

# PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF SHAREHOLDERS OF SPICEJET LIMITED

(Registered Office: Near Steel Gate Bus Stop, Terminal - I, Indira Gandhi International Airport, New Delhi - 110 037)

## CASH OFFER FOR ACQUISITION OF EQUITY SHARES FROM SHAREHOLDERS OF SPICEJET LIMITED

This Public Announcement (the "Public Announcement") to the shareholders of SpiceJet Limited (the "Target Company") is being issued by Enam Securities Private Limited, the manager to the Offer ("Enam" or "Manager to the Offer"), on behalf of Kal Airways Private Limited and Mr. Kalanithi Maran (hereinafter collectively referred to as the "Acquirers"), pursuant to and in compliance with Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (the "SEBI (SAST) Regulations" or "Regulations") along with WLR Recovery III (India) Limited ("WLR 1"), WLR Recovery IV/ESC (India) Limited ("WLR 2"), India Asset Recovery Fund Limited ("WLR 3") and WLR/GS (India) Limited ("WLR 4"), hereinafter collectively referred to as persons acting in concert ("PACs" or "WLR") pursuant to and in compliance with regulation 10 of the SEBI (SAST) Regulations.

### 1. BACKGROUND TO THE OFFER

- This offer is being made to the equity shareholders of the Target Company ("Shareholders") by the Acquirers under regulations 10 and 12 of the SEBI (SAST) Regulations and by WLR 1, WLR 2, WLR 3 and WLR 4 under regulation 10 of the SEBI (SAST) Regulations as PACs pursuant to conversion of FCCBs into equity shares as disclosed in paragraph 1.4 below.
- The Acquirers, Kal Airways Private Limited and Mr. Kalanithi Maran, are the acquirer within the meaning of Regulation 21(i) of the SEBI (SAST) Regulations. The PACs are the persons acting in concert as defined in Regulation 21(i)(1) of the SEBI (SAST) Regulations. The Target Company is the target company as defined in Regulation 21(i)(1) of the SEBI (SAST) Regulations.
- As of the date of this Public Announcement, the subscribed and paid up share capital of the Target Company is Rs. 3,21,39,48,850 (Rupees Three Hundred and Twenty One Crores Thirty Nine Lakhs Forty Eight Thousand Eight Hundred and Fifty only) divided into 32,13,94,885 equity shares of face value Rs. 10/- each (the "Existing Share Capital") and there are (i) 1,03,05,438 equity shares assuming full conversion of 1,03,05,438 Employee Stock Options (the "ESOPs") and (ii) 8,32,00,480 equity shares assuming full conversion of outstanding Foreign Currency Convertible Bonds ("FCCBs") (including those held by WLR as detailed in paragraph 1.4 below). On exercise or conversion, as the case may be, of the ESOPs and FCCBs, the expanded paid up share capital will be Rs. 4,14,90,08,030 (Rupees Four Hundred and Fourteen Crores Ninety Lakhs Eight Thousand Thirty only) divided into 41,49,00,803 Equity Shares (the "Resulting Share and Voting Capital"). Other than these, there are no other convertible instruments in the Target Company outstanding or partly paid up shares convertible into equity shares at a future date.
- As of the date of the Public Announcement, Royal Holdings Services Limited ("RHSL") is the legal and beneficial owner of 10,77,500 equity shares in the Target Company, representing 7.49% of the Resulting Share and Voting Capital of the Target Company ("RHSL Shares").

As of the date of the Public Announcement, (i) WLR are the legal and beneficial owner of 4,22,45,920 equity shares in the Target Company, representing 10.18% of the Resulting Share and Voting Capital of the Target Company in following manner:

| Entity | Equity shares held |
|--------|--------------------|
| WLR 1  | 14,75,840          |
| WLR 2  | 1,45,73,920        |
| WLR 3  | 1,88,16,960        |
| WLR 4  | 73,79,200          |

(ii) 8,32,00,480 equity shares upon conversion of the 451 FCCBs held by WLR representing 20.05% of the Resulting Share and Voting Capital of the Target Company. (i) and (ii) collectively referred to as "WLR Shares". The RHSL Shares and the WLR Shares are collectively referred to as "Sale Shares".

15. As on the date of the Public Announcement, the Acquirers do not own any shares or securities of the Target Company. The Acquirers are desirous of acquiring a significant controlling interest in the Target Company by way of purchase of equity shares and acquisition of control, in the Target Company in compliance with SEBI (SAST) Regulations.

