inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL.

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10.5 Shareholders holding equity shares in dematerialized form: Beneficial owners who wish to accept this Offer and tender their equity shares will be required to send their Form of Acceptance-cum-Acknowledgement to the Registrar in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance-cum-Acknowledgement, along with a photocopy of the delivery instructions in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, in favour of KSK Open Offer Escrow Demat Account duly acknowledged by their respective depository participant (the "DP"). Shareholders having their beneficiary account in Central Depository Services (India) Limited will in addition have to use an inter-depository delivery instruction slip. The credit for the delivered shares should be received in the special depository account on or before the Offer Closing Date. The above mentioned documents needs to be sent to the Registrar, Karvy Computershare Private Limited, Unit : KSK - Open Offer, (Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad - 500 081, Tel: (91) - 40 - 4465 5000 / 2342 0815 - 23, Fax : (91) - 40 - 2343 1551 E-mail: murali@karvy.com, Contact Person: Mr. M. Murali Krishna / Mr. Williams) either by hand delivery on weekdays or by registered post, on or before the Offer Closing Date, i.e. no later than July 28, 2011 so as to reach the Registrar on or before the close of business hours, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance-cum-Acknowledgement. They can also tender their equity shares by hand delivery at any of the collection centers mentioned in paragraph number 10.7.

10.6 Shareholders who have sent their equity shares for dematerialization need to ensure that the process of getting their equity shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the Offer Closing Date (i.e. no later than July 28, 2011), else their application would be rejected.

10.7 In addition to the above, the shareholders who wish to avail of and accept the Offer can also deliver the Form of Acceptance-cum-Acknowledgement, along with all the relevant documents, to any of the collection centers specified below in accordance with the procedure as set out in the Letter of Offer on or before the Offer Closing Date, i.e., no later than July 28, 2011. Should there be any addition to the collection centers mentioned below, the same will be published by way of a corrigendum to this PA. All the centers mentioned herein below would be open as follows:

Timings: Weekdays: 10.00 A.M. to 4.00 P.M. Saturdays: 10.00 A.M. to 1.00 P.M. ***The centers will however be closed on Sundays and Public Holidays.***

Sr. No.	Collection Centre	Address of Collection Centres	Contact Person	Phone No.	Fax	Mode of delivery
1.	Mumbai (Fort)	Karvy Computershare. Pvt Ltd. 24, Maharashtra Chamber of Commerce. Lane, Opp. MSC Bank, Fort Mumbai – 400 023	Ms. Nutan Shirke	022-66381747 & 22842666	022-66331135	Hand Delivery
2.	Mumbai (Andheri)	Karvy Computershare. Pvt Ltd. 7, Andheri Industrial Estate, Off. Veera Desai Road, Andheri West, Mumbai 400053	Ms. Neelam	022-26730799	022-26730152	Hand Delivery
3.	New Delhi	Karvy Computerhshare. Pvt. Ltd. 305, New Delhi House, 27, Barakhamba Road, Connaught Place, New Delhi - 110 001	Mr. Rakesh Kr Jamwal / Vinod Singh Negi / John Mathew	011-43681700	011-41036370	Hand Delivery
4.	Ahmedabad	Karvy Computershare. Pvt Ltd. 201-203,Shail,Opp: Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad 380 006	Mr.Aditya Gupta/ Robert Joeboy	079-66614772/ 9374491873	079-26565551	Hand Delivery
5.	Chennai	Karvy Computershare. Pvt Ltd. No. 33/1, Venkatraman Street, T. Nagar, Chennai - 600017	Ms. Janki	044-45900900	044-28153181	Hand Delivery
6.	Hyderabad	Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081	Ms. Rinki Sareen	040-23420818-23/ 44655000	040-23431551	Hand Delivery/ Regd. Post
7.	Kolkata	Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr.Deshpriya Park, Kolkatta 700 029	Mr. Sujit Kundu/ Mr. Debnath	033-24644891	033-24644866	Hand Delivery
8.	Bengaluru	Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004	Mr. Kumara-swamy/ Ms.V Sudha	080-26621192	080-26621169	Hand Delivery

10.8 All owners (registered or unregistered) of equity shares of the Target Company (other than the Acquirers) are eligible to participate in the Offer anytime before the Offer Closing Date. Unregistered owners can send their application in writing to the Registrar, on a plain sheet of paper stating the name, address, number of equity shares held, number of equity shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their equity shares and valid share transfer forms as received from the market. No indemnity is required from the unregistered shareholders. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer. Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected. Unaccepted shares and related documents will be returned to the shareholders at their own risk.

