PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF

# OCL IRON AND STEEL LIMITED

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This public announcement ('PA') is being issued by ICICI Securities Limited (the 'Manager to the Offer'), for and on behalf of Garima Buildprop Private Limited (hereinafter referred to as '**Garima**' or the '**Acquirer**') along with Gateway Impex Private Limited (hereinafter referred to as '**Gateway**' or the '**Person Acting in Concert**' or the '**PAC**') to the equity shareholders of OCL Iron and Steel Limited pursuant to Regulations 10 and 12 of and as required under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 as amended to date (the "SEBI (SAST) Regulations" or the "Regulations").

## 1. Background to the Offer and the Offer

1.1 This offer (the 'Offer') is being made by the Acquirer to the equity shareholders of OCL Iron and Steel Limited (hereinafter referred to as 'OISL' or the 'Target Company') in compliance with Regulations 10 and 12 of the Regulations. This Offer is subject to the receipt of certain approvals as described below in Section 5 titled 'Statutory Approvals for the Offer'.

1.2 Gateway is a "Person Acting in Concert" within the meaning of Regulation 2(1)(e)(1) of the Regulations in relation to this Offer. The Acquirer is a wholly owned subsidiary of Gateway. There is no other person acting in concert in relation to this Offer.

1.3 On May 29, 2009, the Acquirer has acquired 13,414,316 fully paid equity shares of OISL constituting 10% of the total paid-up equity share capital / voting rights of OISL from Mr. R. H. Dalmia, the promoter of OISL, through a block deal on Bombay Stock Exchange Limited at an acquisition price of Rs. 21 (Rupees Twenty One only) (the 'Block Trade Price') per fully paid-up equity share of face value Re. 1/- each.

1.4 On May 29, 2009, the Acquirer also entered into a Share Purchase Agreement (the 'SPA') with Mr. R. H. Dalmia ('Seller No. 1'), R. H. Dalmia Trust ('Seller No. 2') and Gautam Dalmia HUF ('Seller No. 3') (collectively, the 'Sellers').

Under the said SPA, the Sellers have committed to sell to the Acquirer 68,185,546 fully paid-up equity shares in OISL (the 'Sale Shares') representing 50.83% of the total current issued, subscribed and fully paid-up equity share capital / voting rights of OISL at a price of Rs. 21 (Rupees Twenty One only) (the 'Negotiated Price') per fully paid-up equity share in cash (the 'Acquisition'). The total consideration payable for the Sale Shares is Rs. 1,431,896,466 (Rupees One Billion, Four Hundred and Thirty One Million, Eight Hundred and Ninety Six Thousand, Four Hundred and Sixty Six only). As per the stock exchange filings by OISL, the Sellers belong to the promoter group of the Target Company. Hence, through the Acquisition, the Acquirer, together with the PAC, has agreed to directly acquire 50.83% of the fully paid-up equity share capital and control of OISL.

1.5 The other salient features of the SPA are as under:

*Capitalised terms not defined in the summary below are the same as defined in the SPA.*

a. The Sellers have procured that OISL shall convene a meeting of its Board of Directors within a period of 4 (four) days from the Execution Date of the SPA, wherein the Board shall pass the necessary resolutions to record execution of the SPA.

b. The Sellers acknowledge and accept that by virtue of being a Party to the SPA, they are disqualified from participating in the Offer and shall not participate in the same.

c. The Sellers have undertaken, during the period between the Execution Date and the Closing Date or the earlier termination of the SPA, not to sell all or any portion of the business of OISL, not to make any change in the issued, subscribed or paid up share capital of OISL, including new issuance of shares or other securities, not to undertake any fresh obligations with respect to indebtedness, not to appoint, remove or determine the terms of employment including compensation of key management personnel of OISL, not to sell or dispose any of its assets or to de-merge or transfer any business or division of OISL or to commence any new line of business that is not related to the business of OISL as it is currently engaged in.

d. Closing of the transactions contemplated in the SPA with respect to transfer of the Sale Shares shall take place at a time to be mutually agreed to, between the Parties, within 5 (five) Business Days upon the Manager to the Offer issuing the certificate in terms of Regulation 23(6) of the Regulations for fulfillment of all obligations by the Acquirer under the said Regulations. On the Closing Date, the Sale Shares would be handed over to the Acquirer and the total consideration for the Sale Shares would be handed over to the respective Sellers.

e. Seller No. 1 is bound by non-competition obligations for a period of two years from the Closing Date as specified in the SPA for which he neither has received nor will receive any additional consideration from the Acquirer.