16. The Acquirers have agreed, vide share purchase agreement dated June 12, 2010 executed amongst the Acquirers, the Target Company, RHSL (the "RHSL SPA") and the share purchase agreement dated June 12, 2010 executed amongst the Acquirers, the Target Company, WLR Recovery III (India) Limited, WLR Recovery IV/ESC (India) Limited, India Asset Recovery Fund Limited, WLR/GS (India) Limited (the "WLR SPA") (RHSL together with WLR entities hereinafter referred as "Sellers"), whereby it proposes to acquire 15,65,23,900 equity shares in the Target Company of face value Rs. 10 (Rupees Ten only) each (the "Equity Shares"), representing 48.70% of the Existing Share Capital and 37.73% of the Resulting Share and Voting Capital at a price of Rs. 47.25 (Rupees Forty seven and twenty five paise only) per Equity Share (the "Negotiated Price") for a total purchase consideration of Rs. 7,38,57,54,75 (Rupees Seven Hundred Thirty Nine Crores Fifty Seven Lakhs Fifty Four Thousand Two Hundred and Seventy Five only) (the "Purchase Consideration") (hereinafter referred to as the "Acquisition") payable in cash. RHSL SPA and WLR SPA hereinafter collectively referred to as "SPA". WLR, the sellers under WLR SPA are also the PACs.

17. As per the clause 5 filings under the listing agreement of the Bombay Stock Exchange Limited (the "BSE") and filings made under SEBI (SAST) Regulations by the Target Company with BSE, amongst the Sellers, only RHSL is the promoter of the Target Company.

18. The salient features of the RHSL SPA are as under:

- The Acquirers have agreed to acquire, on RHSL Closing Date (defined below), on spot delivery basis, 3,10,77,500 Equity Shares at the Negotiated Price for a total purchase consideration of Rs. 1,46,84,11,875 (Rupees One Hundred Forty Six Crores Eighty Four Lakhs Eleven Thousand Eight Hundred And Seventy Five only) (the "RHSL Purchase Consideration"). As of the date of the Public Announcement, RHSL holds 31,077,500 Equity Shares constituting 9.67% of the Existing Share Capital, of this 2,89,00,000 equity shares forming part of the RHSL Shares are pledged by RHSL to Allahabad Bank (the "Pledged Shares"); however, the pledge encumbering these shares will be released on closing of the transaction and will be re-pledged soon after acquisition by the Acquirers on the RHSL Closing Date.
- RHSL shall deliver or cause to be delivered to the RHSL depository participant, duly executed original undated, instruction slips to "freeze" all operations in its dematerialized account. RHSL shall further deliver or cause to be delivered to the escrow agent the (i) instruction slips to release or "defreeze" the operations in its dematerialized account maintained with the RHSL depository participant; and (ii) Forms/Instruction slips to close the pledge on the Pledged Shares and (iii) documents relating to transfer of RHSL Shares.
- RHSL shall have deposited with the escrow agent duly executed, stamped and irrevocable powers of attorney in favour of the escrow agent, authorizing the escrow agent, if required, to vote on and/or appoint proxies with respect to the RHSL Shares and to sign, issue, forward and deliver any other documents as may be required in connection with the transfer of the RHSL Shares to the Acquirers.
- On, or within 7 (seven) days after the signing of the RHSL SPA, the Target Company shall, and the RHSL shall procure that the Target Company shall, at its own cost and expense, have appointed Ernst and Young Private Limited (or any of its affiliates) as a special auditor of the Target Company.
- On or within 3 (three) days of the signing of the RHSL SPA, the Target Company and Acquirers shall have, with the assistance of the RHSL, made an application to the Director General of Civil Aviation ("DGCA"), the Ministry of Civil Aviation ("MCA") seeking their approval for the transactions contemplated under or pursuant to the RHSL SPA, including the change in control, takeover of the Target Company, change in name and registered office and the rebranding of the Target Company and appointment of the representatives of the Acquirers as Directors and/or Observers and such approval shall have been obtained from the Director General of Civil Aviation, the Ministry of Civil Aviation.
- On or prior to the completion of the Offer, the Target Company shall have obtained the prior written approval of the Reserve Bank of India, if required, under the Foreign Exchange Management Act, 1999 and the rules and regulations framed thereunder for the continuance of the external commercial borrowing availed by the Target Company from RHSL and repayment of the same in accordance with the existing repayment schedule and the Target Company shall have complied with the conditions, if any, stipulated by the Reserve Bank of India in this regard.
- The sale of the RHSL Shares by the RHSL and the purchase of the RHSL Shares by the Acquirers under RHSL SPA (the "RHSL Closing") shall take place at the registered office of the Company or such other place as may be mutually agreed between the Parties on a date agreed to amongst the Parties (the "RHSL Closing Date") or within such extended time period as may be agreed to amongst the Acquirers and RHSL in writing on or before March 31, 2011, subject to conditions specified in the RHSL SPA. The RHSL Closing Date shall be a date no later than 3 (three) days from the completion of the Offer subject however to any extended time period as may be agreed to amongst the Acquirers and RHSL, in writing.
- RHSL Purchase Consideration shall be paid to the RHSL on the RHSL Closing Date or any other extended date as may be decided.
- In the event that RHSL Closing does not occur on or prior to March 31, 2011, RHSL may, either terminate the RHSL SPA or extend the RHSL Closing Date by written notice to the RHSL and the Target Company.
- In the event of any non-compliance with the provisions of the Regulations by any party to the RHSL SPA, the sale and purchase of the RHSL Shares shall not be acted upon by RHSL or the Acquirers, and RHSL SPA shall immediately terminate without affecting the rights and obligations of the parties accrued up to the date of termination, in accordance with the terms and the provisions of the RHSL SPA.

