



भारत सरकार GOVERNMENT OF INDIA  
इस्पात मंत्रालय MINISTRY OF STEEL  
उद्योग भवन UDYOG BHAWAN  
नई दिल्ली-110107 NEW DELHI-110107

Date: January 8, 2018

**The Managing Director,**  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
India


**The Managing Director,**  
National Stock Exchange of India Limited,  
Exchange Plaza, Plot No. C/1, G Block,  
Bandra Kurla Complex, Bandra (East),  
Mumbai – 400 051  
India

Dear Sir/Madam,

**Subject: Notice of the proposed Offer for Sale of equity shares of NMDC Limited (the “Company”) by its Promoter, the President of India, acting through the Ministry of Steel, Government of India, through the stock exchange mechanism (the “Notice”)**

I am directed to refer to Clause 5(b) of the circular number CIR/MRD/DP/18/2012 dated July 18, 2012 notified by the Securities and Exchange Board of India (“SEBI” and such circular “SEBI OFS Circular”) pertaining to comprehensive guidelines on offer for sale of shares by promoters through stock exchange mechanism, as substantially amended by circular number CIR/MRD/DP/04/2013 dated January 25, 2013, circular number CIR/MRD/DP/17/2013 dated May 30, 2013, circular number CIR/MRD/DP/24/2014 dated August 8, 2014, circular number CIR/MRD/DP/32/2014 dated December 1, 2014, circular number CIR/MRD/DP/12/2015 dated June 26, 2015, circular number CIR/MRD/DP/36/2016 dated February 15, 2016 and circular number CIR/MRD/DP/65/2017 dated June 27, 2017, read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – Trading (No. HO/MRD/DP/CIR/P/2016/135) dated December 16, 2016 issued by SEBI (together with SEBI OFS Circular, “SEBI OFS Circulars”).

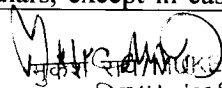
The President of India, acting through and represented by the Ministry of Steel, Government of India, is the promoter of NMDC Limited (the “Promoter”). The Promoter (the “Seller”) proposes to sell up to 4,74,58,357 (1.5%) equity shares of the face value of Re. 1/- each (“Base Offer Size”) on January 9, 2018 (“T day”) (for non-Retail Investors only) and on January 10, 2018 (“T+1 day”) (for Retail Investors and for non-Retail Investors who choose to carry forward their un-allotted bids) with an option to additionally sell up to 4,74,58,357 (1.5%) equity shares of the Company (the “Oversubscription Option” and in the event the Oversubscription Option is exercised, the equity shares forming part of the Base Offer Size and the Oversubscription Option will, collectively, hereinafter be referred to as “Offer Shares”. In case the Oversubscription Option is not exercised, the equity shares of the Company forming part of the Base Offer Size will hereinafter be referred to as “Offer Shares”) through a separate, designated window of the BSE Limited (the “BSE”) and the National Stock Exchange of India Limited (“NSE”, and together with the BSE, the “Stock Exchanges”), collectively representing 3% of the total paid up equity share capital of the Company on December 31, 2017 (held in dematerialized form in one or more demat accounts with the relevant depository participant), in accordance with the SEBI OFS Circulars and the applicable notices and circulars issued by the BSE and NSE, from time to time, in this regard (such offer for sale hereinafter referred to as the “Offer”).

  
मुकेश राय/MUKESH RAI  
अवर सचिव/Under Secretary  
इस्पात मंत्रालय/Ministry of Steel  
उद्योग भवन, नई दिल्ली  
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The Offer shall be undertaken exclusively through the Seller's brokers named below on a separate window provided by the Stock Exchanges for this purpose.

