PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF
UNIFLEX CABLES LIMITED ("UCL")

Registered Office: Chandra Mahal, First Floor, 241, Shamaldas Gandhi Marg, Mumbai 400 002. India

CASH OFFER OF RS. 48.50 PER SHARE FOR ACQUISITION OF UPTO 49,96,075 EQUITY SHARES FROM THE SHAREHOLDERS / BENEFICIAL OWNERS (THE OFFER)

This Public Announcement ("**PA**") is being issued by YES BANK Limited ("**YBL**"), [hereinafter referred to as the "**Manager to the Offer**"] on behalf of Apar Industries Limited ("**AIL**" or the "**Acquirer**"), pursuant to and in compliance with among others, Regulations 10 and 12 of Chapter III of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "**SEBI Takeover Regulations**" or the "**Regulations**"). No other person / individual / entity is acting in concert with the Acquirer for the purposes of this Offer. This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of Uniflex Cables Limited ("**UCL**" or the "**Target Company**").

1. The Offer

Apar Industries Limited (the "Acquirer") entered into a Share Purchase and Shareholders Agreement dated February 11, 2008 (hereinafter referred to as the "**SPSA**") with Baid family members residing at Hanut Niwas, Dadabhai Cross Road No. 2, Andheri (West), Mumbai 400 058 (the "**Selling Shareholders**"), who belong to the promoter group of Uniflex Cables Limited ("**UCL**" or the "**Target Company**") wherein AIL agreed to acquire 40,81,000 fully paid up equity shares (**the Sale Shares**") representing 28.14% of the current issued, subscribed and paid-up equity share capital of UCL (prior to conversion of all the convertible instruments issued by UCL), from the Selling Shareholders, out of their total existing holding of 40,90,356 equity shares, for a total purchase consideration of Rs. 197,928,500/- (the "**Purchase Consideration**") i.e. at a price of Rs. 48.50 per share (the "**Negotiated Price**") [hereinafter referred to as the "**Acquisition**"]. As on December 31, 2007 the promoter group held 40,30,212 equity shares which represented 27.79% in the current issued, subscribed and paid-up equity share capital of UCL (prior to conversion of all the convertible instruments issued by UCL). Subsequently, Mirya Transport & Courier Pvt. Ltd. was included in promoter group in January 2008 which held 60,144 equity shares. Therefore, as on the date of execution of SPSA , the promoter group held 40,90,356 equity shares which represented 28.20% in the current issued, subscribed and paid-up equity share capital of UCL (prior to conversion of all the convertible instruments issued by UCL). The Negotiated Price per Sale Share shall be paid in the form of cash.

In consideration of the receipt of the Purchase Consideration, in terms of the SPSA, the Selling Shareholders jointly and severally agreed that they shall not, for a period of five (5) years, whether directly or indirectly (including but not limited to through any Person allied by kindred or marriage or otherwise, whether in their own capacity or in conjunction with or on behalf of any Person or through their Affiliates), in the Territory of India, compete with the Acquirer in the business similar to the business of UCL. The Acquirer has not paid any other monetary consideration, other than the above mentioned Purchase Consideration, whether by way of any non-compete fee or otherwise, for acquisition of the shares of UCL.

The Acquirer, the Selling Shareholders, UCL and YES Bank Limited, 9th Floor, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400 018 (the "**Escrow Agent**") have entered into an Escrow Agreement dated February 11, 2008 in relation to the mechanism for completing the transfer of the Sale Shares and the payment of the Negotiated Price wherein (a) the Purchase Consideration has been deposited in cash by the Acquirer in a no-lien escrow account (the "**Escrow Account**") opened with the Escrow Agent and (b) the duly completed and executed but undated Share Transfer Slips in relation to the Sale Shares have been deposited in trust with the Escrow Agent by the Selling Shareholders.

The Escrow Agent shall (a) credit the Sale Shares to the beneficiary account of the Acquirer and (b) release the Purchase Consideration to the Selling Shareholders, upon confirmation to the Escrow Agent by the depository participant of the Acquirer or the Acquirer that the Sale Shares have been credited to the Acquirer's escrow demat Account, as per the terms of the Escrow Agreement, upon completion of the Acquirer's obligations under the SEBI Takeover Regulations as evidenced by a copy of the certificate duly issued by the Manager to the Open Offer in accordance with Regulation 23(6) of the SEBI Takeover Regulations. Thus, the Acquirer shall acquire the title and interest of the Selling Shareholders in and unto the Sale Shares together with all benefits and rights and obligations thereto only upon the completion of the open offer formalities.

