PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE EQUITY SHAREHOLDERS OF

UTTAM GALVA STEELS LIMITED

Registered Office: Uttam House, 69, P. D'Mello Road, Mumbai - 400009, India.

CASH OFFER ("OFFER") FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF UTTAM GALVA STEELS LIMITED ("Target Company"/"UGSL")

This Public Announcement ("PA") is being issued by SBI Capital Markets Limited ("Manager to the Offer"), for and on behalf of ArcelorMittal Netherlands B.V., Netherlands ("AMNL" or the "Acquirer") in compliance with Regulations 10 and 12 and other applicable provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI (SAST) Regulations"/ "Regulations"). No person / individual / entity is acting in concert with the Acquirer for the purposes of this Offer.

I. BACKGROUND TO THE OFFER

1. This Offer is being made by AMNL, a company incorporated and registered under the laws of The Netherlands having its registered office and principal place of business located at Eemhavenweg 70, 3089KH Rotterdam, The Netherlands (Tel. No. +31 10 487 09 11, Fax No. +31 10 429 16 56) being the Acquirer within the meaning of Regulation 2(1)(b) of the Regulations, to the shareholders of the Target Company, a public limited company incorporated in India under the Companies Act, 1956 having its registered office at Uttam House, 69, P. D'Mello Road, Mumbai - 400009, India.
2. The Acquirer is an indirect 100% subsidiary of ArcelorMittal, which is incorporated and registered under the laws of Luxembourg having its registered office at 19, Avenue de la Liberté, L-2930 Luxembourg and which is the world's largest steel manufacturer.
3. No person/ individual is acting in concert with the Acquirer in this Offer.
4. A Co-Promotion Agreement (the "Co-Promotion Agreement") was made and entered into as of September 4, 2009 by and among the following promoters of the Target Company namely Ankit Miglani, Rajinder Uttamchand Miglani, Neelam Rajinder Miglani, Anuj Miglani, Neeraj Miglani, Nitin Miglani, Om Prakash Ahuja, P K Miglani, Parikshat Miglani, Ramesh Kumar Miglani, Sheetal Miglani, Archana Miglani, Priyanka Miglani, First India Commerce Ltd, Archisha Investments Pvt Ltd, Sainath Trading Company Pvt Ltd, Kredence Multi Trading Ltd, Uttam Export Pvt Ltd, Uttam Flour Mills Pvt Ltd and Shree Uttam Steel & Power Limited (each an "Indian Promoter" and collectively, the "Indian Promoters"), the Target Company and AMNL. The address of the Indian Promoters for correspondence in relation to this Open Offer is as follows: C/o Uttam House, 69, P. D'Mello Road, Mumbai - 400 009 (Tel No. +91-22-66563633, Fax No. +91-22-23481831). The Indian Promoters are promoters and/ or part of the promoter group of the Target Company and have, in the Co-Promotion Agreement, agreed to induct the Acquirer as a foreign promoter of the Target Company, as well as to sell shares of the Target Company to the Acquirer, the number of which would depend on the response to this Offer. The Acquirer and the Indian Promoters are not acting in concert for the purposes of this Offer.
5. A summary of some of the salient features of the Co-Promotion Agreement, which are all subject to detailed terms in the Co-Promotion Agreement, is as follows:
   a) AMNL will become the co-promoter of the Target Company.
   b) In the event that the equity shares tendered in the Offer are fewer than the number of shares for which the Offer is made, the Indian Promoters shall sell such number of equity shares to AMNL as shall cause their respective shareholdings in the Target Company to become equal, at a price per share which shall be the per share consideration offered to shareholders pursuant to this Offer.
   c) Indian Promoters and Acquirer have agreed that, subject to the terms of the Co-Promotion Agreement, they shall respectively have the right to appoint one-half of the non-independent directors of the Target Company.
   d) Board meetings of the Target Company will have this special quorum requirement that a nominee director of the Indian Promoter and a nominee director of the Acquirer must attend. General meetings of the Target Company will have this special quorum requirement that a representative of the Indian Promoter and a representative of the Acquirer must attend.
   e) The following obligations relating to the transfer of equity shares have been imposed on the Indian Promoters and the Acquirer: lock-in for three years (except with the consent of the Acquirer or the Indian Promoter as the case may be), tag-along right and the right of first refusal. These restrictions do not apply to the transfers of equity shares to permitted affiliates.
   f) A list of matters (the "Affirmative Vote Matters") has been agreed upon. Affirmative Vote Matters include decisions on the business plan, dissolution, amendment of charter documents, corporate restructuring, entering into partnership and joint ventures, employee and director compensation, related party transactions, capital expenditures or investments in excess of identified thresholds, issuance or buy-back of securities and loans in excess of an identified threshold etc. Subject to the Acquirer and the Indian Promoters continuing to remain invested in the Target Company above certain thresholds stipulated in the Co-Promotion Agreement, decisions on Affirmative Vote Matters shall be taken only with the consent of representatives/ nominee directors of the Indian Promoters and the Acquirer.
   g) The Indian Promoters, the Acquirer and their respective nominees on the board of the Target Company shall have information and access rights which will be subject to all applicable laws.
   h) The articles of association of the Target Company will be amended to incorporate the rights and obligations in the Co-Promotion Agreement.
   i) Certain provisions of the Co-Promotion Agreement are subject to receipt of the approvals (mentioned in paragraph 34) unless waived in accordance with the Co-Promotion Agreement. These provisions include the veto right on Affirmative Vote Matters (mentioned in paragraph 5(f) herein), the sale of equity shares by the Indian Promoters to Acquirer (mentioned in paragraph 5(b) herein), representation on the board (mentioned in paragraph 5(c) herein) and additional quorum stipulations (mentioned in paragraph 5(d) herein).

