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WELSPUN
Infratech Ltd

Public Announcement for the Attention of the Equity Shareholders of MSK Projects (India) Limited

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CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF MSK PROJECTS (INDIA) LIMITED

This Public Announcement ("PA" or "Public Announcement") is being issued by Collins Stewart Inga Private Limited ("CSINGA"), the Manager to the Offer, on behalf of Welspun Infratech Limited ("Welspun" or "Acquirer"), along with Welspun Gujarat Stahl Rohren Limited ("PAC") to the equity shareholders of MSK Projects (India) Limited ("MSK" or the "Target Company") pursuant to and in compliance with Regulation 10 and Regulation 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 ("SEBI (SAST) Regulations" or "Regulations").

I. Background to the Offer

1. This offer is being made by Welspun Infratech Limited alongwith Welspun Gujarat Stahl Rohren Limited to the shareholders of MSK Projects (India) Limited.
2. The Acquirer has entered into:
   (i) a Share Purchase Agreement dated March 18, 2010 ("SPA 1") with the promoters of the Target Company namely Mr. Ashok Madhavdas Khurana, Mr. Amit Ashok Khurana, Ms. Neelakshi Khurana and Ms. Manju Ashok Khurana (together referred to as "Sellers 1") for the acquisition of 47,52,345 fully paid-up equity shares ("Sale Shares 1") of Rs 10/- each representing 20.82% of the issued equity share capital of the Target Company for a consideration aggregating to Rs. 62,01,81,022.50 (Rupees Sixty Two Crores One Lakh Eighty One Thousand Twenty Two Paise Fifty Only) payable in cash. The details of SPA 1 are as under:

SR. NO.	NAME OF THE SHAREHOLDER	NO. OF SHARES	% OF PAID-UP CAPITAL	PURCHASE PRICE PAYABLE	PRICE PER SHARE
1.	Ashok Madhavdas Khurana	3,050	0.01	1,47,53,025.00	130.50
2.	Amit Ashok Khurana	4,845	0.02	6,29,662.50	130.50
3.	Neelakshi Khurana	47,42,684	20.78	61,89,20,262.00	130.50
4.	Manju Ashok Khurana	1,766	0.01	2,30,463.00	130.50
	TOTAL	47,52,345	20.82	62,01,81,022.50	

   (ii) a Share Purchase Agreement dated March 18, 2010 ("SPA 2") with Aaheli Construction Private Limited, Classic Ins Private Limited and D.A. Finevest Private Limited (referred to as "Sellers 2") for the acquisition of 5,27,093 fully paid-up equity shares ("Sale Shares 2") of Rs 10/- each representing 2.31% of the issued equity share capital of the Target Company for consideration aggregating to Rs. 6,87,85,636.50 (Rupees Six Crores Eighty Seven Lakhs Eighty Five Thousand Six Hundred Thirty Six Paise Fifty Only) payable in cash. Details of SPA 2 are as under:

SR. NO.	NAME OF THE SHAREHOLDER	NO. OF SHARES	% OF PAID-UP CAPITAL	PURCHASE PRICE PAYABLE	PRICE PER SHARE
1.	Aaheli Construction Private Limited	150,000	0.66	1,95,75,000	130.50
2.	Classic Ins Private Limited	186,400	0.82	2,43,25,200	130.50
3.	D.A. Finvest Private Limited	190,693	0.84	2,48,85,436.50	130.50
	TOTAL	5,27,093	2.31	6,87,85,636.50	

   The SPA 1 and SPA 2 are collectively referred to as "SPAs", the "Sellers 1" and "Sellers 2" are collectively referred to as "Sellers", the Sale Shares 1and Sale Shares 2 are collectively referred to as "Sale Shares".