1.6 Pursuant to the signing of the SPA, the Acquirer proposes to acquire up to 26,828,632 fully paid-up equity shares of face value Re. 1 each from the remaining shareholders (other than the parties to the SPA) of the Target Company (the 'Offer Size'), representing 20% of the fully paid-up equity share capital / voting rights of the Target Company at a price of Rs. 21 (Rupees Twenty One only) (the 'Offer Price') for each fully paid-up equity share of OISL, payable in cash and in accordance with the Regulations, subject to the terms and conditions mentioned in the Offer.

1.7 This Offer is neither conditional nor subject to any minimum level of acceptance. The Acquirer will acquire all the shares that are validly tendered in accordance with the terms of the Offer, up to 26,828,632 equity shares at the Offer Price. During the Offer period, the Acquirer may purchase additional shares of the Target Company in accordance with the Regulations. In the event the equity shares tendered in the Offer by the shareholders of OISL are more than the equity shares to be acquired under the Offer, the acquisition of equity shares from each shareholder will be as per the provisions of Regulation 21(6) of the Regulations.

1.8 The shares of the Target Company are presently listed in India on the Bombay Stock Exchange Limited (the 'BSE') and the National Stock Exchange of India Limited (the 'NSE'). Based on the information available on the websites of the BSE and the NSE, the annualised trading turnover in the shares of the Target Company during the six calendar months prior to the month of the PA is 28.6% and 15.1% of the listed number of shares of OISL on the BSE and the NSE respectively. Accordingly, the equity shares of the Target Company are frequently traded on both the BSE and the NSE within the meaning of explanation (i) to Regulation 20(5) of the Regulations. In the 26 weeks and the 2 weeks preceding the date of this PA, the shares of the Target Company are more frequently traded on the BSE.

1.9 The Offer Price of Rs. 21 per equity share is justified in terms of Regulation 20(4) of the Regulations as it is higher of the following:

| | |
|---|---|
| (a) The Negotiated Price | Rs. 21.00 |
| (b) The highest price paid by the Acquirer or PAC for any acquisition [including by way of allotment in a public or rights or preferential issue] of equity shares of the Target Company during the 26-week period prior to the date of the public announcement | Rs. 21.00 |
| (c) The average of the weekly high and low of closing prices of the equity shares of the Target Company on the BSE during the 26 weeks preceding the date of the public announcement | Rs. 7.47 |
| (d) The average of the daily high and low prices of the equity shares of the Target Company on the BSE during the two weeks preceding the date of the public announcement. | Rs. 20.31 |

1.10 The Acquirer or PAC or their respective directors have neither acquired nor been allotted any share in the Target Company in the 12-month period prior to the date of this PA except for the shares acquired as mentioned under clause 1.3 and 1.4 above.

1.11 As of the date of this PA, the Acquirer and PAC do not hold any equity share of OISL except for the shares acquired as mentioned under clause 1.3 and 1.4 above.

1.12 This is not a competitive bid.

1.13 As of the date of this PA, the Manager to the Offer does not hold any equity share of OISL.

1.14 The Offer is not as a result of global acquisition resulting in indirect acquisition of the Target Company.

## 2. Information on the Acquirer and the PAC

### 2.1 Garima Buildprop Private Limited ("Garima")

Garima is a company incorporated under the Companies Act 1956, as a private limited company with the Registrar of Companies, National Capital Territory of Delhi and Haryana vide its Certificate of Incorporation dated 17th July 2006 and having its registered office at Lotus Tower, Community Centre, New Friends Colony, New Delhi - 110065, Tel No.: +91 11 26930501, Fax: +91 11 26930500, E-mail: garimabuildprop@gmail.com. Garima, under its main objects, is permitted to engage in the business of manufacture and sale of steel and generation of power.

Garima is a wholly owned subsidiary of Gateway Impex Private Limited, which is the PAC in relation to this Offer. The Acquirer does not belong to any business group. However, the directors on the board of Garima, namely Anjali Malhotra and Aarti Jain, are relatives of Arvind Dham.