II. THE OFFER

6. This Offer is made to all the equity shareholders of the Target Company in terms of Regulations 10 and 12 of the SEBI (SAST) Regulations to acquire 3,52,26,233 equity shares of face value Rs. 10 each of the Target Company forming 25.76% of the Emerging Voting Capital as computed under paragraph 28 herein (which is 29.39% of the existing voting capital) of the Target Company at a price of Rs.120.00 (Rupees One Hundred and Twenty only) for each fully paid-up equity share ("**Offer Price**") to be paid in cash in accordance with the SEBI (SAST) Regulations, and subject to the terms and conditions mentioned hereinafter and as will be set out in the Letter of Offer in relation to the Offer ("**Letter of Offer**") and Form of Acceptance-cum-Acknowledgement. The total maximum consideration payable in cash for the above transaction is aggregating to Rs.422,71,47,960 (Rupees Four Hundred and Twenty-Two Crores Seventy-One Lacs Forty-Seven Thousand Nine Hundred and Sixty only) ("**Offer Size**").
7. The Offer is not conditional upon any minimum level of acceptance i.e. the Acquirer will acquire all equity shares of the Target Company that are validly tendered by any shareholder other than a party to the aforesaid Co-Promotion Agreement, in terms of the Offer subject to a maximum of 3,52,26,233 equity shares forming 25.76% of Emerging Voting Capital of the Target Company as computed under paragraph 28 herein which is 29.39% of the existing voting capital, subject to the conditions specified in this PA, Letter of Offer and Form of Acceptance-cum-Acknowledgement.
8. None of the directors of the Acquirer have acquired any equity shares in the Target Company during the 12 month period prior to the date of this PA.
9. This is not a competitive bid. This Offer is not pursuant to any global acquisition resulting in an indirect acquisition of equity shares of the Target Company.
10. There are no partly paid-up equity shares of the Target Company as on date.
11. The Acquirer may purchase additional equity shares of the Target Company from the open market or through negotiation or otherwise, after the date of this PA in accordance with the SEBI (SAST) Regulations. Details of such acquisitions will be disclosed by the Acquirer within 24 hours of such acquisition to the stock exchanges where the equity shares of the Target Company are listed and to the Manager to the Offer in terms of Regulation 22(17) of the SEBI (SAST) Regulations.
12. Due to the operation of Regulation 2(1)(e)(2) of the SEBI (SAST) Regulations, one or more person(s) may be deemed to be acting in concert with the Acquirer. However, such persons are not acting in concert with the Acquirer in this Offer.
13. The equity shares of UGSL will be acquired by the Acquirer under the Offer, free from all liens, charges and encumbrances and together with all rights attached thereto.
14. The Manager to the Offer does not hold any equity shares in the Target Company, as at the date of this PA. The Manager to the Offer shall not deal in the equity shares of the Target Company until the expiry of fifteen days from the date of closure of the Offer.
15. This PA is being released, as per Regulation 15(1) of the SEBI (SAST) Regulations, in Economic Times. English national daily – all editions; Navbharat Times, Hindi national daily – all editions; and Maharashtra Times, Marathi regional language daily – Mumbai edition since the registered office of the Target Company is situated in Mumbai.
16. **Offer Price**
    a. The equity shares of the Target Company are presently listed on the Bombay Stock Exchange Limited ("**BSE**"), the National Stock Exchange of India Limited ("**NSE**"), Delhi Stock Exchange Association Limited ("**DSE**") and The Calcutta Stock Exchange Association Limited ("**CSE**"). The Target Company has made a delisting application to CSE and is awaiting the final delisting approval.
    b. The annualized trading turnover of the equity shares of UGSL during the six calendar months preceding the month in which the PA is made (March 2009 - August 2009) on BSE and NSE, is detailed below;

Name of Stock Exchange	Total no. of equity shares traded during the 6 calendar months prior to the month in which the PA was made	Total no. of listed equity shares as on date *	Annualised trading turnover (in terms of % of total listed equity shares)
BSE	3,72,07,751	11,39,73,443	65.29%
NSE	5,44,10,154	11,39,73,443	95.48%

(Source: www.bseindia.com and www.nseindia.com)

**58,74,760 Equity shares issued under the Scheme of Arrangement are not listed as on date.*

    c. Based on the information available, the equity shares of the Target Company are frequently traded on BSE and NSE, within the meaning of explanation (i) of Regulation 20 (5) of the SEBI (SAST) Regulations and is most frequently traded on NSE.
    d. The Offer Price of Rs.120.00 (Rupees One Hundred and Twenty only) per equity share is justified in terms of Regulation 20(4) of the SEBI (SAST) Regulations as it is not lower than the highest of the following:

i.	Negotiated Price	Rs.120*
ii.	Highest Price paid by Acquirer for any acquisition (including by way of allotment in a public or rights or preferential issue) during the 26 week prior to the date of the PA.	Not Applicable
iii.	The average of the weekly high and low of the closing prices of equity shares of the Target Company on NSE during the 26 week period preceding the date of the PA.	Rs.47.93
iv.	The average of the daily high and low of the prices of equity shares of the Target Company on NSE during the 2 week period preceding the date of the PA.	Rs.97.82

\# As per the definition of the Top Up consideration in Clause 1.1 of the Co-Promotion Agreement, the amount payable to the Indian Promoters is the Offer Price.

    e. In the opinion of the Manager to the Offer, the Offer Price of Rs.120.00 per equity share offered by the Acquirer to the shareholders of the Target Company under the proposed Offer is justified in terms of Regulation 20 (4) of the SEBI (SAST) Regulations.
    If the Acquirer acquires equity shares of the Target Company after the date of the PA and up to seven working days prior to the closure of the Offer at a price higher than the Offer Price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the Offer.