   (iii) a subscription agreement dated March 18, 2010 ("Subscription Agreement") with the promoters of the Target Company namely Mr. Ashok Madhavdas Khurana, Mr. Amit Ashok Khurana, Ms. Neelakshi Khurana, Ms. Manju Ashok Khurana and Ashok Khurana HUF and the Target Company to subscribe to a preferential allotment of 1,71,78,888 equity shares of the Target Company.
   a. resultantly, Board of Directors of the Target Company, at their meeting held on March 18, 2010 has agreed to issue and allot 1,71,78,888 fully paid-up equity shares of Rs. 10/- each on preferential basis to Acquirer, representing 42.95% of the post preferential issue equity share capital of the Target Company for cash at a price of Rs. 123/- per share (including premium of Rs. 113/- per share) aggregating to Rs. 211,30,03,224/- (Rupees Two Hundred Eleven Crores Thirty Lakhs Three Thousand Two Hundred Twenty Four only), ('Preferential Issue') in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ('ICDR Regulations').
   b. Also, subscription and allotment of shares under the Preferential Issue is subject to various conditions precedent being fulfilled, including approval of the shareholders. Consequently, the Board of Directors of the Target Company in its meeting held on March 18, 2010 decided to convene an Extraordinary General Meeting ('EGM') of its shareolders on April 13, 2010 to approve the Preferential Issue by way of Special Resolution under section 81(1A) of the Companies Act, 1956, regulation 23(1)(b) of the Regulations and other applicable provisions.
3. Pursuant to the proposed substantial acquisition of equity shares and consequent change in control of the Target Company contemplated under the SPAs and the Subscription Agreement referred to in paragraph 2 above, this mandatory offer (the "Offer" or "Open Offer") is being made by the Acquirer in compliance with Regulation 10 and Regulation 12 and other applicable provisions of SEBI (SAST) Regulations.
4. The Acquirer hereby makes this Offer to shareholders of the Target Company (other than the parties to the SPAs) to acquire up to 80,00,000 equity shares ("Shares") of the Target Company of face value of Rs. 10/- each representing in aggregate 20% of the post Preferential Issue equity share capital and voting capital of the Target Company at a price of Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty Only) per fully paid up equity share ("Offer Price") payable in cash subject to the terms and conditions mentioned in this PA and in the Letter of Offer that will be circulated to the shareholders in accordance with the SEBI (SAST) Regulations. This Offer is not subject to any minimum level of acceptance.
5. The key terms of the SPAs are as follows:
   a) The transfer of the Sale Shares from the Sellers to the Acquirer shall occur on a spot delivery basis, free from all encumbrances or other restrictions whatsoever at the Share Sale Closing Date (as defined in the SPAs), such that the Acquirer will, upon transfer of the Sale Shares in its name receive full legal and beneficial ownership and all shareholder rights relating thereto.
   b) Each of the Sellers 1 and Sellers 2 and the Acquirer have agreed to enter into an escrow agreement with Standard Chartered Bank for the purpose of securing the due performance by them of their obligations under the SPA 1 and SPA 2.
   c) The Sellers 1 and the Acquirer have agreed that on and from the Share Sale Closing Date (as defined in SPA 1), the Board of Directors of the Target Company will be reconstituted to comprise of the nominees of the Acquirer and the resignations of the nominees of the Sellers 1 shall take effect from the Share Sale Closing Date as set out in SPA 1.
   d) The Acquirer shall have the obligation to acquire the Sale Shares of the Sellers subject to its satisfaction of certain conditions precedent as detailed in the SPAs including inter alia:
   a. the Sellers being in compliance with all the representations and warranties given by them and not in material breach or default under any agreements, covenants, conditions and obligations contained in the SPA;
   b. the Acquirer having complied with the provisions of the SEBI (SAST) Regulations in relation to the Open Offer;
   c. there having been no material adverse change in the reasonable opinion of the Acquirer.
6. The key terms of the Subscription Agreement are as follows:
   a) the Acquirer agrees to subscribe to and the Company agrees to issue and allot to the Acquirer, 1,71,78,888 (One Crore Seventy One Lakhs Seventy Eight Thousand Eight Hundred Eighty Eight) Shares for an amount of Rs. 123/- (Rupees One Twenty Three Only) per Share, for an aggregate consideration of Rs. 211,30,03,224/- (Rupees Two Hundred Eleven Crores Thirty Lakhs Three Thousand Two Hundred Twenty Four Only).
   b) The Acquirer shall have the obligation to subscribe to the equity shares of the Target Company subject to its satisfaction of certain conditions precedent as detailed in the Subscription Agreement including inter alia:
   a. the promoters of the Target Company being in compliance with all the representations and warranties given by them and not in breach or default under any agreements, covenants, conditions and obligations contained in the Subscription Agreement;
   b. the receipt of all necessary corporate approvals and third party (including lenders) approvals as set out in the Subscription Agreement, in form and substance satisfactory to the Acquirer;
   c. there having been no material adverse change in the business, agreements, operations, properties, prospects, assets or condition of the Target Company since March 31, 2009 and no event has occurred or circumstance exists that is likely to result in a material adverse change.
   d. the acquirer has the right to appoint after 21(twenty one) days from the date of the Public Announcement in compliance with Regulation 22(7) of the Regulation, two nominees as directors on the Board of Directors of the Company.