19. The salient features of the WLR SPA are as under:

- The Acquirers have agreed to acquire on WLR Closing Date (defined below), on spot delivery basis, 12,54,46,400 Equity Shares consisting of 4,22,45,920 equity shares ("Existing WLR Shares") and 8,32,00,480 equity shares upon conversion of the 451 FCCBs held by WLR ("Converted Sale Shares"), at the Negotiated Price for a total purchase consideration of Rs. 5,92,73,42,400 (Rupees Five Hundred Ninety Two Crores Seventy Three Lakhs Forty Two Thousand Four Hundred only) (the "WLR Purchase Consideration").
- By the close of business on June 14, 2010, the Acquirers shall deposit the WLR Purchase Consideration in the consideration escrow account opened with the escrow agent for this purpose. Upon release of the WLR Purchase Consideration or any part thereof to WLR, WLR will not be under any obligation to refund the same to the Acquirers or any third party.
- Between signing of the WLR SPA and WLR Closing Date, conversion of FCCBs forming part of WLR Shares may occur in one or more tranches, subject to applicable law and all the resultant Converted WLR Shares shall have been deposited in the balance shares escrow account.
- WLR shall deliver or cause to be delivered to the WLR Depository Participant, duly executed original instruction slips to transfer each of their respective portion of the 4,22,45,920 equity shares ("Tranche I") and 66,41,280 equity shares ("Tranche II") held by the WLR from their respective dematerialized accounts to the existing shares escrow account.
- As soon as practicable following the executing of the WLR SPA, WLR shall deposit the consideration, transfer documents and such other documents in relation to the transaction with the escrow agent appointed for this purpose. And simultaneously with the deposit of the documents, the escrow agent shall release to WLR, their respective portions of the purchase consideration being Rs. 199,61,19,720 (Rupees One Hundred and Ninety Nine Crores Sixty One Lakhs Nineteen Thousand Seven Hundred Twenty only) for Tranche I and being Rs. 31,38,00,480 (Rupees Thirty One Crores Thirty Eight Lakhs Four Hundred and Eighty only) for Tranche II above.
- All conditions precedent to closing (as defined in the WLR SPA) shall have been completed to the satisfaction of the Acquirers, or waived by the Acquirers in accordance with the terms of the RHSL SPA.
- The sale of the WLR Shares by WLR and the purchase of the WLR Shares by the Acquirers under WLR SPA (the "WLR Closing") shall take place at registered office of the Target Company or such other place mutually agreed between the parties on a date agreed to amongst the parties to WLR SPA (the "WLR Closing Date") or within such extended time period as may be agreed to amongst the Parties in writing. The WLR Closing Date shall be a date no later than 3 (three) days from the completion of the Offer; However, WLR Closing shall not occur unless RHSL Closing as detailed in RHSL SPA has occurred.
- In the event of any non-compliance with the provisions of the SEBI (SAST) Regulations by any party to the WLR SPA, without affecting the rights and obligations of the parties accrued up to the date of termination, the Acquirers shall not purchase the WLR Shares to the extent as required under Regulation 22(16) of the SEBI (SAST) Regulations.