III. INFORMATION ON THE ACQUIRER

17. **ArcelorMittal Netherlands B.V. (AMNL)**
    a) The Acquirer is a private company with limited liability, existing under the laws of The Netherlands, incorporated on November 10, 1997 in the name of ACERLIA INTERNATIONAL B.V. and on the same date i.e. November 10, 1997, changed its name to Acerália Internacional B.V. Subsequently on January 26, 2004 the Acquirer's name was changed into Arcelor Netherlands B.V. As of June 19, 2008, the Acquirer has changed its name from Arcelor Netherlands B.V. Netherlands B.V. AMNL is registered at the Trade Register of the Chamber of Commerce in Rotterdam under number 33 297 298 and its principal place of business is Rotterdam.
    b) The registered office of AMNL is located at Eemhavenweg 70, 3089KH Rotterdam, The Netherlands (Tel. No.+31 10 487 09 11, Fax No. +31 10 429 16 56).
    c) The Acquirer is an indirect 100% subsidiary of ArcelorMittal, which is the world's largest steel manufacturer.
    d) The Acquirer is a holding company and its corporate purpose is participation in and management of other business undertakings.
    e) The authorized share capital of AMNL is EUR 100,000 consisting of 2,000 shares of EUR 50 nominal value each. The issued and paid up share capital consists of 1,600 shares of EUR 50 nominal value each and the share premium is EUR 27,782.71 Lacs as on June 30, 2009. As on date, AMO Holdings 5, a Luxembourg company having its registered office at 19, Avenue de la Liberté, L-2930 Luxembourg, Tel no. +352 4792 1, Fax no. +352 4792 2675, holds 240 shares and AMO Holdings 6 , a Luxembourg company having its registered office at 19, Avenue de la Liberté, L-2930 Luxembourg, Tel no. +352 4792 1, Fax no. +352 4792 2675, holds 1,360 shares of the Acquirer. There are no partly paid-up shares in AMNL.
    f) The shares of the Acquirer are not listed on any stock exchange.
    g) As per the law prevailing in The Netherlands, the financial statements of the Acquirer are not required to be audited. Based on the financial statements as certified by the management of the Acquirer, the financial highlights of AMNL are as follows:

Particulars	For 6 months period ended June 30, 2009 EUR (in lacs)	INR (in lacs)	Year Ending December 31, 2008 EUR (in lacs)	INR (in lacs)	Year Ending December 31, 2007 EUR (in lacs)	INR (in lacs)	Year Ending December 31, 2006 EUR (in lacs)	INR (in lacs)
Gross Income	442	30,831	887	61,853	36	2,544	31	2,181
(Loss)/Profit after Income Tax	(100)	(6,964)	(403)	(28,130)	(89)	(6,234)	(7)	(503)
Share Capital	1	56	1	56	1	56	1	56
Reserves & Surplus	33,784	2,356,740	33,883	2,363,760	26,504	1,848,888	1,246	86,915
Net Worth	33,784	2,356,796	33,884	2,363,760	26,504	1,848,943	1,247	86,970
Book Value per share (in unit currency)	2,111,522	147,299,753	2,117,761	147,734,983	1,656,522	115,558,962	77,919	5,435,652
Earnings per share (in unit currency)	(6,239)	(435,230)	(25,203)	(1,758,154)	(5,585)	(389,623)	(451)	(31,429)
Return on Net worth (%)	-	-	-	-	-	-	-	-

Source: Annual Report of AMNL and half yearly results as certified by the management of the Acquirer

    h) None of the directors of AMNL are on the board of the Target Company and none of them have acquired any shares of the Target Company during the 12 months prior to the date of this PA.
    i) As on date, the Acquirer holds Series 'A' USD 15 Million Foreign Currency Convertible Bonds ("FCCBs") issued by the Target Company of face value of USD1000 each.
    j) As on date, the Acquirer does not hold any equity shares, in the Target Company. However, independent of the Co-Promotion Agreement under which the Acquirer has agreed to acquire any shortfall in the Offer from the Indian Promoters (as mentioned in paragraph 5(b) herein), the Acquirer has also agreed with the Indian Promoters to acquire equity shares constituting approx. 5.61% of the existing total equity share capital of the Target Company from the Indian Promoters, subject to the fulfillment of certain conditions precedent. The price agreed to be paid for those equity shares was Rs.100, but it was also agreed that if a higher price is paid to the shareholders in this Offer, then the Indian Promoters will also be paid that higher price. In no event will the Indian Promoters be paid more than the price paid in the Offer for the said 5.61% of the existing total equity shares of the Target Company.