The details of the Offer, in accordance with the requirements of Clause 5(b) of the SEBI OFS Circular, are set forth below. Other important information in relation to the Offer is set out below under the heading "Important Information", and the information included therein constitutes an integral part of the terms and conditions of the Offer. The brokers and prospective buyers are required to read the information included in this Notice in its entirety along with the SEBI OFS Circulars.

| Sr. No. mentioned in the Notice | Details required to be  | Particulars of the Offer  |
|---------------------------------|---|---|
| 1.                              | Name of the Seller (Promoter / Promoter Group)                    | The President of India, acting through and represented by the Ministry of Steel, Government of India (Promoter)   |
| 2.                              | Name of the company whose shares are proposed to be sold and ISIN | <b>Name:</b> NMDC Limited<br><b>ISIN:</b> INE584A01023  |
| 3.                              | Name of the stock exchange where orders shall be placed           | BSE and NSE   |
| 4.                              | Name of the designated stock exchange                             | BSE   |
| 5.                              | Dates and time of the opening and closing of the Offer            | <p><b>For non-Retail Investors: January 9, 2018 ("T day")</b></p> <p>The Offer shall take place during trading hours on a separate window of the Stock Exchanges on T day i.e. January 9, 2018, commencing at 9:15 a.m. and shall close on the same date at 3:30 p.m. Indian Standard Time. On T day, non-Retail Investors may indicate their willingness to carry forward their un-allotted bids to T+1 day (defined below) for allocation to them in the unsubscribed portion of Retail Category (defined below). Only non-Retail Investors shall be allowed to place their bids on T day, i.e. January 9, 2018</p> <p><b>For Retail Investors (as defined below) and non-retail category bids who choose to carry forward their bids: January 10, 2018 ("T+1 day")</b></p> <p>The Offer shall continue to take place during trading hours on a separate window of the Stock Exchanges on T+1 (T+1 being January 10, 2018) commencing at 9:15 a.m. and shall close on the same date at 3:30 p.m. Indian Standard Time.</p> <p>Retail Investors (as defined below) shall be allowed to place their bids and revise their bids only on T+1 day. Further, those non-Retail investors who have placed their bids on T day and have chosen to carry forward their bids to T+1 day, shall be allowed to revise their bids on T+1 day as per the SEBI OFS Circulars.</p> <p>(T day and T+1 day, collectively referred to as "Offer Dates")</p> |
| 6.                              | Allocation methodology  | The allocation shall be at or above the Floor Price (defined below) on price priority basis at multiple clearing prices, in accordance with SEBI OFS Circulars, except in case of Retail  |

  
 मुकेश साखेन / Mukesh Saxena  
 अवर सचिव / Under Secretary  
 इस्पात मंत्रालय / Ministry of Steel  
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**Sr. No. Details required to be mentioned in the Notice**

**Particulars of the Offer**

Investors (defined below), who shall have an option to bid at or above the Cut – Off Price (defined below) and for whom the final allocation price may be below the Floor Price on account of the retail discount offered.

20% of the Offer Shares shall be reserved for allocation to Retail Investors (defined below) (“**Retail Category**”). Bidders can bid under Retail Category or non-retail category. The Stock Exchanges will decide the quantity of Offer Shares eligible to be considered in the Retail Category, based on the Floor Price (defined below) declared by the Seller.

Indicative price for the non-Retail category shall be displayed separately. There shall be no indicative price for the Retail Category.

No single bidder other than mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended (“**Mutual Funds**”) and insurance companies registered with the Insurance Regulatory and Development Authority under the Insurance Regulatory and Development Authority Act, 1999 as amended (“**Insurance Companies**”) shall be allocated more than 25% of the Offer Shares being offered in the Offer.

#### **Non-Retail Category allocation methodology**

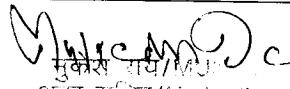
The non-Retail Investors shall have an option to carry forward their bids from T day to T+1 day. Non-Retail Investor choosing to carry forward their bids to T+1 day are required to indicate their willingness to carry forward their bids on T day. Further, such non-Retail Investors can also revise their bids on T+1 day in accordance with the SEBI OFS Circulars.

The allocation to the non-Retail Investors shall be at price equal to the Cut-off Price or higher as per the bids.