10.9 In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar, on a plain sheet of paper stating the name, address, number of equity shares held, distinctive numbers, folio number, number of equity shares offered, along with documents as mentioned above, so as to reach the Registrar on or before the Offer Closing Date, i.e. no later than July 28, 2011, or in case of beneficial owners, they may send the application in writing to the Registrar, on a plain sheet of paper stating the name, address, number of equity shares held, number of equity shares offered, 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 KSK Open Offer Escrow Demat Account, so as to reach the Registrar, on or before the Offer Closing Date, i.e. no later than July 28, 2011.

10.10 Shareholders can also download the Letter of Offer and Form of Acceptance-cum-Acknowledgement placed on the SEBI website www.sebi.gov.in and send in their acceptance by completing the same.

10.11 Applications in respect of equity shares of the Target Company that are subject matter of litigation, wherein the shareholders of the Target Company may be prohibited from transferring the equity shares during the pendency of the said litigation, are liable to be rejected if the directions / orders regarding these equity shares are not received together with the equity shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

10.12 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders who have accepted the Offer by tendering the requisite documents in terms of this PA and Letter of Offer can withdraw the same up to three working days prior to the Offer Closing Date. 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 July 25, 2011.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on a plain sheet of paper to the Registrar, along with the following details: -
  - In case of physical equity shares: name, address, distinctive numbers, folio number, number of equity shares tendered; and
  - In case of dematerialized equity shares: name, address, number of equity shares offered, 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 special depository account.
- Shareholders can also download the Form of Withdrawal placed on the SEBI website www.sebi.gov.in and send in their withdrawal by filling the same.

10.13 The Registrar will hold in trust the equity shares / share certificates, equity shares held in credit of the special depository account and transfer form(s) and the Form of Acceptance-cum-Acknowledgement if any, on behalf of the shareholders who have accepted the Offer, until the Acquirers completes its obligations under the Offer in accordance with the SEBI (SAST) Regulations.

10.14 If the Shares tendered in this Offer by the shareholders of the Target Company are more than the Shares to be acquired under this Offer, the acquisition of Shares from each shareholder will be on a proportionate basis as per provisions of regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target Company is 1 (one) Share.

10.15 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 equity shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement.

10.16 Compliance with tax and other regulatory requirements

(i) While tendering the equity shares of the Target Company under the Offer, NRIs / OCBs / foreign shareholders will be required to submit any previous RBI Approvals (specific or general) that they may have been required to obtain prior to acquiring the equity shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirers reserves the right to reject such equity shares tendered.

(ii) While tendering their equity shares under the Offer, NRIs / OCBs / other non-resident shareholders will be required to submit No Objection Certificate ("NOC") or Tax Clearance Certificate ("TCC") or Certificate for Deduction of Tax at lower rates certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act, 1961 or other provisions as may be applicable along with the Form of Acceptance-cum-Acknowledgement, indicating the amount of tax to be deducted by the Acquirers before remitting the consideration, failing which the Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

(iii) As per the provisions of Section 196D (2) of the Income Tax Act, 1961, 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, 1961 to a Foreign Institutional Investor as defined in Section 115AD of the Income Tax Act, 1961. However, the interest payment for delay in payment of consideration if any, will not be governed by this provision. For interest payments, if any, NRIs / OCBs / other non-resident shareholders will be required to submit a certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act, 1961 or Certificate for Deduction of Tax at Lower Rate from the income tax authorities under the Income Tax Act, 1961 indicating the amount of tax to be deducted by Acquirers before remitting the consideration, failing which Acquirers will arrange to deduct tax at the maximum marginal rate as may be applicable to the relevant category to which the shareholder belongs under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder. In case of resident shareholders, tax will be deducted on the interest component exceeding Rs. 5,000 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 certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act, 1961 or a self-declaration in Form 15G or Form 15H as may be applicable. Shareholders eligible to receive interest component exceeding Rs. 5,000 would be required to submit their Permanent Account Number for Income Tax purposes. Clauses relating to payment of interest will become applicable only if the Acquirers become liable to pay interest for delay in release of purchase consideration.

(iv) Securities transaction tax will not be applicable to the equity shares accepted in the Offer.

10.17 Payment to those shareholders whose share certificates and / or other documents are found valid and in order and are approved by the Acquirers will be by way of a crossed account payee cheque / demand draft / pay order. The decision regarding the acquisition (in part or full), or rejection of, the equity shares tendered pursuant to this Offer and (i) any corresponding payment for the acquired equity shares and / or (ii) share certificates for any rejected equity shares or equity shares withdrawn, will be dispatched to the shareholders by registered post. Equity shares held in dematerialized form to the extent not acquired or equity 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-cum- Acknowledgement.

10.18 All cheques / demand drafts / pay orders will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of equity 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-cum-Acknowledgement for incorporation in the cheque / demand draft / pay order.