IV. INFORMATION ABOUT THE TARGET COMPANY

18. The Target Company was incorporated on 29 March 1985 in the name of Uttam Galva Steels Limited. The Target Company changed its name to Uttam Galva Steels Limited on 18 May 1993 and subsequently changed its name to Uttam Galva Steels Limited with effect from 23 January 2002.
19. The Target Company's registered and corporate office is located at Uttam House, 69, P. D'Mello Road, Mumbai – 400009.
20. As per the shareholding pattern filed with the stock exchanges for the quarter ended on June 30, 2009, the Promoter and Promoter Group comprises of: Sureshkumar Kubba, G C Gopani, M C Gopani, N C Gopani, Parikshat Miglani, Neeraj Miglani, Usha Miglani, Nitin Miglani, Sheetal Miglani, N R Miglani, Om Prakash Ahuja, P K Miglani, Ramesh Kumar Miglani, Uttam Flour Mills Pvt. Ltd., Neelam Miglani, Ankit Miglani, Uttam Investments Pvt. Ltd., R K Miglani, Anuj Miglani, First India Commerce Ltd, Archisha Investments Pvt. Ltd., Uttam Power and Steel Pvt. Ltd., Sainath Trading Company Pvt. Ltd., Uttam Exports Pvt. Ltd. and Sanjug Trading Company Ltd.
21. The Target Company is a producer of cold rolled ("**CR**") steel, galvanized products (comprising galvanized plain ("**GP**") and galvanized corrugated ("**GC**") coils and sheets) and colour coated coils & sheets based in Western India. The Target Company is in the business of procuring hot rolled steel and processing it into CR & GP and further into colour coated products. Its current facilities are mainly in thinner gauge materials. The CR not used for galvanising is converted to value added grades in Cold Rolled Closed Annealed coils, cut to length sheets and also sold as Full Hard CR in overseas markets. A significant portion of the Target Company's products are currently exported to over 142 countries worldwide and it has a customer base in many advanced markets such as Australia , France , Germany , Greece , UK and the USA to name a few. The Target Company is an ISO 9001-2000 and TS 16949/2002 accredited Company both for CR and GP/ GC.
22. The equity shares of the Target Company are listed on BSE, NSE, DSE and CSE. The Target Company has made an application to CSE for delisting of its equity shares and is awaiting the final delisting approval. The FCCBs issued by the Target Company are listed on Singapore Stock Exchange.
23. The Target Company has an authorized share capital of Rs. 175,00,00,000 comprising 16,90,00,000 equity shares of Rs. 10 each aggregating Rs. 169,00,00,000 and 60,00,000 redeemable cumulative preference shares of Rs. 10 each aggregating Rs.6,00,00,000.
24. As on March 31, 2009, the issued share capital of the Target Company is Rs. 119,34,19,120 comprising 11,39,73,443 equity shares of Rs. 10 each aggregating Rs. 113,97,34,430and 53,68,469 redeemable cumulative preference shares of Rs. 10 each aggregating Rs.5,36,84,690.
25. As on March 31, 2009, the subscribed and the paid up share capital of the Target Company is Rs. 113,97,34,430 comprising 11,39,73,443 equity shares of Rs. 10 each. Subsequently, on August 27, 2009, the Target Company has allotted 58,74,760 equity shares to the shareholders of Shree Uttam Steel and Power Limited pursuant to the Scheme of Arrangement.
26. The Target Company had issued Series 'A' USD 24 Million and Series 'B' USD 20 Million 2% FCCBs of face value of USD 1000 each aggregating USD 44 Million on August 4, 2005. Subsequently, the Target Company had converted Series 'A' USD 6.5 Million FCCBs into 62,70,944 equity shares on February 13, 2008 and Series 'B' USD 2.5 Million FCCBs into 24,11,902 equity shares on January 31, 2008. The balance Series 'B' USD 17.5 Million FCCBs were redeemed on August 11, 2008 at 117.25% of their principal amount. The balance Series 'A' USD 17.5 Million FCCBs are convertible by holders into equity shares, at any time on or after September 18, 2005 and prior to the close of business on July 31, 2010. The conversion price for the same will be Rs.45.12 per equity share with a fixed rate of exchange on conversion of Rs.43.53 = USD 1.00. Unless previously redeemed, converted or repurchased and cancelled, the Target Company will redeem each FCCB at 130.97% of its principal amount on the Maturity Date i.e. August 10, 2010.
27. The Target Company has allotted 58,74,760 equity shares on August 27, 2009 to the shareholders of Shree Uttam Steel and Power Limited, pursuant to the Scheme of Arrangement (Demerger) between Shree Uttam Steel and Power Limited and the Target Company Limited for demerger of power division of Shree Uttam Steel and Power Limited into the Target Company. The Scheme of Arrangement is approved by Hon'ble High Court Judicature at Bombay and Hon'ble High Court of Bombay, Goa Bench vide their orders dated August 07, 2009 & August 17, 2009 respectively, which has come into effect on August 21, 2009.
28. The Emerging Voting Capital of UGSL has been calculated as follows:

Instrument	Voting Capital equivalent
Total fully paid-up equity shares prior to the allotment of shares pursuant to the Scheme of Arrangement	11,39,73,443
Add: Equity shares allotted to the shareholders of Shree Uttam Steel and Power Limited pursuant to the Scheme of Arrangement	58,74,760
Total fully paid-up equity shares outstanding as on date (A)	11,98,48,203
Add: Equity shares to be issued on conversion of outstanding FCCBs at fixed price of Rs. 45.12 (assuming full conversion of outstanding FCCBs) (B)	1,68,83,311
Total Emerging Voting Capital of Target Company (A+B)	13,67,31,514

29. Based on the consolidated financial statements of the Target Company, the financial information is as follows:

Particulars	Year ending March 31, 2009 (Audited) INR (in lacs)	Year ending March 31, 2008 (Audited) INR (in lacs)	Year Ending March 31, 2007 (Audited) INR (in lacs)
Gross Income	437,207	315,795	259,923
(Loss)/Profit after Income Tax	10,017	12,387	11,365
Share Capital			
-Equity Capital	11,397	11,397	10,529
-Preference Capital	0	150	300
Reserves & Surplus	68,571	59,557	44,111
Net Worth	79,968	71,104	54,940
Book Value per share (in unit currency)	70.16	62.25	51.89
Basic Earnings per share (in unit currency)	8.79	11.63	13.59
Diluted Earnings per share (in unit currency)	7.65	8.83	9.00
Return on Net worth (%)	13.26%	19.66%	25.45%
Price to Earning Multiple*	12.96		