The allocation shall be at or above the Floor Price (defined below) on price priority method at multiple clearing prices in accordance with the SEBI OFS Circulars.

A minimum of 25% of the Offer Shares shall be reserved for Mutual Funds and Insurance Companies, subject to receipt of valid bids at or above the Floor Price (defined below). In the event of any under subscription by Mutual Funds and Insurance Companies, the unsubscribed portion shall be available to other bidders in the non-retail category.

In case of oversubscription in the non-Retail category, the Seller may choose to exercise the Oversubscription Option (defined

  
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below), which will be intimated to the Stock Exchanges after trading hours (on or before 5 p.m.) on T day. Accordingly, allocation to Bidders in the non-Retail category shall be done from the Offer Shares forming part of the aggregate of the Base Offer Size (defined below) and the Oversubscription Option. Further, in the event the Oversubscription Option is exercised, the equity shares forming part of the Base Offer Size and the Oversubscription Option will, collectively, hereinafter be referred to as "**Offer Shares**". In case the Oversubscription Option is not exercised, the equity shares of the Company forming part of the Base Offer Size will hereinafter be referred to as "**Offer Shares**".

In case of oversubscription in the non-retail category on T+1 day, if the aggregate number of Offer Shares bid for at a particular clearing price is more than available quantity then the allocation for such bids will be done on a proportionate basis.

**Retail Category allocation methodology**

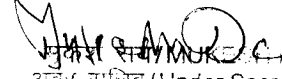
Retail investor shall mean an individual investor who places bids for Offer Shares of total value of not more than Rs. 2,00,000/- (Rupees Two Lakhs) aggregated across Stock Exchanges ("**Retail Investor**").

A Retail Investor may bid at any price above the Floor Price and/or bid at "**Cut-Off Price**". "**Cut-Off Price**" means the lowest price, as shall be determined, at which the Offer Shares are sold in the non-Retail Category, based on all valid bids received on T day. Allocation to retail Investors shall be made based on the Cut-Off Price.

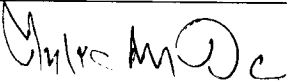
Retail Investors will be allocated Equity Shares pursuant to the Offer at a discount of 5% to the Cut-Off Price in accordance with the SEBI OFS Circulars ("**Retail Discount**"). The discounted price in respect of the Retail Investors shall be the price arrived at after deducting the quantum of discount calculated at 5% to the Cut-off Price from the respective price bids of such retail Investors, whether such bids are at Cut-off Price or above (the "**Discounted Price**"). The Discounted Price shall be the final allocation price to such Retail Investors and may be below the Floor Price.

The Retail Discount shall be applicable on the bids received from the Retail Investors on T+1 day.

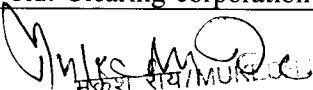
In case of oversubscription in the Retail Category, if the aggregate number of Offer Shares bid for at a particular clearing price / Cut-Off Price, as the case may be, is more than available