   For some of the above terms more specifically defined in SPAs & SSA and other details of the SPAs & SSA, shareholders of the Target Company may refer SPAs & SSA which would be available to them for inspection during the period between the Offer opening date and the Offer closing date at the registered office of the Acquirer / Target Company.
7. The Acquirer, PAC, Sellers and Target Company have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the Securities Exchange Board of India Act, 1992 as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

II. The Offer

8. This Offer is being made by the Acquirer along with PAC as a result of acquisition of 56.15% of post Preferential Issue paid up capital of the Target Company by the Acquirer as explained in para 2 above.
9. In view of the above, the Offer is a mandatory open offer under Regulation 10 and Regulation 12 of the SEBI (SAST) Regulations.
10. For the purpose of this Offer, Welspun Gujarat Stahl Rohren Limited is a Person Acting in Concert ("PAC") with the Acquirer within the meaning of Regulation 2(1)(e) of the Regulations.
11. The Acquirer along with PAC is making an open offer to acquire up to 80,00,000 equity shares ("Shares") of the face value of Rs. 10/- each, representing in aggregate 20% of the post Preferential Issue paid up capital and voting capital of Target Company in terms of Regulation 21(1) of the SEBI (SAST) Regulations, at a price of Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty Only) per fully paid up equity share ("Offer Price") payable in cash subject to the terms and conditions set out in this PA and the Letter of Offer.
12. This Offer is being made to all the shareholders of the Target Company (other than the parties to the SPAs) and is not conditional upon any minimum level of acceptance. The Acquirer along with PAC will acquire all the Shares of the Target Company that are validly tendered as per terms of the Offer up to a maximum of 80,00,000 equity shares.
13. This is not a competitive bid.
14. The Offer is subject to the terms and condition set out therein and in the Letter of Offer that will be sent to the shareholders of the Target Company.
15. This Offer is subject to the receipt of the statutory and other approvals mentioned in para 45 to 50 of the PA. In terms of Regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.
16. The Acquirer and PAC does not hold any equity shares in the Target Company as of the date of this Public Announcement save and except those agreed to be acquired under the SPAs as stated in para 2 above.
17. Neither the Acquirer nor PAC nor their respective directors have acquired any shares of Target Company during the 12 months period prior to the date of this Public Announcement, save and except those to be acquired under the SPAs as stated in para 2 above.
18. The Shares of the Target Company will be acquired by the Acquirer along with PAC as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to bonus and rights offer declared thereof.

III. The Offer Price

19. The shares of the Target Company are listed on Bombay Stock Exchange Limited (BSE), Vadodra Stock Exchange Limited (VSE) and National Stock Exchange of India Limited (NSE).
20. The shares of the Target Company are frequently traded on BSE and NSE (Source:www.bseindia.com, www.nseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations. The shares of the Target Company are infrequently traded on the VSE.
    The annualized trading turnover in the shares of Target Company on BSE and NSE based on trading volume during September 2009 to February 2010 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total No. of Shares traded during 6 calendar months prior to the month in which PA is made	Total No. of Listed shares	Annualized Trading Turnover (as % of Total Shares Listed)
NSE	3,05,74,584	2,28,21,112	197.87%
BSE	2,25,77,912	2,28,21,112	267.95%
VSE	Nil	2,28,21,112	--

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

21. The Offer Price of Rs. 130.50/- (Rupees One Thirty Paise Fifty Only) per fully paid up equity share is justified in terms of Regulation 20(4) and 20(5) of the SEBI (SAST) Regulations being the highest of the following:

(a)	the negotiated price payable under the SPA	Rs. 130.50
(b)	Proposed acquisition price under the SSA	Rs. 123.00
(c)	Highest price paid by the Acquirer for acquisitions including by way of allotment in a public or rights Or preferential issue during the 26 weeks prior to the date of Public Announcement.	Not Applicable
(d)	The average of the weekly high and low of closing prices of the shares on NSE of the Target Company for the 26 weeks preceding the date of the Public Announcement	Rs 105.65 per share
(e)	The average of the daily high and low prices of the shares on NSE of the Target Company for the two weeks preceding the date of the Public Announcement	Rs. 127.01 per share
(f)	The verage of weekly high and ow of closing prices of the shares on NSE of the Target Company for the 26 (twenty six) weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed	Rs 104.65 per share
(g)	The average of daily high and low of closing prices of the shares on NSE of the Target Company for the (2) two weeks preceding the date of the Board meeting dated March 18, 2010 where the Preferential Issue was proposed	Rs 124.57per share
	Other parameters with reference to the Target Company for	Year ended March 31, 2009
	Return on Net worth (%)	8.59
	Book Value (Rs.)	120.92
	Earnings Per Share (Rs.)	10.38
	Price / Earnings (PE) Ratio based on Offer Price	12.57