Source: Annual Reports of Target Company

**Based on closing price Rs.113.95 of the Target Company on NSE on September 4, 2009 and Basic Earnings per share for year ending on March 31, 2009.*

V. REASONS FOR THE OFFER AND FUTURE PLANS

30. This Offer is on account of the Co-Promotion Agreement entered into by and among the Indian Promoters (as defined in paragraph 4 hereinabove) and AMNL under which AMNL has agreed to acquire (a) equity shares which may (depending on the response to the Offer) be more than the threshold stipulated in regulation 10 of the SEBI (SAST) Regulations(as mentioned in paragraph 5(b) herein) and (b) joint control in the Target Company, which triggers regulation 10 and regulation 12 respectively, of SEBI (SAST) Regulations. Pursuant to acquiring joint control of the Target Company, the Acquirer shall be the co-promoter of the Target Company along with the existing Indian Promoters of the Target Company.
31. As of the date of this PA, the Acquirer has not finalized any specific future plan for the Target Company. The Acquirer would like to grow the business of the Target Company but details of the path to such expansion will be chalked out over time.
32. As at date of this PA, the Acquirer does not have any specific plan 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. Notwithstanding the preceding sentence, the Board of Directors or other competent authority of the Target Company will take appropriate decisions in the matters as per the requirements of business and in line with the opportunities from time to time.
33. Other than in the ordinary course of business, the Acquirer undertakes that it 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.

VI. STATUTORY APPROVALS FOR THE OFFER

34. The Offer is subject to the following statutory approvals:
    (a) Approval of the anti-trust authorities in various jurisdictions
    (b) Approval of the Foreign Investment Promotion Board
    (c) Approval of the Reserve Bank of India
35. The Acquirer will make necessary applications to the respective authorities for their approval in due course. The Acquirer retains the right to withdraw the Offer and/ or to reject equity shares tendered by one or more shareholders in the Offer, in the event that one or more approval(s) mentioned in paragraph 34 above is not received before the fifteenth day from the conclusion of the Offer. Alternatively, the Acquirer may, at its discretion and in terms of the proviso to regulation 22(12) of the SEBI (SAST) Regulations, apply to SEBI for an extension of time to procure the approvals mentioned in paragraph 34. Under the proviso to regulation 22(12) of the SEBI (SAST) Regulations, SEBI may grant such an extension if the Acquirer agrees to pay interest for the delay and if it is satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or failure of the Acquirer to diligently pursue the applications for such approvals. In the event of withdrawal, a public announcement shall be made in the same newspapers in which this PA is being made.
36. As of the date of this PA, to the best of the knowledge of the Acquirer, there are no other statutory approvals required to implement the Offer other than those specified above in Paragraph 34. If any other approvals are/or become applicable, the Offer will also be subject to obtaining such other approvals.
37. The Acquirer does not require any approvals from financial institutions or banks for the Offer.

VII. COMPLIANCE WITH REGULATION 21(2) OF THE SEBI (SAST) REGULATIONS

38. As per Clause 40A of the listing agreement with the stock exchanges ("Listing Agreement"), the Target Company is required to maintain at least 25% public shareholding on a continuous basis. In the event that the acquisition made in pursuance to the Offer results in the public shareholding of the Target Company falling below such minimum level, the Acquirer undertakes to take necessary steps to facilitate compliance of the Target Company with the relevant provisions of Clause 40A of the Listing Agreement, within the time period mentioned therein.

VIII. FINANCIAL ARRANGEMENTS

39. The total funding requirement for the acquisition of 3,52,26,233 equity shares held by the shareholders of the Target Company at Rs.120 per equity share is Rs.422,71,47,960 (Rupees Four Hundred and Twenty-Two Crores Seventy-One Lacs Forty-Seven Thousand Nine Hundred and Sixty only).
40. On behalf of AMNL, Citibank N.A. a banking corporation constituted under and in existence in accordance with the laws of the United States of America now in force, having its principal office in India at Citigroup Centre, C-61 Bandra-Kurla Complex, Bandra (East), Mumbai 400051 through its branch located at, Jeevan Vihar, 3, Sansad Marg, New Delhi – 110001 has issued a bank guarantee for Rs.57,30,00,000 (Rupees Fifty Seven Crores and Thirty Lacs only) in favour of the Manager to the Offer. The bank guarantee is valid upto April 30, 2010. The said amount is in excess of the minimum prescribed amount of 25% of the value of the total consideration payable under the Offer (assuming full acceptance) up to Rs. 100 crores and 10% thereafter as per Regulation 28(2) of the SEBI (SAST) Regulations. The said bank guarantee entitles the Manager to the Offer to realise the value thereof in terms of the SEBI (SAST) Regulations.
41. AMNL, the Manager to the Offer and Citibank, N.A., through its branch office at Mumbai ("**Citi, India**") have entered into an Open Offer Escrow Agreement dated September 4, 2009, (the "**Escrow Agreement**") in accordance with Regulation 28 of the SEBI (SAST) Regulations. Pursuant to the Escrow Agreement, AMNL has deposited an amount of Rs.4,50,00,000 (Rupees Four Crores Fifty Lacs only) which is in excess of 1% of the value of the total consideration payable under the Offer (assuming full acceptances) in an escrow account with the Citi, India . The Manager to the Offer has been duly authorised to operate the aforesaid escrow account in accordance with the terms of the SEBI (SAST) Regulations.
42. Mr. Bhrugesh Amin, (Membership no. 127319), Partner, M/s. DPH & Co. Chartered Accountants located at 12, Pearl Mansion, New Marine Lines, Mumbai – 400 020 (+91-22-2201 9191/ 9393, Fax no.: +91-22-2201 9494) vide their letter dated September 4, 2009 certified that AMNL has made firm arrangements to meet its financial obligations under the Offer to be made by AMNL to the shareholders of the Target Company.
43. The Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