The salient features of the SPSA are: (a) the Acquirer shall have the right to appoint three (3) Directors on the board of directors of the Target company (the "**Board**") and the Selling Shareholders shall also be entitled to appoint three (3) Directors on the Board; (b) On completion of the Offer and the other Transactions (as defined hereinafter), the Acquirer will be classified as the Promoter of UCL; (c) the Selling Shareholders have agreed that they will not, for a period of five (5) years from the date of the SPSA engage in India or elsewhere in a similar line of business; and (d) The Target Company shall not enter into any restructuring arrangement, save as agreed between UCL and the Acquirer, without the prior consent of the Acquirer.

Besides the above mentioned acquisition, UCL shall, upon application by the Acquirer, convert 29,50,000 Warrants and 29,26,800 Fully Convertible Debentures, (The Acquirer has entered into an agreement to purchase these Warrants and Fully Convertible Debentures from ADM Maculus Fund II L.P., situated at Scotia Centre, PO Box 268GT, George Town, Grand Cayman, Cayman Islands ("**ADM**") vide Securities Purchase Agreement dated February 11, 2008), into 58,76,800 equity shares of Rs. 10/- each on February 19, 2008, at the conversion price of Rs. 25.00 per equity share, [hereinafter referred to as the "**Conversion**"] which represents 28.84% of the [after including the equity shares to be issued on conversion of these Warrants and Fully Convertible Debentures] paid up equity share capital of UCL.. ADM acquired these Warrants and Fully Convertible Debentures in terms of (a) resolution passed by the directors of UCL in the board meeting held on October 6, 2006 (b) resolution passed by the shareholders of UCL in the Extra-ordinary General Meeting held on November 3, 2006 (c) Warrant and Fully Convertible Debenture Subscription and Shareholders Agreement dated November 3, 2006 and allotted by the Board of Directors in their meeting held on November 15, 2006 in accordance with the provisions of Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended [hereinafter referred to as the "**SEBI DIP Guidelines**"].

Besides the above mentioned acquisition and the conversion, the directors of UCL in the board meeting held on February 11, 2008 proposed to issue and allot (a) 6,00,000 Equity Warrants to Kalpvraksh Impex Pvt Ltd and 6,00,000 Equity Warrants to Manan Business Centre Pvt Ltd and (b) 40,00,000 Equity Warrants to the Acquirer, on a preferential basis [hereinafter referred to as the "**Preferential Allotment**"] in accordance with the provisions of the Memorandum and Articles of Association of the Company, Listing Agreement, applicable provisions of the Companies Act, 1956, the SEBI DIP Guidelines and all other statutory and other authorities to the extent necessary. An Extraordinary General Meeting of the shareholders of UCL is scheduled to be held on March 7, 2008 to approve the Preferential Allotment and pass the requisite special resolution under section 81(1A) of the Companies Act, 1956. The Preferential Allotment of Equity Warrants will be subject to UCL obtaining In-Principle approval from the Bombay Stock Exchange Limited (the "**BSE**") in terms of Clause 24(a) of the Listing Agreement entered into by UCL with the BSE.

Wednesday – February 6, 2008 being the date falling 30 days prior to the date of the Extraordinary General Meeting was the "**Relevant Date**" for the purpose of determination of the minimum conversion price at which the above mentioned equity warrants will be converted into equity shares. The average of the weekly high and low of the closing prices of the equity shares of UCL on the BSE where the equity shares of UCL are listed and most frequently traded during the period of 6 months preceding the Relevant Date was: (a) for the six (6) months ended on February 5, 2008 i.e. the day preceding the Relevant Date, was Rs. 41.75 per share and (b) for the two (2) weeks ended on February 5, 2008 i.e. the day preceding the Relevant Date, was Rs. 41.94 per share. Each equity warrant will be convertible into one equity share of the face value of Rs. 10/- each at a premium of Rs. 32.50 per share i.e. at a price of Rs. 42.50 per converted share. Therefore, the conversion price for Preferential Allotment of equity warrants, of Rs. 42.50 per share is not less than the higher of above mentioned (a) and (b). Equity shares of UCL were listed only on BSE during the period of six (6) months preceding the Relevant Date.

Each equity warrant will be convertible into one equity share of the face value of Rs. 10/- each at a premium of Rs. 32.50 per share i.e. at a price of Rs. 42.50 per converted share, within eighteen (18) months from the date of the Preferential Allotment. On the Preferential Allotment, ten per cent (10%) of the exercise price payable upon conversion of the warrants, will be paid, which shall be adjusted against the balance price payable upon conversion, in accordance with the SEBI DIP Guidelines. 6,00,000 Equity Warrants to be allotted to Kalpvraksh Impex Pvt Ltd and 6,00,000 Equity Warrants to be allotted to Manan Business Centre Pvt Ltd will be locked in for a period of one (1) year from the date of allotment whereas 40,00,000 Equity Warrants to be allotted to the Acquirer will be locked in for a period of three (3) years from the date of allotment. The Acquirer and UCL have entered into a Warrant Subscription Agreement dated February 11, 2008 (hereinafter referred to as "**WSA-I**") which governs the rights and obligations, inter-se, of the Acquirer and UCL. Kalpvraksh Impex Pvt. Ltd., Manan Business Centre Pvt. Ltd. and UCL have entered into a Warrant Subscription Agreement dated February 11, 2008 (hereinafter referred to as "**WSA-II**") which governs the rights and obligations, inter-se, of each of the said parties to the WSA-II.