  
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|  | <p>quantity then the allocation for such bids will be done on a proportionate basis.</p> <p>If the Retail Category is fully subscribed, bids by Retail Investors below the Cut-Off price shall be rejected. If the Retail Category is not fully subscribed at cut-off price, price bids received in the Retail Category between the Cut-off Price and the Discounted Price will also be eligible for allocation, provided the relevant price bids are not less than the Floor Price. Allocation to all such bids shall be done at the Discounted Price.</p> <p>Any unsubscribed portion of Retail Category, after allotment, shall be eligible for allocation in the non-Retail Category in respect of their un-allotted bids on T day who choose to carry forward their bid to T+1 day. Such non-Retail Investors, choosing to carry forward their bid to T+1 day, are required to indicate their willingness to carry forward their bid on T day.</p> <p><b>Employee Category</b></p> <p>Such number of Equity Shares as would be equivalent to up to 5% of the Equity Shares sold pursuant to the Offer (over and above the Offer Shares) may be offered to eligible and willing employees of the Company at a discount of 5% to the Cut-off Price subsequent to completion of the Offer, in SEBI circular CIR/MRD/DP/65/2017 dated June 27, 2017. The employees will be eligible to apply for Equity Shares up to Rs. 200,000 only.</p> <p>Provided that in the event of under-subscription in the employee portion, the unsubscribed portion may be allotted on a proportionate basis, for a value in excess of two lakhs rupees, subject to the total allotment to an employee not exceeding 500,000.</p> |
| 7. Total number of equity shares being offered in the Offer                                    | Up to <b>4,74,58,357</b> equity shares of the Company of face value of Re. 1/- each, representing 1.5% of the total paid up equity share capital of the Company (" <b>Base Offer Size</b> ").   |
| 8. Maximum number of shares the Seller may choose to sell over and above made at point 7 above | Up to <b>4,74,58,357</b> equity shares of the Company of face value of Re. 1/- each, representing 1.5% of the total paid up equity share capital of the Company (" <b>Oversubscription Option</b> ").   |
|  | The Seller shall intimate the Stock Exchanges of its intention to exercise the Oversubscription Option after trading hours (i.e., on or before 5 p.m.) on T day.  |
| 9. Name of the broker(s) on behalf of the Seller (the " <b>Seller's Broker</b> ")              | ICICI Securities Limited;<br>SBI Cap Securities Limited; and<br>Citigroup Global Markets India Private Limited  |

  
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| Sr. No. | Details required to be mentioned in the Notice              | Particulars of the Offer   |
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| 10.     | Date and time of declaration of floor price (“Floor Price”) | The floor price of the Offer shall be Rs. 153.50 (Rupees One Hundred Fifty Three and Paise Fifty only) per equity share of the Company. The Stock Exchanges are required to ensure that the Floor Price is immediately informed to the market.   |
| 11.     | Retail Discount   | Retail Investors will be allocated Equity Shares pursuant to the Offer at a discount of 5% to the Cut-Off Price in accordance with the SEBI OFS Circulars (“Retail Discount”). The discounted price in respect of the Retail Investors shall be the price arrived at after deducting the quantum of discount calculated at 5% to the Cut-off Price from the respective price bids of such retail Investors, whether such bids are at Cut-off Price or above (the “Discounted Price”).<br><br>The Discounted Price shall be the final allocation price to such Retail Investors and may be below the Floor Price.<br><br>Prices determined after applying Retail Discount, which shall be the final allocation prices to the Retail Investors, in certain/all cases, may be below the Floor Price.  |
| 12.     | Conditions for withdrawal of the Offer                      | The Seller reserves the right to not to proceed with the Offer at any time prior to one hour before the time of opening of the Offer on T day. In such a case, there shall be a cooling off period of 10 trading days from the date of withdrawal before another offer for sale through Stock Exchange mechanism is made. The Stock Exchanges shall suitably disseminate details of such withdrawal.   |
| 13.     | Conditions for cancellation of the Offer                    | In the event (i) the aggregate number of orders received in the Offer at or above the Floor Price is less than the total number of Offer Shares; or (ii) of any default in settlement obligations, the Seller reserves the right to either conclude the Offer to the extent of valid bids or cancel the Offer in full. The decision to either accept or reject the Offer shall be at the sole discretion of the Seller.  |
| 14.     | Conditions for participating in the Offer                   | <ol style="list-style-type: none"> <li data-bbox="644 1355 1403 1460">1. Non-institutional investors shall deposit 100% of the bid value in cash up-front with the clearing corporation at the time of placing bids for the Offer.</li> <li data-bbox="644 1489 1403 1765">2. Institutional investors have an option of placing bids without any upfront payment. In case of institutional investors who place bids with 100% of the bid value deposited upfront, custodian confirmation shall be provided within trading hours. In case of institutional investors who place bids without depositing 100% of the bid value upfront, custodian confirmation shall be as per the existing rules for secondary market transactions and applicable SEBI circulars.</li> <li data-bbox="644 1796 1403 1897">3. In respect of bids in the Retail Category, margin for bids placed at the Cut-Off Price, shall be at the Floor Price and for price bids at the value of the bid. Clearing corporation</li> </ol> |