- This Offer is not as a result of a global acquisition resulting in an indirect acquisition of the Target Company.
- There are no other Acquirers or other entities/persons who are or can be deemed to be persons acting in concert for the purpose of the Offer. As of the date of this Public Announcement, the Acquirers and PACs do not hold any Equity Shares or any other securities of the Target Company, directly or indirectly save and except as disclosed in paragraph 1.4 above.
- The Acquirers, the Target Company and the Sellers have also for the acquisition of Sale Shares entered into an escrow agreement with Hongkong and Shanghai Bank Corporation, a company, incorporated under the Companies Ordinance of the Hong Kong Special Administrative Region (HK SAR), having its registered office at 1, Queen's Road Central, Hong Kong and its India corporate office at 52/60 Mahatma Gandhi Road, Fort, Mumbai 400 001, (the "SPA Escrow Agent") for opening the escrow accounts for the purposes of keeping in escrow, the WLR Shares, the FCCB certificates, instruction slips and other related documents and the Purchase Consideration prior to the closing of the transactions contemplated in both the SPAs.
- This is not a competitive bid.
- THE OFFER**
- The proposed substantial acquisition of equity shares is being made pursuant to the SPA as stated in paragraph 1.6. In view of the above this mandatory Offer is being made by the Acquirers in compliance with Regulation 10 and 12 of SEBI (SAST) Regulations and by the PACs in compliance with Regulation 10 of SEBI (SAST) Regulations. The Acquirers and PACs hereby make this Offer to shareholders of the Target (other than the parties to the SPA as defined in paragraph 1.6) to acquire up to 8,29,80,161 equity shares ("Shares") of the Target Company of face value of Rs. 10 each representing in aggregate 20% of the Resulting Share and Voting Capital of the Target Company at a price of Rs. 57.76 (Rupees Fifty Seven and seventy six paise 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 (the "Letter of Offer") that will be sent to the Shareholders in accordance with the SEBI (SAST) Regulations (the "Offer" or "Open Offer"). The PACs will not acquire control over the Target Company.
- RHSL, is a limited company incorporated and existing under the laws of the State of Nevada, United States of America, and having its corporate office at 69-71, Portland House, Wembley Hill Road, Wembley, Middlesex, HA98BU, United Kingdom, being the existing promoter of the Target Company, currently holds 9.67% of the Existing Share Capital and 7.49% of the Resulting Share and Voting Capital of the Target Company.
- There is no non-compete fees payable to the Sellers for the acquisition of the Sale Shares. Under the RHSL SPA, RHSL undertakes that without prior written consent of Acquirers neither alone nor jointly with, through or as adviser to, or agent of, or manager for, any person directly or indirectly carry on or be engaged, concerned or interested in or assist a business

which competes, directly or indirectly, with the business of the Target Company for a period starting from signing of RHSL SPA and ending 7 years after the RHSL Closing Date.

- Subject to the receipt of statutory approvals as set out in paragraph 8 and other terms and conditions set out in the Public Announcement and the Letter of Offer, the Acquirers will acquire the Equity Shares up to the extent mentioned in this Public Announcement. In terms of regulation 27 of the Regulations, if statutory approvals are refused, the Offer would stand withdrawn.
- This Offer is being made to all the shareholders of the Target Company (other than the parties to the SPA) and is not conditional on any minimum level of acceptances. The Acquirers will acquire all the shares of the Target Company that are validly tendered as per terms of the Offer subject to the terms and conditions mentioned in this Public Announcement and the Letter of Offer to be sent to the Shareholders.
- At the request of the Acquirers, subject to applicable law, the Acquirers may require the Board of the Target Company to appoint:
  - Two (two) observers who shall initially be Mr. V.C. Unnikrishnan and Mr. V. Raja, on the Board of the Target Company, (each an "Observer" and collectively the "Observers"); and/or
  - The nominees of the Acquirers, provided (A) and (B) condition is fulfilled. (A) the expiry of 21 (twenty one) days from the date of release of this PA; and (B) the Acquirers having deposited cash equivalent to 100% of the Open Offer consideration (assuming full acceptance) in terms of Regulation 22(7) of the Regulations.
- The Acquirers, PACs and directors of KAPL and PACs have not acquired nor been allotted any Equity Shares during the 12 month period prior to the date of this Public Announcement save and except (i) allotment of 41,875,960 Equity Shares to WLR on June 10, 2010 through a conversion of 227 FCCBs at a conversion price of Rs.25 and (ii) the conversion of 36 FCCBs at a conversion price of Rs.25 by tender of a conversion notice by WLR dated June 11, 2010 pursuant to which 66,41,280 Equity Shares shall be allotted by the Target Company on receipt of duly executed conversion notice from FCCB paying and conversion agent (i) Equity Shares proposed to be acquired by the Acquirers as mentioned in paragraph 1.6 above relation to acquisition under SPA.
- The Equity Shares will be acquired by the Acquirers free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof except to the extent of the Pledged Shares.
- OFFER PRICE**
- The Equity Shares are listed on the BSE and are frequently traded (Source: www.bseindia.com) within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations. The annualised trading turnover based on the trading volume in the Equity Shares on the BSE during December 1, 2009 to May 31, 2010 (being 6 calendar months preceding the month in which this Public Announcement is made) is as under:

| Total no. of shares traded during the 6 calendar months prior to the month in which Public Announcement is made | Total No. of listed Shares | Annualized Trading turnover(as a % to total listed shares) |
|---|----------------------------|--|
| 43,75,27,993  | 24,18,82,710*              | 361.77%  |

Source: www.bseindia.com

\*This excludes 1,53,60,715 equity shares issued on conversion of warrants, 1,36,90,000 equity shares issued on account of exercise of ESOPs and 6,40,14,560 equity shares issued on conversion of FCCBs are yet to be listed for which listing application is yet to be made.