    Mr. Suresh Sureka (Membership No. 34132) of M/s. Sureka Associates, Chartered Accountants, Mumbai, Tel: 022 2430 6150 Fax: 022 2432 7608 vide report dated March 18, 2010, has stated that based on the decision of the Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995 (83 Com case 30), the fair value of the equity shares of the Target Company is Rs. 64.79 per share.
22. There is no non-compete agreement between the Acquirers, Sellers, the Target Company and any other entity as envisaged under regulation 20(8) of the Regulations. No additional payments are being made by the Acquirers as non-compete fees.
23. The Offer Price of Rs. 130.50 per share offered by the Acquirer to the shareholders of the Target Company under the proposed Open Offer is justified in terms of regulations 20(4) and 20(5) of the Regulations. In the opinion of the Manager to the Offer, the Offer Price is justified.
24. If the Acquirer or PAC acquirers shares of the Target Company after the date of this Public Announcement and up to 7 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.

IV. Information on Acquirer and PAC

Welspun Infratech Limited - Acquirer

25. The Acquirer is a part of the Welspun Group, incorporated on April 26, 2007 under the Companies Act, 1956 as a public limited company. The registered office of the company is situated at 9th Floor, Trade World B Wing, Kamala City, Senapati Bapat Marg, Lower Parel, Mumbai 400 013. The equity shares of the Acquirer are not listed on any stock exchange.
26. Acquirer is promoted by and is a wholly owned subsidiary of Welspun Gujarat Stahl Rohren Limited.
27. Acquirer's main object is to carry out construction and infrastructure development activity.The Acquirer is yet to commence operations.
28. The brief details of the Board of Directors of the Acquirer is as follows:

Name	Age	Qualification
Mrs. Dipali Goenka	40	B.A.
Mr. M L Mittal	53	Chartered Accountant
Mr. D K Patil	51	B.Com, BGL, FCS

29. The audited financial details of the Acquirer for the last 2 years is as follows:

(Rs. In lacs, except EPS)

Particulars	March 31, 2009	March 31, 2008
Net Income from Operations	-	
Net Profit	-	
Equity Capital	5.00	5.00
Reserves and Surplus (net of misc. expenditure not written off)	-	-
Networth	4.71	4.75
Earning Per Share (EPS)	-	-
Return on Net Worth		
Book Value	9.41	9.48
PE Ratio	-	-

The Acquirer has not commenced operation, therefore profit and loss account has not been prepared.

(Source: Annual Report)

Welspun Gujarat Stahl Rohren Limited - PAC

30. The PAC is a flagship company of the Welspun Group, incorporated as Welspun Stahl Rohren Limited on April 26, 1995 under the Companies Act, 1956 as a public company. Subsequently, the name of the Company was changed to Welspun Gujarat Stahl Rohren Limited on February 26, 1997.The registered office of the Company is situated at Welspun City, Taluka Anjar, District Kutch, Gujarat 370 110. The equity shares of the PAC are listed on BSE and NSE.
31. The PAC is a comprehensive provider for state of the art Pipes and related niche products for the transportation of Oil and Gas globally.
32. The list of Promoter and promoter group of the PAC is as follows;

Sr. No	Name of the Promoter / Promoter Group
1.	Mr. B K Goenka
2.	Mrs. Dipali B Goenka
3.	Mr. Rajesh R Mandawewala

33. The brief details of the Board of Directors of the PAC is as follows;

Name	Age	Qualification
Mr. Balkrishan Goenka	44	B.com
Mr. Rajesh Mandawewala	47	Chartered Accountant
Mr. Murarilal Mittal	53	Chartered Accountant
Mr. Asim Chakraborty	49	Civil Engineer
Mr. K H Viswanathan	47	Cost & Works Accountant
Mr. Rajkumar Jain	53	Chartered Accountant
Mr. Ram Gopal Sharma	69	B.Com, M.A.
Mr. Nirmal Ganwal	53	C.A, C.S., LL.B.
Mr. Narayanaswami Shankar (Nominee of Exim Bank)	53	CFA