10.19 A schedule of the activities pertaining to the Offer is given below:-

Activity	Day and Date
Date of the PA	Tuesday, May 17, 2011
Specified Date*	Friday, June 10, 2011
Last date for a competitive bid	Tuesday, June 07, 2011
Date by which Letter of Offer to be dispatched to shareholders	Saturday, June 25, 2011
Date of opening of the Offer	Saturday, July 09, 2011
Last date for upward revision of the Offer	Tuesday, July 19, 2011
Last date for withdrawing acceptance of the Offer	Monday, July 25, 2011
Date of closing of the Offer	Thursday, July 28, 2011
Last date of communicating rejection / acceptance and payment of consideration for accepted tenders and / or the unaccepted equity shares / share certificates will be dispatched / credited	Friday, August 12, 2011

* Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the equity shares of the Target Company are eligible to participate in the Offer anytime before the closing of the Offer.

11. GENERAL

11.1 Pursuant to Regulation 13 of the SEBI (SAST) Regulations, Acquirers have appointed Axis Bank Limited as the Manager to the Offer.

11.2 The Acquirers reserve the right to make upward revisions to the Offer Price up to seven (7) working days (i.e., July 19, 2011) prior to the Offer Closing Date. If there is any upward revision in the Offer Price by Acquirers the same will be informed to the public shareholders by way of a public announcement in the same newspapers in which this PA has appeared. If the Offer Price is revised upward, such revised price will be payable to all the shareholders who have accepted this Offer and tendered their equity shares at any time during the tenure of the Offer to the extent the equity shares are acquired by the Acquirers.

11.3 The public equity shareholders of the Target Company who have accepted the Offer by tendering the requisite documents, in accordance with the terms of this PA and the Letter of Offer, shall have the option to withdraw their acceptance up to three (3) working days prior to the Offer Closing Date, in terms of Regulation 22(5A) of the SEBI (SAST) Regulations i.e. July 25, 2011.

11.4 The Acquirers reserves the right to withdraw the Offer pursuant to Regulation 27 of the SEBI (SAST) Regulations. Any such withdrawal will be notified in the form of a public announcement in the same newspapers in which this PA appears.

11.5 **If there is a competitive bid:**

- **The offers to the public shareholders of the Target Company under all of the subsisting bids shall close on the same date.**
- **As the Offer Price cannot be revised during the seven (7) working days period prior to the closing date of the Offer / bids, it would, therefore, be in the interest of the shareholders of the Target Company to wait until the commencement of that period to know the final Offer Price of each offer / bid and tender their acceptance accordingly.**

11.6 The Acquirers and its directors accept full responsibility for the information contained in this PA and are also responsible for fulfillment of obligations under the SEBI (SAST) Regulations. However, in respect of information relating to the Target Company, the Acquirers have relied on publicly available information.

11.7 Please note that all financial data contained in GBP in this PA has been rounded off to the nearest thousand and all financial data contained in Rupees in this PA has been rounded off to the nearest lakh, except where stated otherwise.

11.8 Neither the Acquirers nor the Target Company has been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

11.9 For further details, shareholders are requested to refer to the Letter of Offer to be sent to the public equity shareholders (other than the promoters/promoter group) of the Target Company and the Form of Acceptance-cum-Acknowledgement.

11.10 The Acquirers have appointed Karvy Computershare Pvt. Ltd as Registrar to the Offer, Plot No 17-24, Vithalrao Nagar, 23 Madhapur, Hyderabad - 500 081India, Telephone: (+91) 40 23420815-23/44655000; Fax: (+91) 40 23431551 Email: murali@karvy.com, Name of the Contact Person Mr. M. Murali Krishna/Mr. Williams.

11.11 The Boards of Directors of the Acquirers accept full responsibility for the information (except that which pertains to the Target Company and has been complied from publicly available sources) contained in this PA and also accept responsibility for the obligations of the Acquirers laid down in the SEBI (SAST) Regulations.

This Public Announcement along with Letter of Offer is expected to be available on SEBI's website *(www.sebi.gov.in)*. Eligible shareholders to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement, which is expected to be available on SEBI's website *(www.sebi.gov.in)* from the Offer opening date, *i.e.*, July 09, 2011

Issued by the Manager to the Offer

For and on behalf of the Acquirers

AXIS BANK

Axis Bank Limited
Corporate Office: Axis House, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg Worli, Mumbai, 400 025, India
Tel: (+91) 22 2425 5708, Fax: (+91) 22 4325 4700
Email: axbmbd@axisbank.com, Website: www.axisbank.com
Contact Person: Mr. Dinkar Rai
SEBI Registration No.: INM000006104

Dated: May 16, 2011

Place: Mumbai