- The Offer Price is justified in terms of Regulation 20(4) of SEBI (SAST) Regulations in view of the following:

|  | (per equity share) |
|--|--------------------|
| The Negotiated Price   | Rs. 47.25          |
| Highest price paid by the Acquirers or PACs for acquisition of Equity Shares including by way of allotment in a public or rights or preferential issue during the 26-weeks preceding the date of the Public Announcement | Rs. 25.00          |
| The average of the weekly high and low of the closing prices of the Equity Shares on the BSE during the 26 weeks preceding the date of the Public Announcement   | Rs. 56.72          |
| The average of the daily high and low prices of the Equity Shares on the BSE during the 2 weeks preceding the date of the Public Announcement  | Rs. 57.76          |

- The Offer Price of Rs. 57.76 (Rupees Fifty Seven and Seventy Six paise only) per Equity Share being the highest of the above is justified.

- If the Acquirers or PACs acquires Equity Shares 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 and the revision, if any, would be announced in the same newspapers in which this Public Announcement has appeared and the revised Offer Price will be paid for all Equity Shares acquired pursuant to the Offer.

### 4. INFORMATION ON THE ACQUIRERS

4.1. The acquirer, Kal Airways Private Limited, (the "KAPL"), is a private limited company registered under the Companies Act, 1956, and having its registered office at 4, Norton Road, Mandaveli, Chennai, Tamil Nadu, India. Tel.: +91 044-24648161, Fax: +91 044-24648282.

KAPL was incorporated on May 06, 2010. The main object of KAPL is purchase, take on lease and/or hire or otherwise, own, employ, maintain, work, manage, control, let on hire, charter, lease all forms of aerial conveyance for the purpose of transporting or carrying passengers, baggage, mail and freight and merchandise of all and every kind and description and to maintain, operate and provide chartered domestic and international aviation services.

KAPL has been promoted by Mr. Kalanithi Maran and Mrs. Kavery Kalanithi.

KAPL is not listed on any of the stock exchange.

The names of board of directors of KAPL are: Mr. Kalanithi Maran and Mrs. Kavery Kalanithi.

There are no financial statements available for KAPL as it was incorporated on May 06, 2010.

Mr. Kalanithi Maran, promoter and director of KAPL, is also an Acquirer in this Offer.

KAPL is not related to any of the PACs.

4.2. The acquirer, Mr. Kalanithi Maran, is son of Mr. S.N. Maran, aged 44 years and residing at 4, Second Avenue, Boat Club Road, Chennai 600 028, Tamil Nadu, India.

Mr. Kalanithi Maran is Chairman and Managing Director of Sun TV Network Limited. In 1990, he pioneered the first vernacular Video News Magazine (Poomali), which was runaway success. In 1993, he launched the first Regional and Tamil Satellite Channel (SUN TV) which went on to become one of the premier channels in South East Asia. He also launched the first Kannada satellite channel (UDAYA TV) and Surya TV channel for the Malayalam audience and re-launched the Gemini TV channel for the Telugu audience.

Mr. K. Ramkrishnan, Membership No. 20963, partner of K. Ramkrish & Co., Chartered Accountants, located at New # 19 (Old #9A), Bagavantham Street, T. Nagar, Chennai - 600 017, has by his letter dated June 12, 2010 certified the networth of Mr. Kalanithi Maran as Rs.13,384.16 crores\* as on June 10, 2010.

Mr. Kalanithi Maran is not related to any of the PACs.

### 5. INFORMATION ABOUT THE PACS

5.1. WLR Recovery III (India) Limited ("WLR 1"), a corporation organized and existing under the laws of Mauritius incorporated on May 26, 2006 and having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius. Tel.: +230 467 3000, Fax: +230 467 4000.

WLR 1 was incorporated for the purpose of operation as global business company i.e. company categorized as Category I global business company by the Financial Service Commission. The objects of the company are to engage in the business of all forms of investments and carry on business of investment holding company. It is wholly owned subsidiary of WLR Recovery Fund III, L.P.

WLR 1 is not listed on any of the stock exchange.

The names of board of directors of WLR 1 are Coulipd Basanta Lala, Rubina Toorawa, Wilbur L. Ross, Jr. and David H. Storper.