The issued and paid-up equity share capital of Garima is Rs. 100,000 consisting of 10,000 fully paid-up equity shares of face value of Rs. 10 each. The equity shares of Garima are not listed on any stock exchange. The shareholding of Garima is given below:

| S. No. | Name of Shareholder | Number of Shares Held | % equity holding |
|---|---|---|---|
| 1 | Gateway Impex Private Limited | 9,998 | 99.98 |
| 2 | Anjali Malhotra | 1 | 0.01 |
| 3 | Aarti Jain | 1 | 0.01 |
| | **Total fully paid-up Equity Shares** | **10,000** | **100.00** |

The key financials for the Acquirer based on the last audited financials made upto March 31, 2009 are as under:

(Rs.)

| | As on March 31, 2009 |
|---|---|
| Total Income | Not Applicable |
| Profit after Tax | Not Applicable |
| Pre-operative Expenses | 29,242 |
| Net Worth (A) | 59,558 |
| Total Paid-up Equity Capital | 100,000 |
| No. of fully Paid-up Equity Shares (B) | 10,000 |
| Book Value per Share = A / B | 5.96 |
| Earnings per Share | Not Applicable |
| Return on Net Worth (%) | Not Applicable |

*Source: Annual Report of Garima for year ended March 31, 2009*

As on the date of the PA, none of the Acquirer's directors are on the board of OISL. Also, none of the directors of the Acquirer have acquired any share of OISL in the 12-month period prior to the date of this PA.

The Acquirer has complied with the requirements of the provisions of Chapter II of the Regulations as far as applicable in relation to the acquisition of shares in the target company.

The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or under any other Regulation made under the SEBI Act.

### 2.2 Gateway Impex Private Limited ("Gateway")

Gateway is the Person Acting in Concert with the Acquirer in relation to this Offer.

Gateway is a company incorporated under the Companies Act 1956, as a private limited company with the Registrar of Companies, National Capital Territory of Delhi and Haryana vide its Certificate of Incorporation dated 4th July 1994 and having its registered office at Lotus Tower, Community Centre, New Friends Colony, New Delhi-110065, Tel No.: +91 11 26930501, Fax: +91 11 26930500, E-mail: gatewayimpexpvt@gmail.com. Gateway, under its main objects, is permitted to engage in the business of selling, importing and exporting of fabrics and textiles. It is also into the business of renting of properties.

The issued and paid-up equity share capital of Gateway is Rs. 622,492,000 consisting of 62,249,200 fully paid-up equity shares of face value Rs. 10 each. The equity shares of Gateway are not listed on any stock exchange. The shareholding of Gateway is given below:

| S. No. | Name of Shareholder | Number of Shares Held | % equity holding |
|---|---|---|---|
| 1 | Dolphin Realtors Private Limited | 21,544,200 | 34.61 |
| 2 | Alconic Holdings Private Limited | 18,705,000 | 30.05 |
| 3 | Allianz International Private Limited | 22,000,000 | 35.34 |
| | **Total fully paid-up Equity Shares** | **62,249,200** | **100.00** |

Gateway does not belong to any business group. However, the directors on the board of Gateway, namely Anjali Malhotra, Aarti Jain and Aditya Malhotra, are relatives of Arvind Dham.

The key financials for the PAC based on the last audited financials made upto December 31, 2008 are as under:

(Rs. in Million)

| | Year ended March 31, 2008 | 9 months ended December 31, 2008 |
|---|---|---|
| Total Income | 121.42 | 95.66 |
| Profit after Tax (A) | 44.04 | 17.07 |
| Net Worth (B) | 554.35 | 1,276.41 |
| Total Paid-up Equity Capital | 615.44 | 622.49 |
| No. of fully Paid-up Equity Shares (in Million) (C) | 61.54 | 62.25 |
| Book Value per Share (Rs.) = B / C | 9.01 | 20.50 |
| Earning per Share (Rs.) = A / C | 0.72 | 0.27 |
| Return on Net Worth (%) = A / B | 7.9% | 1.3% |

*Source: Annual Report of Gateway for year ended March 31, 2008 and Audited financials for 9 months ended December 31, 2008*

As on the date of the PA, none of the PAC's directors are on the board of OISL. None of the directors of the PAC have acquired any share of OISL during the 12-month period prior to the date of this PA.