34. The audited financial details of the PAC for the last 3 years is as follows:

(Rs. In lacs, except EPS)

Particulars	March 31, 2009	March 31, 2008	March 31, 2007
Net Income from Operations	5,89,619.30	4,02,118.90	269,553.90
Net Profit	23,356.70	35,142.30	14,258.60
Equity Capital	9,324.60	8,887.70	6,991.00
Reserves and Surplus (net of misc. expenditure not written off)	1,48,655.30	1,40,058.90	57,677.40
Earnings Per Share (EPS)	12.59	21.53	10.68
Return on Net Worth	14.78	23.59	22.04
Book Value	84.71	83.79	46.25
PE Ratio	22.16	-	-

(Source: Annual Report)

V. Information on the Target Company

35. The Target Company, incorporated on December 20, 1994 as MSK Projects (India) Limited, by conversion of the partnership firm M.S. Khurana into a public limited company, under Section 566 of the Companies Act, 1956 with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli and issued a Certificate of Incorporation bearing number 04-23920 of 1994-95 and CIN Number U24230GJ2005PLC23920 and having its registered office at 707-708, Sterling Centre, R.C. Dutt Road, Alkapuri, Vadodara-390005 is currently engaged inter alia in the business of construction, acting as land developers and contractors for turnkey and build operate transfer projects.
36. The Target Company also has three subsidiaries, namely, (a) MSK Projects (Himatnagar Bypass) Private Limited; (b) Super Infrastructure and Toll Bridge Private Limited; and (c) MSK projects (Kim Mandvi Corridor) Private Limited. In addition to the subsidiaries, the Target Company has two integrated joint ventures, namely (a) Dewas Bhopal Corridor Limited; and (b) Bull MSK Infrastructure Projects Private Limited. Further, Mansha Textiles Private Limited is an associated concern of the Company.
37. The promoters of the Target Company are Mr. Ashok Madhavdas Khurana, Mr. Amit Ashok Khurana, Ms. Manju Ashok Khurana, Ashok Khurana HUF, and Ms. Neelakshi Khurana who collectively hold 49,48,495 fully paid up equity shares in the Target Company as on date of PA constituting 21.68 % of the fully paid up capital.
38. The issued and subscribed equity share capital of the Target Company consists of Rs. 228,211,120 divided into 2,28,21,112 equity shares of the face value of Rs. 10/- each . There are no partly paid up shares of the Target Company as on the date of the Public Announcement. The shares of the Target Company are listed on BSE, VSE and NSE.
39. The consolidated audited financial highlights of the Target Company are as given below for last 3 years;

Particulars	March 31, 2009	March 31, 2008	March 31, 2007
Total Income	37,845.64	24,998.13	16,208.18
Net Profit	2,369.42	1,715.13	1022.78
Equity Capital	2,282.11	2,282.11	2,282.11
Reserves and Surplus (net of misc. expenditure not written off)	25,312.60	23,210.18	16,574.05
Earning Per Share (EPS)	10.38	7.51	6.57**

*** Calculated on the basis of weighted average number of equity shares*

(Source : Annual Report)

VI. Reasons for Acquisition and Offer

40. The Offer is being made pursuant to the SPAs between the Acquirer and the Sellers and the Subscription Agreement as described in para no. 2 above whereby the Acquirer intends to acquire 23.13% of the issued share capital from the Sellers and intends to subscribe to 42.95 % of the post preferential issue share capital of the Company. This has resulted in substantial acquisition of shares and change in control of the Target Company in terms of the SEBI (SAST) Regulations. Hence, this Open Offer is being made in compliance with Regulation 10 and Regulation 12 read with other applicable provisions of the SEBI (SAST) Regulations.
41. The Acquirer believes that the acquisition will strategically further strengthen the position of the Welspun group as leading infrastructure developer in the country. The Acquirer believes that acquisition of a majority stake in Target Company is in line with business strategy.
42. To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholder's consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of the Target Company. Notwithstanding, the immediately preceding, the Board of Directors of Target will take appropriate decisions in these matters in line with the requirements of the business and opportunities from time to time. As of the date of this PA, the Acquirer does not have any plan to dispose off or otherwise encumber any asset of the Target in the next two years except in the ordinary course of business of target and except to the extent mentioned above.
43. The Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of Target Company, other than in the ordinary course, except with the prior approval of the shareholders of Target Company. An undertaking to this effect has been provided to the Manager to the Offer.
44. The Acquirer has no specific plan and the Acquirer will evolve specific plans in due course of time after assuming control of Target Company and hence there is no specific implementation framework.