  
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 अवर सचिव / Under Secretary  
 इस्पात मंत्रालय / Ministry of Steel  
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shall collect margin to the extent of 100% of order value in cash or cash equivalents at the time of placing bids. Pay-in and pay-out for bids by Retail Investors shall take place as per normal secondary market transactions.

4. Retail Investors may enter a price bid and/or opt for bidding at the Cut-Off Price.
5. The funds collected shall neither be utilized against any other obligation of the trading member nor co-mingled with other segments.
6. Individual investors shall have the option to bid in the Retail Category and the non-retail category. However, if the cumulative bid value by such an individual investor across both categories exceeds Rs. 2,00,000/- (Rupees Two Lakhs), the bids in the Retail Category will become ineligible. Further, if the cumulative bid value by an individual investor in the Retail Category across the Stock Exchanges exceeds Rs. 2,00,000/- (Rupees Two Lakh only), such bids shall be rejected.
7. Modification or cancellation of orders (a) Orders placed by institutional investors and by non-institutional investors, with 100% of the bid value deposited upfront: Such orders can be modified or cancelled any time during the trading hours; (b) Orders placed by institutional investors without depositing 100% of the bid value upfront. Such orders cannot be modified or cancelled by the investors or stock brokers, except for making upward revision in the price or quantity and in respect of any un-allotted bids which they have indicated to be carried forward to T+1 day, orders can be modified (only by making upward revision in the price or quantity) on T+1 day in accordance with the OFS Guidelines. In case of any permitted modification or cancellation of the bid, the funds shall be released / collected on a real-time basis by the clearing corporation; (c) Orders by non-institutional investors (who choose to carry forward their un-allotted Bids to T+1 day), with 100% of order value deposited upfront can be modified or cancelled any time during the trading hours on T+1 day, in accordance with the OFS Guidelines.; and (d) Bids placed by Retail Investors: Such orders may be modified or cancelled at any time during trading hours on T+1 day.
8. Bidders shall also be liable to pay any other fees, as may be levied by the Stock Exchanges, including securities transaction tax.
9. Multiple orders from a single bidder shall be permitted.


  
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|  | <p>10. In case of default in pay-in by any bidder, an amount aggregating to 10% of the order value shall be charged as penalty from the investor and collected from the broker. This amount shall be credited to the Investor Protection Fund of the Stock Exchange.</p> <p>11. The equity shares of the Company other than the Offer Shares shall continue trading in the normal market. However, in case of market closure due to incidence of breach of "Market wide index based circuit filter", the Offer shall also be halted.</p>   |
| <p>15. Settlement</p>                                  | <p>Settlement shall take place on a trade for trade basis. For bids received from non-Retail Category on T day, non-institutional investors and institutional investors who place orders with 100% of the order value deposited upfront, settlement shall take place on a T+1, in accordance with the SEBI OFS Circulars. In the case of institutional investors who place bids without depositing 100% of the order value upfront, settlement shall be as per the existing rules for secondary market transactions (i.e., on T+2).</p> <p>For the bids received on T+1 day, from the Retail Category and from the un-allotted non-Retail Investors who choose to carry forward their bid to T+1 day, the settlement shall take place on T+3 day.</p> <p>In case of non-institutional investors and institutional investors bidding with 100% margin upfront who chose to carry forward their un-allotted bids to T+1 day, the settlement shall take place on T+2 day.</p> |

## IMPORTANT INFORMATION

The Offer is personal to each prospective bidder (including individuals, funds or otherwise) registered with the broker of the Stock Exchanges who makes a bid (each a "**Bidder**") and neither the Offer nor this Notice constitutes an offer to sell or invitation or solicitation of an offer to buy, to the public, or to any other person or class of persons requiring any prospectus or offer document to be issued, submitted to or filed with any regulatory authority or to any other person or class of persons within or outside India.