The PAC has complied with the requirements of the provisions of Chapter II of the Regulations as far as applicable in relation to the acquisition of shares in the target company.

The PAC has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the 'SEBI Act') or under any other Regulation made under the SEBI Act.

## 3. Information about the Target Company

3.1 OCL Iron and Steel Limited ('OISL') is a public limited company incorporated under the provisions of the Companies Act, 1956 and having its registered office at Village Lamloi, P.O. Garvana, Rajgangpur, Sundargarh District, Orissa 770017. OISL was incorporated on February 20, 2006 with the Registrar of Companies, Orissa and obtained its Certificate of Commencement of Business on March 20, 2006 from the Registrar of Companies, Orissa.

3.2 OISL is primarily engaged in the business of manufacturing of sponge iron, steel billets and is also into generation of power through captive power plants. OISL was a wholly owned subsidiary of OCL India Limited till March 30, 2008.

3.3 The Hon'ble High Court of Orissa vide its Order dated November 27, 2007 had approved the Scheme of Arrangement ('the Demerger Scheme') pursuant to Section 391 to 394 of the Companies Act, 1956 for demerger of the steel undertaking of OCL India Limited ("OCL"), together with all its assets and liabilities, into OISL. The Demerger Scheme became effective from December 20, 2007 and the appointed date for the Demerger Scheme was January 1, 2007. In terms of the Demerger Scheme, 133,643,160 fully paid-up equity shares of OISL were allotted to equity shareholders of OCL on March 31, 2008 in the ratio of 3 equity shares of OISL of the face value of Re. 1 each for every one equity share of OCL held by shareholders of OCL on the Record Date i.e. March 5, 2008.

3.4 As on date of the PA, the total paid-up equity share capital of the Target Company is Rs. 134,143,160 consisting of 134,143,160 fully equity paid-up shares of par value Re. 1 per equity share. Pursuant to the Demerger Scheme, the equity shares of OISL were listed on the BSE and the NSE with effect from August 1, 2008.

3.5 OISL does not have any outstanding partly-paid shares, convertible instruments, warrants or stock-options as on the date of the PA.

3.6 The shareholding / voting rights details of OISL as on the date of the PA is given below:

| S. No. | Shareholder Category | Number of Shares Held | % equity holding |
|---|---|---|---|
| 1 | Promoter and Promoter Group | 68,822,601 | 51.31 |
| 2 | Corporate Bodies | 25,184,255 | 18.77 |
| 3 | Domestic Individual shareholders | 24,725,540 | 18.43 |
| 4 | Foreign Institutional Investors (FII) | 561,515 | 0.42 |
| 5 | Non Resident Indians | 449,116 | 0.33 |
| 6 | Mutual Funds & Insurance Companies | 194,325 | 0.14 |
| 7 | Banks / Financial Institutions | 187,500 | 0.14 |
| 8 | Others | 14,018,308 | 10.45 |
| | **Total Equity Shares** | **134,143,160** | **100.00** |

3.7 The key financials for the Target Company based on the audited financials for the year ended on March 31, 2009 are as under:

**(Rs. in Million)**

| | Year ended March 31, 2009 |
|---|---|
| Total Income | 2,153.49 |
| Profit after Tax (A) | 39.35 |
| Net Worth (B) | 738.14 |
| Total Paid-up Equity Capital | 134.14 |
| No. of fully Paid-up Equity Shares (in Million) (C) | 134.14 |
| Book Value per Share (Rs.) = B / C | 12.67 |
| Earning per Share (Rs.) = A / C | 0.29 |
| Return on Net Worth (%) = A / B | 5.3% |

The Price-Earning Ratio as on June 2, 2009 was 73.45 based on the closing price of Rs. 21.30 on the BSE and 72.41 based on the closing price of Rs. 21 on the NSE and 72.41 based on the Offer Price of Rs. 21. *(Source: Annual Report of OISL for FY 2008-2009 and publicly available data).*

3.8 Neither OISL nor any of its promoters / directors has been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

## 4. Reason for Acquisition and Offer and Future Plans about the Target Company

4.1 On completion of the Acquisition and the Offer assuming full acceptance in the Offer, the Acquirer may hold, in the aggregate, up to 108,428,494 fully paid-up shares representing 80.83% of the total paid-up equity share capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with Regulations 10 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

4.2 The Acquirer intends to gain a foothold in the Indian iron and steel industry through this Acquisition and Offer, in line with its plans of becoming a sizeable player in the metals and mining space in India with significant economies of scale and scope. The Acquirer along with the PAC will be able to synergise OISL's existing operations with its own operations thus increasing shareholder value for OISL.