VII. Statutory / Other Approvals Required for the Offer

45. The Offer is subject to the receipt of approval from Reserve Bank of India (RBI) under the Foreign Exchange Management Act, 1999 (FEMA) for the acquisition of equity shares by the Acquirer from non-resident persons under the Offer.
46. The Acquirer is in process of making the necessary applications to and filings with the various authorities to obtain the statutory approvals described above.
47. To the best of the knowledge of the Acquirer, as on the date of this Public Announcement, there are no other statutory approvals required to implement the Offer, other than those indicated above. If any other statutory approvals become applicable, the Offer would be subject to such approvals. The Acquirer, in terms of Regulation 27 of SEBI (SAST) Regulations, will have a right not to proceed with the Offer in the event the statutory approvals indicated above are refused.
48. In case of delay in receipt of the above approvals, SEBI has the power to grant extension of time to the Acquirer for payment of consideration to the shareholders of the Target Company, subject to the Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of wilful default by the Acquirer in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.
49. Any consents required from banks and financial Institutions, pursuant to any outstanding loan agreements shall be obtained before the Offer Opening Date.

VIII. Disclosure under Regulation 21(2) of the SEBI (SAST) Regulations, 1997

50. Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 3,04,58,326 shares constituting 76.15% of the post Preferential Issue equity share capital of the Target Company. As per Clause 40A of the Listing Agreement with the BSE, NSE and VSE, 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 the Listing Agreements, within the time period mentioned therein or in accordance with such other directions as may be provided by the relevant stock exchanges, in accordance with the provisions of Regulation 21(2) of the SEBI (SAST) Regulations.

IX. Funding Arrangement for the Offer

51. The Acquirer has made firm financial arrangement for financing the acquisition of equity shares under the Public Offer, in terms of Regulation 16 (xiv) of the Regulations.
52. The total fund requirement for implementation of the Offer at Rs. 130.50 (Rupees One Hundred Thirty Paise Fifty only) per fully paid up equity share is Rs. 104,40,00,000 (Rupees One Hundred Four Crores Forty Lacs only) assuming that full acceptance for the Offer is received ("Offer Consideration").
53. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has caused the deposit of Rs. 104,40,00,000 (Rupees One Hundred Four Crores Forty Lacs Only) in the escrow account of Standard Chartered Bank styled Escrow Account Open Offer Welspun Infratech bearing account No. 22205416205 ("Escrow Amount"), in favour of CSINGA, the Manager to the Offer. The Escrow Amount represents the required escrow amount that needs to be deposited in accordance with Regulation 28 of the SEBI (SAST) Regulations. In accordance with Regulation 28 of the SEBI (SAST) Regulations, CSINGA, the Manager to the Offer has been duly authorized to realize the value of the aforesaid Escrow Amount.
54. Mr. Suresh Sureka, Membership No. 34132, partner of Sureka Associates (Chartered Accountants) located at 45 C, Mandhana Manor, Mugal Lane, Mantuga (West) Mumbai 400 016, Tel: 022-2430 6150, Fax: 022 2432 7608 have in his letter dated March 18, 2010 certified that Welspun Infratech Limited, Acquirer has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.
55. Mr. Sanjay Kothari, Membership no. 48215, Partner of MGB & Co. Chartered Accountants located at Jolly Bhawan 2, First Floor, 7 New Marine Lines, Mumbai 400020, Tel: 022- 6633 2330, Fax: 022- 6635 1545 have in their letter dated March 18, 2010 certified that Welspun Gujarat Stahl Rohren Limited, PAC has made firm arrangements to meet the financial obligations under the Open Offer to be made to the shareholders of the Target Company.
56. Based on the above, the Manager to the Offer is satisfied about the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfil the obligations under the SEBI (SAST) Regulations.