IX. OTHER TERMS OF THE OFFER

44. The Letter of Offer together with a Form of Acceptance-cum-Acknowledgement and Form of Withdrawal and transfer deed (wherever applicable) will be mailed on or before Friday, October 16, 2009 to all the shareholders of the Target Company including non-resident Indians (except the parties to the Co-Promotion Agreement) whose names appear in the register of members of UGSL and the beneficial owners of the equity shares and the FCCBs, whose names appear on the beneficial records of the respective depositories, in each case at the close of business hours on Friday, September 18, 2009 (the "**Specified Date**"). A copy of the Letter of Offer shall also be sent to the custodians of the FCCBs in case they are entitled to participate in the Offer.
45. The Offer shall open on Saturday, October 31, 2009 (the "Offer Opening Date") and will remain open until Thursday, November 19, 2009 (the "Offer Closing Date").
46. The equity shares are traded in compulsory dematerialized mode, hence the minimum marketable lot is one equity share.
47. All shareholders (except the parties to the Co-Promotion Agreement), who own the equity shares of the Target Company anytime before the closure of the offer i.e. Thursday, November 19, 2009 are eligible to participate in the Offer.
48. 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 to the Offer, Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Tel: +91–22-28257641/ 2836 6620/2826 2920 Fax: +91–22-28207207 ("**Registrar**"), either by hand delivery or by registered post so as to reach them on or before the Offer Closing Date, i.e. not later than Thursday, November 19, 2009 in accordance with the procedure which will be specified in the Letter of Offer and the Form of Acceptance-cum- Acknowledgement.
49. Shareholders holding equity shares in dematerialised form, 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 to the Offer, Mondkar Computers Private Limited, 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Tel: +91–22-28257641/ 2836 6620/2826 2920 Fax: +91–22-2820 7207, either by hand delivery or by registered post so as to reach the Registrar to the Offer on or before the Offer Closing Date, i.e. not later than Thursday, November 19, 2009, 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 the special depository account duly acknowledged by their respective depository participant (the "**DP**").
50. For shareholders holding equity shares in dematerialised form, Mondkar Computers Private Limited, the Registrar, has opened a special depository account with Central Depository Services (India) Limited ("**CDSL**"). Beneficial owners are requested to fill in the following details in the delivery instructions for the purpose of crediting their equity shares in the special depository account:

DP Name	Sushil Financial Services Private Limited
DP ID	12028900
Client ID	00815763
Account Name	MCPL ESCROW ACCOUNT UGSL OPEN OFFER
Depository	CDSL

Shareholders having their beneficiary account in National Securities Depository Limited (NSDL) have to use the inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL.

51. FCCB holders who wish to participate in the Offer, should first convert their FCCBs into equity shares as per the terms of FCCBs. Upon conversion of FCCBs into equity shares, the procedure to tender equity shares would be the same as mentioned in clause 49 above. Other terms of the Offer would apply mutatis mutandis to all shareholders/FCCB holders.
52. The shareholders who wish to avail of and accept the Offer can submit the Form of Acceptance-cum-Acknowledgement and the relevant documents at the following centers either by hand delivery (between 10.00 a.m. and 4.00 p.m. on all working days and between 10.00 a.m. and 1.00 p.m. on Saturdays) or by registered post, as specified below, on or before the Offer Closing Date i.e. Thursday, November 19, 2009. **The documents should not be sent to the Manager to the Offer or the Acquirer or the Target Company.**

City	Contact Person	Address	Tel. No.	Fax No.	E-mail ID	Mode of Delivery
Mumbai	Mr.Devan and Dalvi	Mondkar Computers Pvt. Ltd. 21, 25, Shakil Niwas, Opp. Satyasaibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai -400093	022-28207203 - 05	022-28207207	info@mondkar computers.com	Registered Post / Hand Delivery
Pune	Mr. Vishnu Sharma	Mondkar Computers Pvt. Ltd. C/o. Skystock Financial Services Pvt. Ltd. Bral Express, 734, 1st Floor, Dandekar Ram Bldg., Sadashiv Peth, Kunte Road, Pune - 411030	9764657015 9326008464	-	info@mondkar computers.com	Hand Delivery
Delhi	Mr. Sridhar	Mondkar Computers Pvt. Ltd. C/o Sterling Services, T – 1895 Upper Ridge Road, Karol Bagh, New Delhi - 110005	9313796360 9312546905	011-23341292	info@mondkar computers.com	Hand Delivery
Kolkata	Mr. Khimraj	Mondkar Computers Pvt. Ltd. C/o Skystock Financial Services Pvt. Ltd. , Lato Service, 161, Rabindra Sarani, Omkar Market, Nr. Canara Bank, Kolkata – 700007	033-32930032 9322206719	033-32445589	info@mondkar computers.com	Hand Delivery
Chennai	Mr. B. Srinivasan	Mondkar Computers Pvt. Ltd. C/o Skystock Financial Services Pvt. Ltd. 7/A Laxman Nagar, East Main Road, Chennai – 600082	044-26712611 9600110024	044-26712611	info@mondkar computers.com	Hand Delivery
Ahmedabad	Mr. Vijay Iyer	Mondkar Computers Pvt. Ltd. C/o Sterling Services, 305, Rajkamal Plaza B, Opp. Sakar III, Nr. Samrudhi Income Tax, Ahmedabad – 380014.	079-66052469 9327000949	079-66052469	info@mondkar computers.com	Hand Delivery
Surat	Mr. Akhil Saiyed	Mondkar Computers Pvt. Ltd. C/o Skystock Financial Services Pvt. Ltd. 2nd Garden View, Nr. Raymonds Showroom, Opp. Rangupvan, Makkaipul, Surat.	0261-2472324 9825171771	0261-2352742	info@mondkar computers.com	Hand Delivery
Hyderabad	Mr. Sireesh	Mondkar Computers Pvt. Ltd. C/o Skystock Financial Services Pvt. Ltd. 1-8-155/A Behind Autofin Showroom, Above Sharavana Bhavan Hotel, P. G. Road, Secunderabad-500003.	040-65648544 9000699673	040-27729082	info@mondkar computers.com	Hand Delivery
Bangalore	Mr. Uma Shankar	Mondkar Computers Pvt. Ltd. C/o Skystock Financial Services Pvt. Ltd. #74, 1st Floor, Keshava Krupa, Jayanagar, 4th Block, Bangalore – 560011.	080-41211374 9845158104	080-41301848	info@mondkar computers.com	Hand Delivery
Jaipur	Mr. Ramesh Maloo	Mondkar Computers Pvt. Ltd. C/o M/s. Maloo Finance & Investment Services, 103 & 110, 1st Floor, Brij Anukampa, Opp BSNL Office, Ashok Marg, C Scheme, Jaipur – 302001.	0141-2360571/ 2365070 9829006801	0141-2360572	info@mondkar computers.com	Hand Delivery