"Acquisition", "Conversion" and "Preferential Allotment" referred to above individually, will, hereinafter, be referred to, collectively, as the "**Transactions**". These Transactions will result in change in control of UCL in terms of Regulation 12 of the SEBI Takeover Regulations and the Acquirer will be in control of the management of UCL. In view of this, the SPSA entered into between the Acquirer and the existing promoters of UCL sets out the rights and obligations of the parties thereto with regard to the management of UCL. Further, in terms of the SPSA, the Acquirer will be classified as the promoter of UCL. Mr. Bijay Singh Baid, Executive Chairman cum Managing Director of UCL will be the Non Executive Chairman in the new set up pursuant to the above mentioned Transactions.

The Acquirer has not acquired directly or through any person, any equity shares in UCL during the twelve months preceding the date of this PA except as per the details given above. The Acquirer has not acquired any Equity Shares of UCL during the last twenty six (26) weeks period prior to the date of this PA by way of (a) allotment in public issue or (b) allotment in rights issue or (c) Preferential Allotment except as per the details given above.

India Debt Management Limited, situated at 19th floor, Nirmal, Nariman Point, Mumbai 400 021 ("**IDM**") held (i) 663 Series A Non Convertible Debentures aggregating to Rs. 663.00 lakhs, (ii) 2675 Series B Non Convertible Debentures aggregating to Rs. 2675.00 lakhs and (iii) 2880 Series C Non Convertible Debentures aggregating to Rs. 2880.00 lakhs thus aggregating to Rs. 6218.00 lakhs. IDM subscribed to these Non Convertible Debentures in terms of Debenture Subscription Agreement dated November 3, 2006 and UCL redeemed these Non Convertible Debentures on February 11, 2008. YES Bank Limited has extended a short term loan facility for Rs. 7,500.00 lakhs to UCL pursuant to the facility agreement dated February 1, 2008 executed between UCL and Yes Bank Limited. This has been utilized by UCL for redemption of the above mentioned Non Convertible Debentures. The Acquirer provided the corporate guarantee to this effect to YES Bank Limited pursuant to a guarantee facility agreement dated February 8, 2008 executed between the Acquirer and UCL (the "**GFA**").

Mr. Kushal Desai, Mr. Chaitanya Desai and Mr. Narendra Desai have been appointed on February 11, 2008 on the board of directors of UCL in accordance with the terms of the GFA. They have recused themselves from all decisions of the board of UCL with regard to this offer and are not participating in any matters concerning or relating to the offer including any preparatory steps leading to the offer in terms of Regulation 22(9) of the SEBI Takeover Regulations. The Acquirer proposes to reconstitute the board of directors of UCL upon completion of open offer formalities.

As on March 31, 2007 the paid up equity share capital of UCL was Rs. 14,50,35,660/- comprising of 1,45,03,566 equity shares of Rs. 10/- each. UCL shall convert 29,50,000 Warrants and 29,26,800 Fully Convertible Debentures, held by the Acquirer, into 58,76,800 equity shares of Rs. 10/- each on February 19, 2008 as per the details given above.

Existing promoters of UCL and Brescon Corporate Advisors Limited, situated at Siddhi Vinayak Chambers, Gandhi Nagar, Bandra (E), Mumbai ("**Brescon**") hold 26,67,000 Warrants and 5,33,000 Warrants respectively which are convertible into equity shares of the face value of Rs. 10/- each. Existing promoters of UCL and Brescon subscribed to these Warrants in terms of (a) resolution passed by the directors of UCL in the board meeting held on October 6, 2006 (b) resolution passed by the shareholders of UCL in the Extra-ordinary General Meeting held on November 3, 2006 (c) Warrant Subscription letter dated October 4, 2006 and allotted by the directors in their meeting held on November 15, 2008 in accordance with the provisions of SEBI DIP Guidelines. Existing promoters of UCL have undertaken, vide their letters dated February 11, 2008 to exercise their conversion option before the completion of open offer formalities.

The Acquirer proposes to exercise the conversion option, with respect to 14,00,000 Equity Warrants out of 40,00,000 Equity Warrants being issued in terms of resolution passed by the directors of UCL in the board meeting held on February 11, 2008, before the completion of open offer formalities.

Therefore, while determining twenty per cent (20%) of the paid up equity share capital for the purpose of minimum public offer, paid up equity share capital of Rs. 249,803,660/- comprising of 24,980,366 Equity Shares of Rs. 10/- each is considered in terms of Regulation 21(5) of SEBI Takeover Regulations which provides that for the purpose of determining minimum twenty per cent (20%) of the voting capital of the Company, voting rights as at the expiration of 15 days after the closure of the proposed public offer shall be reckoned.