X. Other Terms of the Offer

57. A Letter of Offer specifying the detailed terms and conditions of the Offer, together with a Form of Acceptance-cum-Acknowledgement ("FOA") will be mailed on or before April 27, 2010 to the shareholders of the Target Company (other than parties to the SPA), whose names appear on the Register of members of the Target Company and to the owner of the shares whose names appear as beneficiaries on the records of the respective Depositories at the close of business hours on March 26, 2010 (the "Specified Date"). Accidental omission to dispatch Letter of Offer to any member entitled to this Open Offer or non-receipt of the Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of the Target as on the Specified Date.
58. Shareholders who wish to tender their Shares, held in physical form, will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, Link Intime India Private Limited, either by hand delivery on weekdays or by Registered Post, at their sole risk, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than May 25, 2010 in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement.
59. The Registrar to the Offer, Link Intime India Private Limited, has opened a special depository account with National Securities Depository Limited ("NSDL")] called, "LIIPL-MSK PROJECTS INDIA LTD - OPEN OFFER ESCROW ACCOUNT". 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:

Depository Participant ("DP") Name	Ventura Securities Limited
DP ID	IN303116
Client ID	10534922
ISIN No.	INE625G01013
Depository	National Securities Depository Limited

    Shareholders having their beneficiary account in Central Depository Services (India) Limited ("CDSL") have to use inter-depository delivery instruction slips for crediting their shares in favour of the special depository account with NSDL.
60. All owners of equity shares demat/physical, registered/unregistered (other than parties to the SPAs) are eligible except as mentioned in para 12 above, to participate in the Offer anytime before closure of the Offer. All registered owners can send duly completed FOA, filled and signed in accordance with the instructions contained in the Letter of Offer and FOA, to the Registrars to the Offer, at the collection centre mentioned in para 62, before the closure of the Offer i.e May 25, 2010. No indemnity shall be required from the unregistered shareholders.
61. Beneficial owners (holders of Shares in dematerialized form) who wish to tender their Shares will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account to the Registrar to the Offer, either by hand delivery on weekdays or by Registered Post, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than May 25, 2010 , in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance Cum Acknowledgement. The credit for the delivered shares should be received in the special depository account on or before close of the Offer, i.e., no later than May 25, 2010.
62. In addition to the above-mentioned address, the Shareholders of the Target Company, who wish to avail of and accept the Offer, can also deliver the Acceptance Form along with all the relevant documents at the collection centre below in accordance with the procedure as set out in the Letter of Offer. (Monday to Friday 10 am to 3 pm & Saturdays 10 am to 1pm.)

Collection Centre	Address of Collection Centre	Contact Person	Phone No.	Fax	Mode of delivery
Mumbai	C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400 078	Mr. Nilesh Chalke	022-25960320	022 25960329	Post / Hand Deleivery

The centre will be closed on Sundays and Public Holidays.

63. All owners (registered or unregistered) of shares of the Target Company, except the parties to SPAs, are eligible to participate in the Offer anytime before the closure of the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they had acquired their shares. No indemnity is required from the unregistered owners.
64. In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the Close of the Offer, i.e., no later than May 25, 2010 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the closer of the Offer, i.e., no later than May 25, 2010.
65. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in such cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
66. If the Shares tendered in this Offer by the shareholders of the Target Company are more than the Shares to be acquired under this Offer, the acquisition of Shares from each shareholder will be on a proportionate basis as per the provisions of Regulation 21(6) of the Regulations such that the acquisition from each shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. The marketable lot for the Target Company is 1 (one) Share.
67. **Duly executed Form(s) of Acceptance along with share certificate(s) and share transfer form(s) should be sent only to the Registrar to the Offer and not to the Manager to the Offer or Acquirer or their advisors.**
68. In terms of Regulation 22 (5A) of the SEBI (SAST) Regulations, equity Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so upto 3 (three) working days prior to the date of closure of the Offer. 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 collection centre mentioned above as per the mode of delivery indicated therein on or before May 20, 2010.
    a. The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.
    b. In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details:
    - In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and
    - In case of dematerialized shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account.
69. The Registrar to the Offer will hold in trust the shares/share certificates, shares lying in credit of the special depository account, form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of Target Company who have accepted the Offer, till the cheques/drafts for the consideration and/or the unaccepted shares/share certificates are dispatched/returned.
70. The payment consideration for equity shares accepted under the Offer may be made through a crossed Demand draft/Pay Order or through Direct Credit ('DC'), National Electronic Funds Transfer ('NEFT'), Real Time Gross Settlement ('RTGS'), Electronic Clearing Services (ECS), at specified centers where clearing houses are managed by the Reserve Bank of India within 15 days from the date of closure of Offer. Shareholders who opt for receiving consideration through DC/NEFT/RTGS/ECS are requested to give the authorization for the same in the Form of Acceptance cum Acknowledgment and enclose a photocopy of cheque along with the Form of Acceptance cum Acknowledgment.
71. The consideration to those shareholders whose shares or share certificates and /or other documents are found complete, valid and in order, will be paid by demand drafts / pay orders or through DC/NEFT/RTGS/ECS. Such considerations in excess of Rs. 1500/- or unaccepted Share Certificate(s), transfer deed(s) and other documents, if any, will be returned by registered post/speed post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder/unregistered owner. Equity Shares held in dematerialised form, to the extent not accepted, will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance or otherwise. The Acquirer are required to deduct tax on source, as may be applicable. All dispatches involving payment of a value upto Rs.1,500/- will be made under certificate of posting at the shareholders sole risk.
72. Shares that are subject to any charge, lien or encumbrance are liable to be rejected.
73. Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Unaccepted Shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.
74. Shareholders, who have sent their shares for dematerialization, need to ensure that the process of getting their shares dematerialized is completed well in time so that the credit in the special depository account is received on or before the date of closure of the Offer, i.e., no later than May 25, 2010, else their application would be rejected.
75. While tendering the shares under the Offer, NRIs/OCBs/foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the Shares of the Target Company. In case the previous RBI approvals are not submitted, Acquirer reserves the right to reject such Shares tendered.
76. Compliance with tax and other regulatory requirements:
    a. 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.
    b. While tendering their equity shares under the Offer, NRIs, OCBs and other non-resident shareholders will 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 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 on the entire consideration amount payable to such shareholder.
77. Securities transaction tax will not be applicable to the Shares accepted in the Offer.
78. A schedule of the activities pertaining to the Offer is given below:-