4.3 As of the date of this PA, the Acquirer does not have any plans to dispose of or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company and except to the extent required for the purpose of restructuring and/or rationalization of operations, assets, investments, liabilities or otherwise of the Target Company for commercial reasons and operational efficiencies. Notwithstanding the immediately preceding sentence, the board of directors of the Target Company will take appropriate decisions in these matters based upon, among other things, the requirements of the business and in line with the opportunities from time to time.

4.4 Other than in the ordinary course of business, the Acquirer undertakes that it will not sell, dispose off or otherwise encumber any substantial asset of the Target Company except with the prior approval of the shareholders of the Target Company.

## 5. Statutory Approvals for the Offer

5.1 The Offer is subject to the Acquirer obtaining the approval(s) from the Reserve Bank of India ('RBI'), if any required, under the Foreign Exchange Management Act, 1999. The Acquirer will make applications for the requisite approval(s) from the RBI, if any, at the appropriate time.

5.2 To the best knowledge and belief of the Acquirer, as of the date of the PA, other than as set forth above, no statutory approvals are required to acquire the shares tendered pursuant to the Offer. In terms of Regulation 27 of the Regulations, the Acquirer will not proceed with the Offer if the statutory approvals that are required are not obtained.

5.3 To the best knowledge and belief of the Acquirer, as of the date of this PA, the Acquirer does not require any approvals from financial institutions or banks for the Offer.

5.4 Notwithstanding the foregoing in this Paragraph 5, if any additional approvals are required in respect of the Offer, the Acquirer will apply for such approvals at the appropriate time.

5.5 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the tendering shareholders, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the Regulations will become applicable.

## 6. Option to the Acquirer in terms of Regulation 21(2)

6.1 Assuming full acceptance under the Offer, the public shareholding in OISL may reduce to a level below the limit specified in the listing agreement with the stock exchanges for the purpose of listing of the Target Company on a continued basis. As per the extant listing agreement, the Target Company is required to maintain a minimum public shareholding of 25% on a continuous basis. In the event of public shareholding in OISL falling below the required minimum level, the acquirer shall take necessary steps to facilitate compliance of the target company with the relevant provisions thereof, within the time period mentioned therein.

## 7. Financial Arrangements

7.1 The maximum purchase consideration payable by the Acquirer in case of full acceptance of this Offer would be Rs. 563,401,272 (Rupees Five Hundred and Sixty Three Million, Four Hundred and One Thousand, Two Hundred and Seventy Two only) ('Maximum Consideration').

7.2 The Acquirer has made firm financial arrangements for the Offer by means of internally generated funds and/or corporate borrowings. M/s Sunil Nutan & Company, Chartered Accountants (Partner: Raj Kumar Agarwal, membership no. 91005) ('Accountants'), has confirmed vide their letter dated May 30, 2009 that the Acquirer has adequate financial resources available for meeting its obligations under the Regulations for a value up to the Maximum Consideration.

7.3 By way of security for performance of its obligations under the Regulations, the Acquirer has provided a Fixed Deposit Receipt ('FDR') bearing no. 23925004 for Rs. 150,000,000 (Rupees One Hundred and Fifty Million only) of Oriental Bank of Commerce at its branch at Block- E, Connaught Place, New Delhi to the Manager to the Offer, in whose favour the said Oriental Bank of Commerce has marked a lien on the FDR with an irrevocable right to encash the proceeds in the Manager's name through their letter dated May 29, 2009. The FDR complies with the stipulation under Regulation 28(2) of the Regulations. The Manager to the Offer is duly authorised by the Acquirer to realise the value of the aforesaid FDR account in terms of the Regulations.

