PUBLIC ANNOUNCEMENT TO THE EQUITY SHAREHOLDERS OF
ORISSA SPONGE IRON & STEEL LIMITED

[Registered Office: OSIL House, Gangadhar Meher Marg, Bhubaneshwar 751 024, Orissa.]

This Announcement ('First Corrigendum') is being issued by ICICI Securities Limited ('**ICICI Securities**'), (the '**Manager to the Competitive Bid/ Offer**'), on behalf of Mounteverest Trading & Investment Ltd. ('**Mounteverest' or the 'Acquirer**') along with Torsteel Research Foundation in India ('TRF' or 'PAC 1'), TRFI Investment Private Ltd ('TRFI' or 'PAC 2'), Monnet Ispat & Energy Ltd ('MIEL' or 'PAC 3') (PAC 1 , PAC 2 and PAC 3 collectively referred to as 'Persons Acting in Concert') (Acquirer and Persons Acting in Concert collectively referred to as 'Acquirers' or 'Competitive Bidders') to the equity shareholders of Orissa Sponge Iron & Steel Limited ('**Orissa Sponge**' or the '**Target Company**') pursuant to and in compliance with Regulations 10, 11 (1), 12, 25 (1) and 25 (3) and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations 1997, as amended ('**SEBI (SAST) Regulations'** or **'Regulations**'). This Corrigendum is in continuation of and should be read in conjunction with the Public Announcement for Competitive Bid ('PA') dated February 24, 2009 published in The Economic Times, Navabharat Times and Samaya, Bhubaneshwar on February 25, 2009.

With reference to the PA published on Wednesday, February 25, 2009, the shareholders are requested to note the following:

Clause 1.9 of the PA *inter-alia* states that on February 24, 2009, the Acquirer has entered into a SPSA with a) TRF and b) TRFI (collectively referred to as 'Sellers') for purchase of 5,420,000 equity shares of Rs.10/- each ('Sale shares') which represents 27.10 % of the current equity share capital of the Target Company at a price of Rs. 283/- ('Negotiated Price') per equity share in cash (the 'Purchase Consideration'). Additionally, it is clarified that this represents 17.77% of the Emerging Voting Capital of the Target Company.

Clause 4 of the PA *inter-alia* states that pursuant to completion of the Competitive Bid, the combined shareholding of the Acquirer and the Persons Acting in Concert would be 69.15% of the current equity share capital. Additionally, it is clarified that the combined shareholding of the Acquirer and the Persons Acting in Concert post the open offer and implementation of SPSA would be 68.29% of the Emerging Voting Capital of the Target Company assuming full subscription in the open offer.

The Acquirers accept full responsibility for the information contained in this announcement and their obligations under the Regulations.

The terms used but not defined in this announcement shall have the same meaning as assigned in the PA.
This announcement will also be available on the SEBI website www.sebi.gov.in

Issued by the Manager to the Competitive Bid
For and on behalf of the Acquirers

ICICI Securities

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