53. Persons who own equity shares but whose names do not appear on the register of members of the Target Company as on the Specified Date are also eligible to participate in this Offer. Such unregistered owners can send their acceptance in writing to the Registrar to the Offer on plain paper. The plain paper acceptance for such unregistered owners should state the name and address of the shareholder, number of equity shares held, number of equity shares tendered, distinctive numbers, folio number, number of share certificate(s), valid transfer deeds and the original contract note/ slip issued by the broker through whom they acquired these equity shares so as to reach the Registrar to the Offer on or before the Offer Closing Date, i.e. not later than Thursday, November 19, 2009. No indemnity is required from such unregistered owners.
54. In the event of non-receipt of the Letter of Offer, shareholders may obtain a copy of the same by writing to the Registrar to the Offer at their registered office address clearly marking the envelope "UGSL-Open Offer". Alternatively, the shareholders may send their acceptances on plain paper to the Registrar to the Offer stating their name, address, folio number, distinctive number, number of equity shares held, number of equity shares tendered, signed by all the holders along with the documents mentioned above to the Registrar to the Offer on or before the Offer Closing Date i.e. not later than Thursday, November 19, 2009. The failure of the Letter of Offer to reach one or more shareholders shall not invalidate the Offer.
55. In the event of non-receipt of the Letter of Offer by beneficial owners, such beneficial owners can make an application to the Registrar to the Offer on plain paper stating their name, address, number of equity shares held, number of equity shares tendered, bank particulars, DP name, DP ID, beneficiary account number duly signed by all the holders and send the same 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 the special depository account, to the Registrar to the Offer on or before the Offer Closing Date. All beneficial holders maintaining an account with NSDL are requested to obtain, complete and submit an additional inter-depository slip together with the instructions to their respective DPs.
56. Shareholders can download the Letter of Offer, Form of Acceptance cum Acknowledgement and Form of Withdrawal placed on the SEBI website http://www.sebi.gov.in from the Offer Opening Date and send in their acceptance by filling the same.
57. Equity shares, if any, that are the subject matter of litigation wherein the shareholder(s) is/are/ may be precluded from transferring the equity shares during the pendency of the said litigation are liable to be rejected in case suitable directions/ orders, to the satisfaction of the Acquirer, from competent authority regarding these equity shares are not received together with the equity shares tendered under the Offer. The Acquirer, at its sole discretion, in such cases, may forward the Letter of Offer to the concerned competent authority for further action at their end.
58. Shareholders of the Target Company who have sent their equity shares for dematerialization need to ensure that the process of getting the equity shares dematerialized is completed well in time so that the credit in the special depository account should be received on or before the date of closure of the Offer, i.e. Thursday, November 19, 2009 else the application would be rejected.
59. Compliance with tax and other regulatory requirements:
    i. While tendering equity shares under the Offer, non-resident Indians ("**NRIs**"), Overseas Corporate Bodies ("**OCBs**") and other non-resident shareholders will be required to submit RBI's approval (specific or general) which they may have obtained for acquiring the equity shares of the Target Company, failing which the Acquirer reserves the right to reject the equity shares.
    ii. While tendering their equity shares under the Offer, NRIs, OCBs and other non-resident shareholders will also be required to submit a No Objection Certificate or Tax Clearance Certificate 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 the Acquirer before remitting the consideration, failing which the Acquirer 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 shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable 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, all non-resident shareholders will be required to submit a NOC or Tax Clearance Certificate 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 Acquirer before remitting the consideration, failing which Acquirer 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.
    iv. In case of resident shareholders, tax will be deducted on the interest component, if any, 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 NOC or Tax Clearance Certificate 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 Acquirer or a self-declaration in Form 15G or Form 15H as may be applicable.
    v. All resident shareholders would be required to submit their Permanent Account Number for Income-tax purposes.
    vi. Clauses in this paragraph 59 relating to payment of interest will become applicable only if the Acquirer becomes liable to pay interest for delay in release of purchase consideration.
60. Payment to those shareholders whose share certificates and/or other documents are found valid and in order and are approved by the Manager to the Offer and the Acquirer, will be by way of a crossed account payee cheque/ demand draft/ pay order/ through Direct Credit ("**DC**")/ National Electronic Fund Transfer ("**NEFT**")/ Real Time Gross Settlement ("**RTGS**")/ National Electronic Clearing Services ("**ECS**"). Shareholders who opt for receiving consideration through DC/NEFT/RTGS/NECS/ECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgement and enclose a photocopy of cheque along with form of Acceptance. 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 or by ordinary post as the case may be*, at the shareholder's sole risk. Equity shares held in dematerialised 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.
    ** Dispatches involving payment of a value in excess of Rs.1,500 will be made by registered post at the shareholder's sole risk. All other dispatches will be made by ordinary post at the shareholder's sole risk.*
61. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners who comply with paragraph 53 herein, payment will be made in the name of the person stated in the contract note.
62. The Registrar to the Offer will hold in trust the equity shares/share certificates, equity shares lying in credit of the special depository account and the transfer form(s), until the Acquirer completes its obligations under the Offer in accordance with the SEBI (SAST) Regulations.
63. In case the number of equity shares tendered in the Offer are more than the equity shares agreed to be acquired under the Offer viz., 3,52,26,233 equity shares of the Target Company, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per Regulation 21(6) of the SEBI (SAST) Regulations in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner.
64. In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders who have accepted the offer by tendering the requisite documents in terms of the 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 Monday, November 16, 2009.
65. The withdrawal option can be exercised on submitting the form of withdrawal (which will be sent to shareholders along with the Letter of Offer) together with:
    i. In respect of physical equity shares: names, address, distinctive numbers, folio number, number of equity shares tendered/withdrawn.
    ii. In respect of dematerialised equity shares: name, address, number of equity shares tendered/withdrawn, DP name, DP ID, beneficiary account number, photocopy of the delivery instructions in "Off Market" mode duly acknowledged by the DP.
66. In case of non-receipt of the form of withdrawal the above application can be made on plain paper.
67. **Time schedule for major activities for the Offer**