7.4 In view of the above, the Manager to the Offer is satisfied that firm arrangements for financial resources required to implement the Offer i.e. funds for payment through verifiable means are in place to fulfill the obligations of the Acquirer under the Offer and is satisfied that the Acquirer has adequate resources to meet the financial requirements of the Offer and ability to implement the Offer in accordance with the Regulations.

## 8. Other Terms of the Offer

8.1 A letter of offer (the 'Letter of Offer') together with the Form of Acceptance cum Acknowledgement (the 'Form of Acceptance') and Form of Withdrawal will be mailed to the public shareholders of OISL (other than the Acquirer and the Sellers), whose names appear on the Register of Members of OISL and to the beneficial owners of the shares of OISL, whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on July 1, 2009 ('Specified Date'). All owners (registered or unregistered) of OISL's equity shares (except the Acquirer and the Sellers) are eligible to participate in the Offer at any time before the closure of the Offer.

8.2 The shareholders who wish to tender their shares pursuant to the Offer will be required to communicate their acceptance in the form and manner specified in the Letter of Offer together with their original share certificate(s), transfer deed(s) and duly filled Form of Acceptance to **Beetal Financial and Computer Services Private Limited, Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110062, Phone: +91-11-2996 1281/ 82/ 83, Fax: +91-11-2996 1284, Contact Person: Puneet Mittal, E-mail: beetal@rediffmail.com**, who is acting as the Registrar to the Offer (the 'Registrar to the Offer') either by hand delivery on weekdays or by registered post on or before the closing date of the Offer, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance.

8.3 If the shareholders of the Target Company hold the Shares in dematerialised form, those desirous of participating in the Offer may send their application along with the duly filled Form of Acceptance to the Registrar to the Offer, such that the applications are received by the Registrar to the Offer, on or before the closing date of the Offer, stating the name, address, number of Shares held, number of Shares offered, Depository Participant ('DP') name, DP ID number, beneficiary account number along with a photocopy of the delivery instruction in 'off-market' mode, duly acknowledged by the DP in favour of "**Escrow A/C Beetal - Open Offer - OCL Iron**", filled in as per instructions given below:

| | |
|---|---|
| Depository Name | National Securities Depository Limited ('NSDL') |
| DP Name | IL&FS Securities Services Limited |
| DP ID Number | IN300095 |
| Beneficiary Account Number | 11455917 |

Shareholders should ensure credit of their shares in favour of the depository account above, before the closure of the Offer. Shareholders holding their beneficiary account in Central Depository Services (India) Limited ('CDSL') will have to use an inter-depository delivery instruction slip for the purpose of crediting their Shares in favour of the special depository account with NSDL.

8.4 A copy of the Letter of Offer (including the Form of Acceptance and the Form of Withdrawal) is expected to be available on SEBI's website (http://www.sebi.gov.in) during the period the Offer is open and may also be downloaded from the site. In case of non-receipt of the Letter of Offer, shareholders may download the same from the SEBI website or obtain a copy of the same from the Manager to the Offer or the Registrar to the Offer on providing suitable documentary evidence of acquisition of Shares.

8.5 Shareholders of the Target Company who wish to avail of and accept the Offer shall send / deliver the Form of Acceptance along with all the relevant documents at the collection center of the Registrar to the Offer mentioned below in accordance with the procedure as set out in the Letter of Offer.

| Sl. No. | Collection Center | Address of Collection Center | Contact Person | Phone | Fax | Mode of Delivery |
|---|---|---|---|---|---|---|
| 1. | Beetal Financial and Computer Services Private Limited | Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110062 | Puneet Mittal | +91 - 11 - 2996 1281 / 82 / 83 | +91 - 11 - 2996 1284 | Registered Post / Hand delivery |

8.6 Persons who have acquired shares of the Target Company (irrespective of the date of purchase) but whose names do not appear in the registrar of members of the Target Company on the Specified Date or those who have not received the Letter of Offer, may also participate in the Offer by submitting an application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio numbers together with the original share certificate(s) and valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares. No indemnity is required from the unregistered owners.

8.7 If the aggregate of the valid responses to the Offer exceeds the Offer size under this Offer, then the Acquirer will accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the Regulations, such that acquisition from each shareholder will not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot.