Activity	Date and Day
Specified Date *	March 26, 2010, Friday
Last date for a competitive bid	April 10, 2010, Saturday
Date by which Letter of Offer to be dispatched to shareholders	April 27, 2010, Tuesday
Date of opening of the Offer	May 6, 2010, Thursday
Last date for revising the Offer Price	May 14, 2010, Friday
Last date for withdrawing acceptance from the Offer	May 20, 2010, Thursday
Last date of closing of the Offer	May 25, 2010, Tuesday
Last date of communicating rejection/ acceptance and payment of consideration for accepted tenders	June 8, 2010, Tuesday

** Specified date is only for the purpose of determining the names of the Shareholders as on such date to whom the Letter of Offer would be sent.*

XI. General

79. ***Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the PA / Letter of Offer shall have the option to withdraw acceptance tendered by them upto 3 (three) working days prior to the date of closure of the Offer, in terms of Regulations 22 (5A) of the SEBI (SAST) Regulations.***
80. If there is any upward revision in the Offer Price by Acquirer till the last date of revision viz. May 14, 2010 or withdrawal of the Offer, the same would be informed by way of a public announcement in the same newspapers in which the original PA had appeared. The Acquirer would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.
81. **If there is a competitive bid:**
    a. The public offers under all the subsisting bids shall close on the same date.
    b. As the Offer Price cannot be revised during 7 (seven) working days prior to the Closing date of the Offers / bids, it would, therefore, be in the interest of the Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.
82. Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirer has appointed CSINGA as Manager to the Offer. Manager to the Offer does not hold any shares of the Target Company as on the date of this PA.
83. Acquirer, PAC and their respective Directors severally and jointly accepts the responsibility for the information contained in this PA. Acquirer and PAC are responsible for the fulfilment of its obligations under the SEBI (SAST) Regulations.
84. Registrar to the Offer Link Intime India Private Limited, Address: C-13, Panalal Silk Mills Compound, L B S Marg,Bhandup (W),Mumbai -400078. Tel: 022-25960320 Fax: 022-25960329 . E-mail: msk.offer@linkintime.co.in., Contact Person: Mr. Nilesh Chalke.

This Public Announcement would also be available on the SEBI's website (www.sebi.gov.in). For applying in this Offer, eligible persons to the Offer may also download a copy of the Form of Acceptance cum Acknowledgement which will be available on SEBI's website at (www.sebi.gov.in) from the Offer Opening Date, May 6, 2010.

Issued by Manager to the Offer on behalf of the Acquirer and PAC

Collins Stewart Inga

Collins Stewart Inga Private Limited
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Tel.: +91-22 - 2498 2919 / 2498 2927Fax: +91-22 - 2498 2956
Email: mskopenoffer@csinga.com Contact Person: Mr. Mihir Pandhi

Place : Mumbai
Date : March 19, 2010