The Offer is being made in reliance on the SEBI OFS Circulars, read with Section 21 of Chapter 1 of the Master Circular for Stock Exchange and Clearing Corporation – Trading (No. HO/MRD/DP/CIR/P/2016/135) dated December 16, 2016 issued by SEBI and subject to the guidelines, circulars, rules and regulations of the Stock Exchanges. There will be no "public offer" of the Offer Shares in India under the applicable laws in India including the Companies Act, 2013, and the rules and clarifications issued thereunder to the extent in force pursuant to notification of its various sections by the Ministry of Corporate Affairs, Government of India, and Companies Act, 1956, and the rules and clarifications issued thereunder, without reference to its provisions that have ceased to have effect, (the "**Companies Act**") or in any other jurisdiction. Accordingly, no documents have been or will be prepared, registered or submitted for approval as "prospectus" or an offer document with the Registrar of Companies

  
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in India and/or SEBI and/or the Stock Exchanges or any other statutory/regulatory/listing authority in India or abroad under the applicable laws in India including the Companies Act, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended and no such document will be circulated or distributed to any person in any jurisdiction, including in India.

Each Bidder shall be deemed to acknowledge and agree that any buy order or bid shall be made solely on the basis of publicly available information and any information available with SEBI or the Stock Exchanges, on the Company's website or otherwise in the public domain, together with the information contained in this Notice.

The Offer is subject to further terms set forth in the contract note to be provided to the successful Bidders.


This Notice is for information purposes only and is neither an offer nor invitation to buy or sell nor a solicitation of an offer to buy or sell any securities, nor shall there be any sale securities, in any of jurisdiction (collectively, "**Other Jurisdictions**") in which such offer, solicitation or sale is or may be unlawful whether prior to registration or qualification under the securities laws of any such jurisdiction or otherwise. This Notice and the information contained herein are not for publication or distribution, directly or indirectly, in or to persons in any Other Jurisdictions unless permitted pursuant to an exemption under the relevant local law/s or regulation/s in any such jurisdiction. Prospective purchasers should seek appropriate legal advice prior to participating in the Offer.

Any resale or other transfer, or attempted resale or other transfer, of the Offer Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

The Offer Shares have not been and will not be registered under (a) the United States Securities Act of 1933, as amended (the "**Securities Act**"), or under the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable state securities laws or (b) any other securities law of Other Jurisdictions. The Offer Shares are being offered and sold (1) in the United States to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) ("**QIBs**" and each a "**QIB**") pursuant to Rule 144A under the Securities Act ("**Rule 144A**") or another available exemption from the registration requirements under the Securities Act, and (2) outside the United States in offshore transactions in reliance upon Regulation S under the Securities Act ("**Regulation S**"). **Prospective purchasers in the United States are hereby notified that the Seller may be relying on the exemption from the provisions of Section 5 of the Securities Act.**

Prospective purchasers of Offer Shares are hereby advised that any resale of Offer Shares in the United States must be made in accordance with the registration requirements of the Securities Act or otherwise pursuant to an available exemption from the registration requirements under the securities laws in the United States.

No determination has been made as to whether the Company has been, is, or will become a passive foreign investment company ("**PFIC**") within the meaning of Section 1297 of the United States Internal Revenue Code of 1986, as amended (the "**Code**"), for U.S. federal income tax purposes. No analysis has been undertaken to determine if the Company is a PFIC, and if the Company has been, is, or will be treated as a PFIC in any taxable year, U.S. taxpayers that hold the Offer Shares (directly and, in certain cases, indirectly) may be subject to significant adverse tax consequences. The PFIC rules are complex. Prospective purchasers should consult their own tax advisors regarding the U.S. federal, state and local tax implications to them of acquiring the Offer Shares.