8.8 The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in the credit of the Special Depository Account, Form of Acceptance cum Acknowledgment, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, till the cheques / drafts for the consideration and/ or the unaccepted shares/ share certificates are dispatched/ returned.

8.9 The payment of consideration for accepted applications will be made by the Acquirer in cash through account payee cheques, drafts, warrants, etc. sent by registered post.

8.10 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder. Unaccepted shares held in dematerialised form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

8.11 While tendering equity shares under the Offer, non resident shareholders (Non Resident Indians / Overseas Corporate Bodies / foreign shareholders) will be required to submit the previous RBI approvals (specific or general) that they would have been required to submit to acquire the shares of the Target Company. If the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such shares tendered. While tendering the shares under the Offer, Non-Resident Indians (NRIs) / Overseas Corporate Bodies (OCBs) / foreign shareholders will be required to submit a No Objection Certificate ('NOC') or Tax Clearance Certificate ('TCC') or Certificate for Deduction of Tax at Lower Rate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 (the 'Income Tax Act') before remitting the consideration. In case the aforesaid NOC or TCC or Certificate for Deduction of Tax at Lower Rate 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.

8.12 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 payable to a Foreign Institutional Investor ('FII') 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, FIIs will also have to provide their TCC, indicating the amount of tax to be deducted. In absence of the same, the Acquirer will arrange to deduct tax on the interest component, at the rate as may be applicable to the category of shareholder under the Income Tax Act, 1961.

8.13 Securities transaction tax will not be applicable to the shares accepted in this Offer.

8.14 In case of resident shareholders of the Target Company, the Acquirer will deduct the tax on the interest component exceeding Rs. 5,000 at the applicable current prevailing rates, if applicable. If the resident shareholder of the Target Company requires that no tax is to be deducted or tax is to be deducted at a lower rate than the prescribed rate, he will be required to submit No Objection Certificate from the income tax authorities indicating the rate at which tax is to be deducted by the Acquirer or a self declaration in Form 15G or Form 15H as may be applicable. Shareholders of the Target Company 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 Acquirer becomes liable to pay interest for delay in release of purchase consideration.

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

| Activity | Day | Date |
|---|---|---|
| Last date for a competitive bid, if any | Wednesday | June 24, 2009 |
| Specified Date* | Wednesday | July 1, 2009 |
| Date for dispatch of Letter of Offer to the Shareholders of Target Company | Thursday | July 16, 2009 |
| Date of opening of the Offer | Friday | July 24, 2009 |
| Last date for revising the Offer Price / Offer Size | Friday | July 31, 2009 |
| Last date for withdrawing acceptance from the Offer | Thursday | August 6, 2009 |
| Date of closing of the Offer | Wednesday | August 12, 2009 |
| Date of communicating rejection/ acceptance and payment of consideration for accepted Shares | Thursday | August 27, 2009 |

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

## 9. General

9.1 Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, can withdraw the same upto three working days prior to the date of the closure of the offer.

9.2 As per the Regulations, the Acquirer may revise the price upwards up to seven working days prior to the closure of the Offer. If the Offer Price is revised upwards, the same would be informed by way of public announcement in the same newspapers in which this PA has appeared. The Acquirer would pay such revised price for all the shares validly tendered any time during the Offer and accepted under the Offer.

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

**a. The public offers under all the subsisting bids shall close on the same date.**

**b. As the Offer Price cannot be revised during seven working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**

9.4 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B or any other Regulations made under the SEBI Act, 1992. Based on the information presently available, the Sellers and the Target Company have not been prohibited by SEBI from dealing in securities, in terms of direction issued under section 11B or any other Regulations made under the SEBI Act, 1992.

9.5 This PA is expected to be available on the SEBI website at http://www.sebi.gov.in

9.6 Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed ICICI Securities Limited as the Manager to the Offer. The Acquirer has appointed Beetal Financial and Computer Services Private Limited as the Registrar to the Offer.

9.7 The board of directors of the Acquirer accepts full responsibility for the information (except that which pertains to the Sellers and the Target Company) contained in this PA and also accepts responsibility for the obligations of the Acquirer contained in the Regulations.

**Issued by the Manager to the Offer**

**For and on behalf of the Acquirer**

ICICI Securities

**ICICI Securities Limited**
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Place: New Delhi
Date: June 2, 2009