Kalpvraksh Impex Pvt Ltd and Manan Business Centre Pvt Ltd, vide their letter dated February 11, 2008 declared that they will not exercise their conversion option before the completion of open offer formalities with respect to 12,00,000 Equity Warrants being issued to them pursuant to the terms contained in the WSA-II and in terms of resolution passed by the directors of UCL in the board meeting held on February 11, 2008. Further, the Acquirer, vide letter dated February 11, 2008 declared that they will not exercise their conversion option before the completion of open offer formalities with respect to 26,00,000 Equity Warrants out of 40,00,000 Equity Warrants being issued to them pursuant to the terms contained in the WSA-I and in terms of resolution passed by the directors of UCL in the board meeting held on February 11, 2008. Therefore, these 12,00,000 and 26,00,000 Equity Warrants have been ignored and not considered for the purpose of minimum public offer while determining minimum twenty per cent (20%) of the voting capital of the Company. Further, there are no partly paid up equity shares in the books of UCL.

Existing promoters of UCL presently hold 9,356 equity shares and 26,67,000 equity warrants of UCL. Their equity stake in UCL will stand at 9.30% on a fully diluted basis.

As the aggregate equity stake of the Acquirer, in the paid up equity share capital of UCL, after (a) the Acquisition, (b) the Conversion and (c) Preferential Allotment as explained above, will be more than the stipulated threshold of fifteen per cent (15%), in compliance with Regulations 10 and 12 of the SEBI Takeover Regulations, the Acquirer is hereby making a public announcement of the Offer to acquire upto 49,96,075 equity shares of Rs. 10/- each, representing 20.00% of the fully diluted likely paid-up equity share capital of UCL, from the public shareholders of UCL, at a price of Rs. 48.50 per share (the "**Offer Price**") payable in cash subject to the terms and conditions mentioned hereinafter.

The Offer is not conditional on any minimum level of acceptance and the Acquirer will be obliged to acquire all the equity shares tendered in response to the Offer, subject to a maximum of 49,96,075 equity shares that are tendered in the valid form in terms of this Offer subject to the terms and conditions mentioned in this PA and the Letter of Offer (the "LOF") to be mailed to the equity shareholders of UCL.

The Acquirer may purchase additional shares of UCL from the open market or through negotiation or otherwise, after the date of this PA in accordance with Regulation 20(7) of the SEBI Takeover Regulations and the details of such acquisition will be disclosed by the Acquirer within 24 hours of such acquisition to the Stock Exchanges where the equity shares of UCL are listed and to the Manager to the Offer in terms of Regulation 22(17) of Takeover Regulations.

YBL, the Manager to the Offer, does not hold any equity shares in UCL as on the date of this PA.

Due to the operation of Regulation 2(1)(e) of the SEBI Takeover Regulations, there may be persons who could be deemed to be persons acting in concert. However, they are not acting in concert with the Acquirers for the purpose of this offer.

Besides the abovementioned FCDs and Equity Warrants, there are no other instruments convertible into equity shares at a future date, in the books of UCL as on the date of this PA.

2. The Offer Price

The equity shares of UCL are presently listed and traded on BSE. The equity shares of UCL were listed on The Stock Exchange – Ahmedabad ("**ASE**") and The Calcutta Stock Exchange Association Ltd ("CSE"). However, the equity shares of UCL were delisted from ASE and CSE with effect from August 25, 2004 and February 1, 2007 respectively.

As on the date of this PA i.e. prior to conversion of 29,50,000 Warrants and 29,26,800 Fully Convertible Debentures held by the Acquirer into 58,76,800 equity shares, the paid up equity share capital of UCL is Rs. 14,50,35,660/- comprising of 1,45,03,566 equity shares of Rs. 10/- each.

The annualized trading turnover based on the trading volume in the equity shares of UCL on BSE during August 2007 to January 2008 i.e. six months preceding the date of this PA was 227.16% as during the said period 1,64,73,437 equity shares were traded on BSE [Source: Capitaline]. As the annualized trading turnover is more than five per cent (5%) of the total number of listed equity shares on BSE, the equity shares were deemed to be frequently traded on BSE within the meaning of the Explanation (i) of Regulation 20(5) of the SEBI Takeover Regulations. Consequently, the minimum offer price to be computed for this Offer would be governed by Regulation 20(4) of the SEBI Takeover Regulations as per the following applicable parameters:

Parameters are (a) Negotiated price – Rs. 48.50 per share, (b) Highest price paid by the Acquirer or the PACs for acquisition, if any, including by way of allotment in a public or rights or preferential issue during the twenty six (26) week period prior to the date of this PA – (i) UCL shall, upon application by the Acquirer, convert 29,50,000 Warrants and 29,26,800 Fully Convertible Debentures, (The Acquirer has entered into an agreement to purchase these Warrants and Fully Convertible Debentures from ADM vide Securities Purchase Agreement dated February 11, 2008), into 58,76,800 equity shares of Rs. 10/- each on February 19, 2008, at the conversion price of Rs. 25.00 per share and (ii) UCL, in the board meeting held on February 11, 2008 proposed to issue and allot 40,00,000 Equity Warrants to the Acquirer, on a preferential basis, each Equity Warrant convertible into one equity share of the face value of Rs. 10/- each at a premium of Rs. 32.50 per share i.e. at a price of Rs. 42.50 per converted share and (c) Average of weekly high and low of the closing prices of UCL on the stock exchange where the equity shares of UCL are most frequently traded i.e. the BSE, for the twenty six (26) weeks period ended on February 12, 2008, i.e. the date preceding this PA – Rs. 42.06 per share and (d) Average of daily high and low prices of UCL on the stock exchange where the equity shares of UCL are most frequently traded i.e. BSE, for the two (2) weeks period ended on February 12, 2008 i.e. the date preceding this PA – Rs. 42.70 per share.

The Offer Price of Rs. 48.50 per share is therefore justified in terms of Regulation 20(4) of the SEBI Takeover Regulations, applicable for companies whose shares are frequently traded, in view of this price being more than the highest of the above parameters.

The Acquirer is permitted to revise this Offer upward upto seven (7) working days prior to the date of closure of the Offer. In the event of such revision, an announcement will be made in the same newspapers where this PA has appeared and the revised offer price would be paid for all the equity shares tendered anytime during the Offer.

This PA is being released, as per Regulation 15(1) of the SEBI Takeover Regulations, in Financial Express [English national daily – all editions], Janasatta [Hindi national daily – all editions] and Navshakti [Marathi regional language daily – Mumbai edition] - as the registered office of UCL is situated in Mumbai and the equity shares of UCL are most frequently traded on BSE.

3. Information on the Acquirers

Apar Industries Limited ("**AIL**") is the Acquirer. No other person / individual / entity is acting in concert with the Acquirer for the purposes of this Offer.

AIL was incorporated on September 28, 1989 as Gujarat Apar Polymers Limited. The name of the company was subsequently changed to Apar Industries Limited on April 19, 1999. The registered office of AIL is situated at 301, Panorama Complex, R.C. Dutt Road, Vadodara 390007 whereas its corporate office is situated at Apar House, Corporate Park, Sion-Trombay Road, Chembur, Mumbai 400071.

AIL was promoted by Apar, the flagship company of the Apar group, along with the Gujarat Industrial Investment Corporation (GIIC). Presently Dr. Narendra D. Desai and his two Sons Mr Kushal N. Desai and Mr Chaitanya N. Desai and their relatives and associate companies are in control of AIL. AIL belongs to Apar group. It is presently engaged in the business of manufacturing and selling of various types of Conductors for power transmission lines, Transformer Oils and Industrial Oils & Other Speciality Oils.

Apar's conductor division was started in 1958 with technical know-how from Alcan (Canada) and Properzi (Italy). The aluminium conductor division manufactures all types of bare overhead aluminium conductors and GS earthwires. The business contributed 44% of the Company's revenues in 2006-07.

Apar's speciality oil business was started in 1969 with technical know-how from Sun Oil Company (USA). The division has four products (transformer oil, rubber processing oils, white oils and industrial oils). The business contributed 46% of AIL's revenues in 2006-07.

Apar's High Styrene Rubber business was started in 1988 and the Nitrile Butadiene Rubber business in 1992 with technical know-how from Goodyear Rubber & Tyre Company (USA). The business contributed 10% of the AIL's revenues in 2006-07. AIL has entered into Agreement for Sale on November 1, 2007 of Polymer Business to Eliokem India Private Limited as a going Concern.

Petroleum Specialities Pte. Ltd, Singapore and Powerroil Speciality Products FZE Limited, Sharjah are the wholly owned subsidiaries of AIL. Quantum Apar Speciality Oils Pty Limited, Australia is a subsidiary of Petroleum Specialilities Pvt. Ltd, Singapore. Apar Chematek Lubricants Limited is a joint venture between AIL and Chematek, S.p.A Italy.

As on the date of this PA, the paid up equity share capital of AIL is Rs. 32,33,60,310/- comprising of 3,23,36,031 equity shares of Rs. 10/- each and the equity shares are presently listed on BSE and the National Stock Exchange of India Ltd ("**NSE**"). The Promoters hold 59.97% in the paid up equity share capital of AIL.