  
अनिल कुमार/Anil Kumar  
इस्पात विभाग/Ministry of Steel  
उद्योग भवन, नई दिल्ली  
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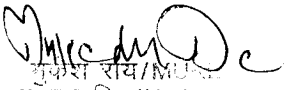
**Except for the Seller's Brokers, no broker may solicit bids for the Offer Shares or accept orders for bids for the Offer Shares from persons in the United States.**

By submitting a bid in connection with the Offer, each broker will also be deemed to have read and understood this Notice in its entirety and accepted and complied with the terms and conditions set out in this Notice. In addition, each broker, except for the Seller's Brokers, will be deemed to have represented that (a) it is located outside the United States, (b) it has not accepted an order to submit a bid in connection with the Offer from a person in the United States and (c) none of it, its affiliates or any person acting on its or their behalf has engaged or will engage in any "directed selling efforts" (as defined in Regulation S) in connection with the Offer.

By submitting a bid in connection with the Offer or receiving any Offer Shares, each Bidder will be deemed to have (a) read and understood this Notice in its entirety, (b) accepted and complied with the terms and conditions set out in this Notice, and (c) made the representations, warranties, agreements and acknowledgements set out in (i) or (ii) below, as appropriate:

**(i) Persons Outside the United States**

- It understands that the Offer Shares have not been and will not be registered under the Securities Act or under the securities laws of any state of the United States and are being offered and sold to it in offshore transactions in accordance with Regulation S;
- (a) It was outside the United States (within the meaning of Regulation S) at the time the offer of the Offer Shares was made to it and it was outside the United States when its purchase order for the Offer Shares was originated and (b) if it is a broker-dealer outside the United States acting on behalf of its customers, each of its customers has confirmed to it that such customer was outside the United States at the time the offer of the Offer Shares was made to it and such customer was outside the United States when such customer's buy order for the Offer Shares was originated;
- It did not submit a bid for and will not be acquiring the Offer Shares as a result of any "directed selling efforts" (as defined in Regulation S);
- It is buying the Offer Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, resell, pledge or otherwise transfer any of the Offer Shares, it agrees that it will not offer, sell, pledge or otherwise transfer the Offer Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to another available exemption from registration requirements under the Securities Act and in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India;
- It is not an affiliate (as defined in Rule 405 under the Securities Act) of the Company or a person acting on behalf of an affiliate of the Company;
- Where it is submitting a bid as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein;
- The placing of orders for the purchase of the Offer Shares and resultant purchase on successful allocation is and will be lawful under the laws of the jurisdictions in which it places such orders to purchase Offer Shares, in which it is resident, and in which the sale and purchase of the Offer Shares is consummated, including under all applicable Indian laws, regulations and guidelines, including the OFS Guidelines;

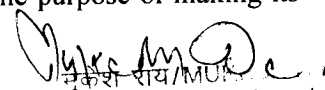
  
उदय भानु / Mr. Uday Bhanu,  
अवर सचिव / Under Secretary,  
इस्पात विभाग, Ministry of Steel  
उद्योग भवन, नई दिल्ली  
Udyog Bhawan, New Delhi  
दूरभाष / Tele:.....

- It will not hold or seek to hold the Seller or the Seller's Brokers or any of their respective affiliates responsible or liable for any misstatements in or omissions from any publicly available information concerning the Company or the Offer or otherwise responsible or liable in any manner whatsoever in respect of any losses incurred in connection with transactions entered into by the brokers acting on its behalf in connection with the purchase of the Offer Shares;
- It agrees to indemnify and hold the Seller and the Seller's Brokers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Offer Shares;
- It acknowledges that the Seller and the Seller's Brokers and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements and agrees that if any of such representations, warranties, agreements and acknowledgements is no longer accurate it will promptly notify the Seller.