Brief unconsolidated audited financials of the WLR 1:

| Particulars                               | (Figures in Rs.)             |                              |                              |
|---|------------------------------|------------------------------|------------------------------|
|   | Year ended December 31, 2006 | Year ended December 31, 2007 | Year ended December 31, 2008 |
| Total Income                              | 110,619                      | 562,677                      | 28,588,698                   |
| Profit After Tax                          | (1,642,083)                  | (1,467,313)                  | 25,111,877                   |
| Equity Capital                            | 44                           | 39                           | 48                           |
| Reserves (excluding revaluation Reserves) | (1,642,083)                  | (2,930,449)                  | 21,509,232                   |
| Earning per Share (EPS) Rs.               | (1,642,083)                  | (1,467,313)                  | 25,111,877                   |
| Net Asset Value (NAV) Rs.                 | 294,787,377                  | 519,759,297                  | 771,737,666                  |
| Return on networth (%)                    | (0.56)                       | (0.28)                       | 3                            |

Source: Annual Report and certificate for conversion into INR

RBI Reference Rate used: December 29, 2006 - Rs 44.23, December 31, 2007 - Rs 39.41, December 31, 2008 - Rs 48.45 & December 31, 2009 - Rs 46.68

WLR 1 is an affiliate of the other WLR entities.

5.2. WLR Recovery IV/ESC (India) Limited ("WLR 2"), a corporation organized and existing under the laws of Mauritius incorporated on March 20, 2008 and having its registered office at IFS Court, Twenty Eight, Cybercity, Ebene, Mauritius. Tel.: +230 467 3000, Fax: +230 467 4000.

WLR 2 was incorporated for the purpose of operation as global business company i.e. company categorized as Category I global business company by the Financial Service Commission. It is a 99.53% subsidiary of WLR Recovery Fund IV, L.P.

WLR 2 is not listed on any of the stock exchange.

The names of board of directors of WLR 2 are Coulipd Basanta Lala, Rubina Toorawa, Wilbur L. Ross, Jr. and David H. Storper.

Brief unconsolidated audited financials of the WLR 2:

| Particulars                               | (Figures in Rs.)             |                              |                              |
|---|------------------------------|------------------------------|------------------------------|
|   | Year ended December 31, 2006 | Year ended December 31, 2007 | Year ended December 31, 2008 |
| Total Income                              | -                            | -                            | 36,248,110                   |
| Profit After Tax                          | -                            | -                            | 31,984,655                   |
| Equity Capital                            | -                            | -                            | 1,576,349,868                |
| Reserves (excluding revaluation Reserves) | -                            | -                            | 31,984,655                   |
| Earning per Share (EPS) Rs.               | -                            | -                            | 1                            |
| Net Asset Value (NAV) Rs.                 | -                            | -                            | 1,499,872,076                |
| Return on networth (%)                    | -                            | -                            | 2.20                         |

Source: Annual Report and certificate for conversion into INR

RBI Reference Rate used: December 29, 2006 - Rs 44.23, December 31, 2007 - Rs 39.41, December 31, 2008 - Rs 48.45 & December 31, 2009 - Rs 46.68

WLR 2 is an affiliate of the other WLR entities.

5.3. India Asset Recovery Fund Limited ("WLR 3"), a corporation organized and existing under the laws of Mauritius incorporated on June 26, 2006 and having its registered office at IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius. Tel.: +230 467 3000, Fax: +230 467 4000.

WLR 3 was incorporated for the purpose of operation as global business company i.e. company categorized as Category I global business company by the Financial Service Commission. The objects of the company are to engage in the business of all forms of investments and carry on business of investment holding company. It is wholly owned subsidiary of India Asset Recovery Fund, L.P.

WLR 3 is not listed on any of the stock exchange.

The names of board of directors of WLR 3 are Coulipd Basanta Lala, Rubina Toorawa, Wilbur L. Ross, Jr. and David H. Storper.

Brief unconsolidated audited financials of the WLR 3:

| Particulars                               | (Figures in Rs.)             |                              |                              |
|---|------------------------------|------------------------------|------------------------------|
|   | Year ended December 31, 2006 | Year ended December 31, 2007 | Year ended December 31, 2008 |
| Total Income                              | 239,948                      | 1,295,761                    | 94,134,232                   |
| Profit After Tax                          | (3,264,882)                  | (1,002,433)                  | 89,502,799                   |
| Equity Capital                            | 685,565                      | 610,855                      | 750,975                      |
| Reserves (excluding revaluation Reserves) | (3,264,882)                  | (3,911,521)                  | 84,694,040                   |
| Earning per Share (EPS) Rs.               | (2,106)                      | (647)                        | 57,744                       |
| Net Asset Value (NAV) Rs.                 | 568,275,178                  | 996,641,500                  | 3,088,962,551                |
| Return on networth (%)                    | (0.57)                       | (0.10)                       | 2.93                         |

Source: Annual Report and certificate for conversion into INR

RBI Reference Rate used: December 29, 2006 - Rs 44.23, December 31, 2007 - Rs 39.41, December 31, 2008 - Rs 48.45 & December 31, 2009 - Rs 46.68

WLR 3 is an affiliate of the other WLR entities.

5.4. WLR/GS (India) Limited ("WLR 4"), a corporation organized and existing under the laws of Mauritius incorporated on August 04, 2008 and having its registered office at IFS Court, Twenty Eight, Cyber City, Ebene, Mauritius. Tel.: +230 467 3000, Fax: +230 467 4000.