As per the audited accounts for the year ended March 31, 2007, the financials of AIL are (a) Total Income Rs. 1,47,309.09 lakhs, (b) Total Expenditure Rs.1,40,702.83 lakhs, (c) Net profit after tax and prior period adjustments Rs. 4,597.31 lakhs, (d) Paid up equity share capital Rs. 3,233.60 lakh, (e) Reserves and Surplus Rs. 17,894.58 lakhs, (f) Secured Loans Rs. 8,574.93 lakhs (g) Unsecured Loans of Rs. 4,702.07 lakhs, (h) Net Deferred Tax Liability Rs. 1,393.01 lakhs, (i) Net Fixed Assets (including capital work in progress) 16,029.38 lakhs, (j) Investments Rs. 187.95 lakhs, (k) Current Assets, Loans & Advances Rs. 76,722.06 lakhs, (l) Current Liabilities & Provisions Rs. 57,566.44 lakhs and (m) Miscellaneous Expenditure (to the extent not written off or adjusted) Rs. 425.24 lakhs. Relevant ratios are (i) EPS Rs. 14.22 (ii) BV Rs. 41.11, (iii) RONW 34.59%, PE ratio 17.19 and (iv) Market price as on February 11, 2008 Rs. 244.40 on BSE and Rs. 252.60 on NSE.

For the purpose of determination of BV and RONW, ratios used are (a) Net worth = Paid up equity share capital + Free Reserves – Debit balance in Profit & Loss account, (b) BV = Net worth / Number of Equity shares and (c) RONW = Profit After Tax/Net worth.

4. Information on the Target Company - UCL

UCL started off its operations in the year, 1981 as a partnership firm in the name of United Cables to manufacture elastomeric cables and PVC insulated cables under the brand name of "Unicab". Uniflex Cables Private Limited was incorporated on December 14, 1990 as a private limited company to take over the then existing business of the partnership firm. UCL became a public limited company on November 26, 1992. The registered office of the Company is situated at Chandra Mahal, First Floor, 241, Shamaldas Gandhi Marg, Mumbai 400 002.

The company was promoted by the Baid group, having experience in textiles, cotton exports and cables. Presently, UCL is engaged in the business of manufacture of PVC/elastomeric cables with an installed capacity of 2300 km pa. Elastomeric cables are used by defence, the ship-building industry, railways, offshore platforms, the mining industry, nuclear power plants, etc. XLPE cables are used by the chemical and fertiliser industries, underground cabling, etc. Fluoroplastic cables are used by defence, the chemical and metallurgical industries, the oil exploration industry, telephone exchanges, the electronics industry, in aircraft wiring, etc.

The company has diversified into telephone cables. Uniflex also manufactures optical fibre cables (OFCs) and jelly-filled telephone cables (JFTCs) in collaboration with Swisslab, Switzerland. The company's client base includes core industries such as defence, railways ONGC, nuclear power plants, shipbuilding etc.

During the year 2004, the entire net worth of the Company was eroded and it was referred to the Board for Industrial and Financial Reconstruction ("**BIFR**") as per the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 ("**SICA**") and was registered as a sick company vide registration No. 280/2004. In October 2006, the BIFR, notified that the Company has been de-registered from the purview of the SICA as the Company's net worth turned positive during the year 2005-06.

As on the date of this PA i.e. prior to conversion of 29,50,000 Warrants and 29,26,800 Fully Convertible Debentures (The Acquirer has entered into an agreement to purchase these Warrants and Fully Convertible Debentures from ADM vide Securities Purchase Agreement dated February 11, 2008) by the Acquirer into 58,76,800 equity shares, the paid up equity share capital of UCL is Rs. 14,50,35,660/- comprising of 1,45,03,566 equity shares of Rs. 10/- each and the equity shares are presently listed on BSE.

There are no partly paid up equity shares in the books of UCL as on the date of this PA. Besides the abovementioned Equity Warrants, there are no other instruments convertible into equity shares at a future date, in the books of UCL as on the date of this PA

As per the audited accounts of the Company for the period ended nine (9) months, March 31, 2007, the financials of the Company are [annualized figures are stated in brackets] (a) Total Income Rs. 3,883.91 lakhs (5,178.55 lakhs) , (b) Total Expenditure Rs. 3,532.25 lakhs (4,709.67 lakhs), (c) Net profit Rs. 2,466.37 lakhs (3,288.49 lakhs), (d) Paid up equity share capital Rs. 1,450.36 lakhs, (e) Share Warrants Rs 153.75 lakhs (f) Reserves and Surplus (Net of Deferred Revenue Expenditure) Rs. 3,385.68 lakhs, (g) Secured Loans 7,248.63 lakhs (h) Unsecured Loans Nil, (i) Deferred Tax Asset Nil, (j) Net Fixed Assets [including capital work in progress] Rs. 4,671.19 lakhs, (k) Investments Nil, (l) Current Assets, Loans & Advances Rs. 6,187.18 lakhs, (m) Current Liabilities & Provisions Rs. 526.03 lakhs and (n) Debit balance in Profit & Loss account Rs. 1,906.08 lakhs. Relevant ratios are (i) EPS (diluted) Rs. 10.46, (ii) BV Rs. (-3.14) and (iii) RONW (-541%) %.