Activity	Date	Day
Public Announcement Date	September 7, 2009	Monday
Specified Date*	September 18, 2009	Friday
Last date for a competitive bid	September 28, 2009	Monday
Date by which individual Letters of Offer will be dispatched to the shareholders	October 16, 2009	Friday
Offer Opening Date	October 31, 2009	Saturday
Last date for revising the offer price/number of equity shares	November 10, 2009	Tuesday
Last date for withdrawal of acceptances by the shareholder	November 16, 2009	Monday
Offer Closing Date	November 19, 2009	Thursday
Date by which approval/ rejection would be intimated and the corresponding payment for the acquired equity shares and/or the share certificates for the rejected/withdrawn equity shares will be dispatched and/or credited to the beneficiary account in case of dematerialised equity shares	December 3, 2009	Thursday

** 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. However, all owners (registered or unregistered) of the equity shares of the Target Company are eligible to participate in the Offer anytime before the closure of the Offer.*

X. GENERAL

68. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed SBI Capital Markets Limited as the Manager to the Offer.
69. If there is a competitive bid, the public offers under all the subsisting bids will close on the same date. 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 shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
70. The Acquirer reserves the right to revise the Offer Price upwards up to 7 working days prior to the closure of the Offer. If there is any upward revision in the Offer Price before the last date for revision (i.e. Tuesday, November 10, 2009) or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers where this PA appears. If Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted this Offer and tendered their equity shares at any time during the tenure of the Offer to the extent their equity shares are accepted by the Acquirer.
71. Acquirer has not been prohibited by SEBI from dealing in securities under directions issued pursuant to Section 11B or under any other regulations of Securities Exchange Board of India Act, 1992.
72. For further details, shareholders are requested to please refer to the Letter of Offer to be sent to the shareholders of the Target Company and the Form of Acceptance cum Acknowledgement.
73. Certain financial details contained in this PA are denominated in Euros ("**EUR**"). Except where otherwise indicated, the Rupee equivalent quoted in each case is calculated in accordance with the RBI Reference rate as on Friday, September 4, 2009 namely 1 **EUR** = Rs.69.76. (Source: RBI)
74. This PA will also be available on the SEBI's website (www.sebi.gov.in).
75. The Acquirer and the Board of Directors of the Acquirer accept full responsibility for the information contained in this public announcement (except for the information regarding the Target Company, which has been compiled from the publicly available information) and also for fulfillment of their obligations under the SEBI (SAST) Regulations.

Manager to the Offer	Registrar to the Offer
SBI Capital Markets Limited 202 Maker Tower 'E', Cuffe Parade, Mumbai – 400 005. Tel: +91–22-2217 8300 Fax: +91–22-2218 8332/ 6367 E-mail: ugsl.openoffer@sbicaps.com Contact Person: Ms. Sylvia Mendonca / Mr.Gitesh Vargantwar	**Mondkar Computers Private Limited** 21, Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Tel: +91–22-2825 7641/ 2836 6620/ 2826 2920, Fax: +91–22-2820 7207 E-mail: info@mondkarcomputers.com Contact Person: Mr.Ravi Utekar

Legal Advisor to the Acquirer

Luthra & Luthra Law Offices
103, Ashoka Estate, 24 Barakhamba Road, New Delhi- 110 001
Tel: +91-11-4121 5100; E-mail: delhi@luthra.com

Issued by SBI Capital Markets Limited, Manager to the Offer for and on behalf of the Acquirer

Mumbai
Saturday, September 5, 2009