WLR 4 was incorporated for the purpose of operation as global business company i.e. company categorized as Category I global business company by the Financial Service Commission. It is wholly owned subsidiary of WLR/GS Master co-investment, L.P.

WLR 4 is not listed on any of the stock exchange.

The names of board of directors of WLR 4 are Coulipd Basanta Lala, Rubina Toorawa, Wilbur L. Ross, Jr. and David H. Storper.

Brief unconsolidated audited financials of the WLR 4:

| Particulars                               | (Figures in Rs.)             |                              |                              |
|---|------------------------------|------------------------------|------------------------------|
|   | Year ended December 31, 2006 | Year ended December 31, 2007 | Year ended December 31, 2008 |
| Total Income                              | -                            | -                            | 17,522,815                   |
| Profit After Tax                          | -                            | -                            | 14,537,423                   |
| Equity Capital                            | -                            | -                            | 780,045                      |
| Reserves (excluding revaluation Reserves) | -                            | -                            | 14,537,423                   |
| Earning per Share (EPS) Rs.               | -                            | -                            | 903                          |
| Net Asset Value (NAV) Rs.                 | -                            | -                            | 716,244,683                  |
| Return on networth (%)                    | -                            | -                            | 2.09                         |

Source: Annual Report and certificate for conversion into INR</



...continued from previous page.

(Monday to Friday: 10.00 a.m. to 4.00 p.m. Saturday 10.00a.m. to 1.00 p.m. The centres will be closed on Sundays and public holidays)

| Collection Centre | Address of Collection Centre  | Contact Person                          | Phone No.                 | Fax          | Mode of delivery         |
|-------------------|---|---|---------------------------|--------------|--------------------------|
| Mumbai            | Karvy Computershare. Pvt Ltd., 24, Maharashtra Chamber of Commerce, Lane, Opp. MSC Bank, Fort Mumbai - 400 023                  | Ms. Nutan Shirke                        | 022-66381747 & 22842666   | 022-66331135 | Hand Delivery            |
| New Delhi         | Karvy Computershare. Pvt Ltd. 105-108, Arunachal Bldg., 19, Barakhamba Road, Connaught Place, New Delhi - 110 001               | Mr. Rakesh Kr Jamwal / Vinod Singh Negi | 011-43509200              | 011-41036370 | Hand Delivery            |
| Ahmedabad         | Karvy Computershare. Pvt Ltd. 201-203, Shail, Opp. Madhusudhan House Behind Girish Cold Drinks Off C G Road Ahmedabad - 380 006 | Mr. Aditya Gupta/ Robert Joeboy         | 079-26400527/ 66614772    | 079-26565551 | Hand Delivery            |
| Chennai           | Karvy Computershare. Pvt Ltd. No. 33/1, Venkatraman Street, T.Nagar, Chennai - 600017   | Mr. Gunashekhar                         | 044 - 28151793/ 28151794  | 044-28153181 | Hand Delivery            |
| Hyderabad         | Karvy Computershare. Pvt Ltd. Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081                                       | Ms. Rinki Sareen                        | 040-44655000/ 23420818-23 | 040-23431551 | Hand Delivery/ Regd Post |
| Kolkata           | Karvy Computershare. Pvt Ltd. 49, Jatin Das Road, Nr. Deshpriya Park, Kolkatta 700 029  | Mr. Sujit Kundu/ Mr. Debnath            | 033-24644891              | 033-24644866 | Hand Delivery            |
| Bengaluru         | Karvy Computershare. Pvt Ltd. No.59, Skanda, Putana Road, Basavanagudi Bengaluru 560 004  | Mr. Kumaraswamy/ Ms. V Sudha            | 080-26621192              | 080-26621169 | Hand Delivery            |

11.10 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 the documents as mentioned above so as to reach the Registrar to the Offer on or before the closure of the Offer, i.e., no later than Wednesday, August 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 name, address, the 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 closure of the Offer, i.e., no later than Wednesday, August 25, 2010.

11.11 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.

11.12 In terms of Regulation 22(5A) of the SEBI (SAST) Regulations, Shareholders desirous of withdrawing the acceptance tendered by them in the Offer, may do so up to 3 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 any of the collection centres mentioned at paragraph 11.9 above as per the mode of delivery indicated therein on or before Friday, August 20, 2010.

- The withdrawal option can be exercised by submitting the Form of Withdrawal, enclosed with the Letter of Offer.
- In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper 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.

11.13 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 the Target who have accepted the Offer, till the cheques/ drafts for the consideration and/or the unaccepted shares/ share certificates are dispatched/ returned.