For the purpose of determination of BV and RONW, ratios used are (a) Net worth = Paid up equity share capital + Free Reserves – Debit balance in Profit & Loss account, (b) BV = Net worth / Number of Equity shares and (c) RONW = Profit After Tax/Net worth.

5. Reasons for the acquisition, rationale for the offer and future plans

Substantial acquisition of shares and voting rights accompanied with change in control and management is the reason and rationale for the acquisition of the above mentioned equity stake in the paid up equity share capital of UCL by the Acquirer as strategic investment is the object and purpose of this acquisition. Therefore, this Offer is being made in accordance with Regulation 10 and 12 of the SEBI Takeover Regulations.

Pursuant to substantial acquisition, the Acquirer will be in control of the management of the Company. The Acquirer does not currently have any plans to dispose of or otherwise encumber any assets of UCL in the two (2) years from the date of the closure of this Offer except in the ordinary course of business, apart from the mortgage being created on the movable and immovable assets of the Target Company in favour of YES Bank Limited and the Acquirer under the facility agreement and the GFA respectively as security for the facility and corporate guarantee extended by them. The Acquirer hereby undertakes not to sell, dispose of or otherwise encumber any substantial assets of UCL except with the prior approval of the shareholders of UCL. The Acquirer would take appropriate decisions in the aforesaid matters, as per the requirements of business and in line with opportunities or changes in the economic scenario, from time to time.

The Acquirer proposes to reconstitute the board of directors of UCL upon completion of open offer formalities and the Acquirer or their authorized representatives, who will be in control of the management of the Company, will take decisions regarding the future course of the Company.

6. Statutory Approvals & Conditions of the Offer

The equity shares that are tendered in the Offer may be those held by Non-Resident Indians or persons resident outside India who are not Non-Resident Indians, including Overseas Corporate Bodies, if any, holding shares in the Company who may be persons not covered by specific provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000. The Offer is therefore subject to the receipt of the approval, if any, of the RBI under the Foreign Exchange Management Act, 1999 and the rules and regulations made there under for the acquisition of equity shares by the Acquirer from the aforesaid category of shareholders under the Offer and other related matters.

In case of delay in receipt of statutory approvals, as explained above, SEBI has power to grant extension of time to the Acquirer for payment of purchase consideration to eligible shareholders of the Company, subject to the Acquirer agreeing to pay interest as directed by SEBI, for the delayed period in terms of Regulation 22(12) of the SEBI Takeover Regulations. If the delay occurs due to willful default of the Acquirer in obtaining requisite approvals, Regulation 22(13) of the SEBI Takeover Regulations will become applicable.

To the best of the Acquirers' knowledge, (a) no approval from banks / financial institutions of UCL is required for the Acquirer to make this Offer and (b) other than the approvals mentioned aforesaid, no other statutory or regulatory approval is required for the Acquirer to proceed with the Offer. If any other approvals are required or become applicable subsequently, the Offer would be subject to such approvals. The Acquirer will have a right not to proceed with the Offer in the event the approvals are refused, in terms of Regulation 27(1)(b) of the Regulations.

7. Continuous Listing

The minimum public shareholding required for continuous listing of the equity shares of UCL is 25% (twenty five) of the total issued equity share capital. The Acquirer will hold 68.50% in the fully diluted paid up equity share capital of UCL upon (a) consummation of the abovementioned Transactions and (b) completion of the Open Offer assuming full acceptance to the Offer. Post Open Offer, if the public shareholding falls to a level below the minimum public holding required for continuous listing, the Acquirer has undertaken to take necessary steps to facilitate compliance of UCL with the relevant provisions thereof in terms of the provisions of Regulation 21(2) of the SEBI Takeover Regulations (i.e., to enable UCL to raise the level of public shareholding, to the levels specified for continuous listing as specified in the listing agreement with the BSE, within the prescribed period). Therefore, pursuant to this Offer, there will be no violation of Clause 40A of the listing agreement of UCL with the BSE on which its equity shares are presently listed and the equity shares of UCL will continue to be listed.

8. Funding Arrangement

The maximum purchase consideration payable by the Acquirer in case of full acceptance of this Offer would be Rs. 24,23,09,638/- for acquisition of 49,96,075 equity shares at the offer price of Rs. 48.50 per share.

The Acquirer has created an escrow account with YES Bank Limited, having their office at 9th Floor, Discovery of India Building, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai 400018, in their capacity as the **Escrow Banker**, under the name and style of " AIL - UCL - Open Offer Escrow Account" in accordance with the provisions of Regulation 28 of the SEBI Takeover Regulations. (the "**Escrow Account**")

The Acquirer has established a bank guarantee in favour of the Manager to the Offer for Rs. 6,05,77,416/- being not less than 25% of the total purchase consideration payable under the Offer assuming full acceptance, through Syndicate Bank. 227, Nariman Bhawan, Ground Floor, Nariman Point, Mumbai 400021. The Bank Guarantee is valid upto June 30, 2008. The Acquirer has deposited the said bank guarantee into the Escrow Account before the release of this PA.

Besides the aforesaid bank guarantee, the Acquirer has deposited Rs. 24,23,097/- in cash, being not less than 1% of the total purchase consideration payable under the Offer assuming full acceptance into Escrow Account bearing No. 000 180 200000 451 before the release of this PA.

The Acquirer has deposited the above mentioned Bank Guarantee and the cash into the Escrow Account as and by way of security for fulfillment of their obligations in accordance with the provisions of Regulation 28 of the SEBI Takeover Regulations and the Acquirer has empowered the Manager to the Offer to realize the value of the Escrow Account in terms of Regulation 28 of the SEBI Takeover Regulations. In case of revision in the offer price, the Acquirer would increase the value of the Escrow Account to ensure compliance with the SEBI Takeover Regulations.

The Acquirer has confirmed that the Escrow Account will be utilized exclusively for the purpose of the Offer. The Acquirer has authorized the Manager to the Offer to operate the Escrow Account in compliance with Regulation 28 of the SEBI Takeover Regulations. The Acquirer and the Escrow Banker have marked a lien on the Escrow Account in favour of the Manager to the Offer.

Mr. Paras A Sheth, FCA [Membership No: 31600], Paras Sheth & Associates, Chartered Accountants, B/16, Kasturi Mahal, Plot No. 9, Opp. Mary Land Corner, Sion Circle (E), Mumbai – 400 022; Tel No: 91 22 2409 0834; Fax No : 91 22 2409 8639; e-mail ID : psheth@vsnl.com has certified, based on the Audited Balance Sheet and Profit & Loss Account as on March 31, 2007 and also the Un-audited financial results for the period ended December 31, 2007, vide his letter dated February 11, 2008 that Acquirer has adequate financial resources to finance the above mentioned acquisition of 49,96,075 equity shares to the extent of their obligations of the Offer. The Acquirer proposes to finance the above mentioned acquisition through accumulated reserves and surplus. No borrowings from banks / financial institutions / foreign sources or otherwise is envisaged.

In view of above, the Manager to the Offer is satisfied that firm arrangements for financial resources required to implement the Offer i.e., funds and money 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 SEBI Takeover Regulations.

9. Other Terms of the Offer

The **LOF** will be mailed to the shareholders of UCL [except the Acquirer and the Selling Shareholders] whose names appear on the Register of Members of UCL and beneficial owners of the equity shares, whose names appear as beneficiaries on the records of the respective depositories i.e., National Securities Depository Limited ["**NSDL**"] and Central Depository Services (India) Limited ["**CDSL**"], at the close of business hours on Friday - February 15, 2008 (the "**Specified Date**") along with Form of Acceptance cum Acknowledgement (the "**Acceptance Form**"). All owners (registered or unregistered) of equity shares of UCL [except the Acquirer and the Selling Shareholders] who own/hold equity shares at any time before the date of closure of the Offer are eligible to participate in the Offer.

Mondkar Computers Private Limited, having their office at 21, Shakil Niwas, Opp: Satya Saibaba Temple, Mahakali Caves Road, Andheri East, Mumbai 400093 is acting as the Registrar to the Offer (the "Registrar"). The Registrar has opened a special depository account with NSDL in the name and style of "MCPL Escrow A/c - UCL Open Offer" (**the Special Depository Account**") through HDFC Bank Ltd, Trade World, Wing "A", Ground Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 [the "**DP**"].

Beneficial owners holding equity shares in dematerialized form will be required to send on or before the closure of the Offer, along with their Form of Acceptance-cum-Acknowledgment, a photocopy of the delivery instruction slip in "off-market" mode, duly acknowledged by the DP, for transferring the equity shares in favor of "MCPL Escrow A/c - UCL Open Offer" as per the instructions given below:

Depository	NSDL
Depository Participant / DP	HDFC Bank Ltd
Client ID	24050113
DP ID	IN301151
ISIN	INE146B01011

Shareholders of UCL having their depository account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with NSDL.

Beneficiary owners (holders of equity shares in dematerialized form) who wish to tender their equity shares will be required to send their Acceptance Form along with a photocopy of the delivery instruction slip in "off-market" mode or counterfoil of the delivery instruction slip in "off-market" mode, duly acknowledged by the depository participant in favour of the special depository account, to the Registrar in accordance with the instructions to be specified in the LOF.

Shareholders of UCL holding equity shares in physical form and who wish to tender their equity shares will be required to send the Acceptance Form, original share certificate/s and transfer deed/s, duly signed, to the Registrar on or before the closure of the Offer in accordance with the