11.14 If the aggregate of the valid responses to the Offer exceeds the Offer size of 8,29,80,161 Equity Shares (representing 20% of the Resulting Share and Voting Capital), then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST) Regulations. As the shares of the Target Company are compulsorily traded in dematerialized form, therefore minimum acceptance/ marketable lot will be 1 share.

11.15 The payment of consideration for accepted applications will be made by the Acquirers and the PACs in cash through account payee cheques, drafts, warrants, etc. sent by registered post for amounts exceeding Rs.1,500/- and otherwise under certificates of posting in accordance with the Regulations.

11.16 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected.

11.17 Unaccepted share certificates, transfer deeds 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.

11.18 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 Wednesday, August 25, 2010, else their application would be rejected. It will be the responsibility of the Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

11.19 While tendering the Equity Shares under the Offer, NRIs/ OCBs/ non-resident Shareholders will be required to submit the previous RBI approvals (specific or general) that they would have obtained for acquiring the Equity Shares, if so required. **In case the previous RBI approvals are not submitted, the Acquirers and PACs reserves the right to reject such Equity Shares tendered.**

11.20 Compliance with tax and other regulatory requirements:

- 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.
- 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 Acquirers and PACs before remitting the consideration, failing which Acquirers and PACs 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.

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

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

| Activity   | Day & Date              |
|--|-------------------------|
| Public Announcement date                                       | Monday, June 14, 2010   |
| Specified Date *   | Friday, June 18, 2010   |
| Last date for a competitive bid                                | Monday, July 05, 2010   |
| Date by which Letter of Offer to be dispatched to Shareholders | Thursday, July 29, 2010 |
| Date of opening of the Offer                                   | Friday, August 06, 2010 |
| Last date for revising the Offer price/ number of Shares       | Friday, August 13, 2010 |

|  |                              |
|--|------------------------------|
| Last date for withdrawing of acceptance from the Offer   | Friday, August 20, 2010      |
| Last date for closing of the Offer   | Wednesday, August 25, 2010   |
| Last date of communicating rejection / acceptance and for dispatch of consideration for acceptance and of Share certificate(s) for the rejected Shares / credit of unaccepted dematerialized Shares. | Thursday, September 09, 2010 |

\* 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. All owners (registered or unregistered) of the shares of the target company (except the Acquirers, PACs and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.

12. GENERAL

12.1 Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer shall have the option to withdraw acceptance tendered by them up to 3 working days prior to the date of closure of the offer, in terms of Regulation 22 (5A) of the SEBI (SAST) Regulations.

12.2 The Acquirers and PACs reserves the right to revise the Offer Price up to 7 working days prior to the closure of the offer and if there is any upward revision in the Offer Price by the Acquirers and PACs till the last date of revision viz. Friday, August 13, 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 Public Announcement had appeared. The Acquirers and PACs would pay such revised price for all the Equity Shares validly tendered any time during the Offer and accepted under the Offer.

12.3 If there is a competitive bid:

- The public offers under all the subsisting bids shall close on the same date.
- As the Offer Price cannot be revised during 7 working days prior to the closing date of the Offer/ 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.

12.4 The Acquirers, PACs, the Target Company and the Sellers have not been prohibited by SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the SEBI Act.

12.5 Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirers and PACs have appointed Enam Securities Private Limited as the Manager to the Offer. As on the date of this announcement, the Manager to the Offer does not hold any shares in the Target Company.

12.6 Karvy Computershare. Pvt Ltd has been appointed as Registrar to the Offer (Correspondence Address: Plot No 17-24, Vithalrao Nagar, Madhapur, Hyderabad 500 081; Ph.: +91 40-23420815-23; Fax: +91 40-23431551; email: murali@karvy.com; Contact Person: Mr. M. Murali Krishna).

12.7 For further details, please refer to the Letter of Offer and the Form of Acceptance cum Acknowledgement to be sent to the shareholders of the Target Company.

12.8 The Acquirers, PACs and directors of KAPL and PACs severally and jointly accept the responsibility for the information contained in this Public Announcement. The Acquirers and PACs are responsible for the fulfillment of their obligations under the SEBI (SAST) Regulations.

This Public Announcement would also be available on the SEBI's website ([www.sebi.gov.in](http://www.sebi.gov.in)). 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](http://www.sebi.gov.in)) from the Offer Opening Date, i.e. Friday, August 06, 2010.

Issued on behalf of the Acquirers and PACs by Manager to the Offer



Enam Securities Private Limited

801, Dalamal Towers, Nariman Point, Mumbai 400 021, India.

Tel: +91 22 6638 1800, Fax: +91 22 2284 6824, Email: [sjl@enam.com](mailto:sjl@enam.com), Website: [www.enam.com](http://www.enam.com)

Contact Person: Ms. Kanika Sarawgi, SEBI Registration No.: INM000006856

Date : June 12, 2010

Place : Mumbai