Any resale or other transfer, or attempted resale or other transfer, of the Offer Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

**(ii) Persons in the United States**

- It understands that the Offer Shares have not been and will not be registered under the Securities Act or under the securities laws of any state of the United States and that the offer and sale of the Offer Shares to it is made in reliance on an exemption from the registration requirements of the Securities Act provided by Rule 144A or another available exemption from the registration requirements of the Securities Act and in reliance on exemptions from applicable state securities laws;
- It is a QIB acquiring the Offer Shares for its own account or for the account of one or more QIBs, each of which is acquiring beneficial interests in the Offer Shares for its own account;
- It did not submit a bid for and will not be acquiring the Offer Shares as a result of any general solicitation or general advertising (within the meaning of Rule 502(c) under the Securities Act);
- It represents and warrants that it is buying the Offer Shares for investment purposes and not with a view to the distribution thereof. If in the future it decides to offer, sell, pledge or otherwise transfer any of the Offer Shares, it agrees that it will only offer, sell, pledge or otherwise transfer such Offer Shares (a) in the United States (i) to a person who the seller reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, (ii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 under the Securities Act (if available), (iii) pursuant to another available exemption from the registration requirements of the Securities Act, or (iv) pursuant to an effective registration statement under the Securities Act, or (b) outside the United States in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S, as applicable, in each case in accordance with all applicable securities laws of the states of the United States and any other jurisdiction, including India. Except for sales made in accordance with Rule 903 or 904 of Regulation S, it will, and each subsequent purchaser is required to, notify any subsequent purchaser from it of the resale restrictions referred to in (a) above;
- It is not an affiliate (as defined in Rule 405 under the Securities Act) of the Company or a person acting on behalf of an affiliate of the Company;
- It represents that prior to acquiring the Offer Shares, it has all the information relating to the Company and the Offer Shares which it believes is necessary for the purpose of making its

  
 मुकेश सिंग / Mukesh Singh  
 अवर सचिव / Under Secretary  
 इस्पात मंत्रालय / Ministry of Steel  
 लक्ष्मण भवन, नई दिल्ली  
 Laxman Bhawan, New Delhi  
 दूरभाष / Tele:.....

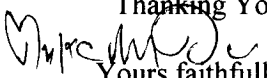
investment decision;

- It understands that Offer Shares purchased pursuant to Rule 144A or another available exemption under the Securities Act will be “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act and it agrees that for so long as they remain restricted securities, it shall not deposit such Offer Shares into any unrestricted depository facility established or maintained by any depository bank;
- The placing of orders for the purchase of the Offer Shares and resultant purchase on successful allocation is and will be lawful under the laws of the jurisdictions in which it places such orders to purchase Offer Shares, in which it is resident, and in which the sale and purchase of the Offer Shares is consummated, including under all applicable Indian laws, regulations and guidelines, including the OFS Guidelines;
- It will not hold or seek to hold the Seller or the Seller’s Brokers or any of their respective affiliates responsible or liable for any misstatements in or omissions from any publicly available information concerning the Company or the Offer or otherwise responsible or liable in any manner whatsoever in respect of any losses incurred in connection with transactions entered into by the brokers acting on its behalf in connection with the purchase of the Offer Shares;
- It agrees to indemnify and hold the Seller and the Seller’s Brokers harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Offer Shares;
- Where it is submitting a bid as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and it has full power to make the representations, warranties, agreements and acknowledgements herein;
- It acknowledges that the Seller and the Seller’s Brokers and their respective affiliates, and others will rely upon the truth and accuracy of the foregoing representations, warranties, agreements and acknowledgements and agrees that if any of such representations, warranties, agreements and acknowledgements is no longer accurate it will promptly notify the Seller.

Any resale or other transfer, or attempted resale or other transfer, of the Offer Shares made other than in compliance with the above-stated restrictions shall not be recognized by the Company.

This Notice is not for publication or distribution, in whole or in part, in the United States of America, its territories and possessions, any state of the United States of America, or the District of Columbia (together, the “United States”), except that the Seller’s Brokers (as defined in the Offer Notice) may send copies of this Announcement to persons in the United States who they reasonably believe to be QIBs.

Thanking You,

  
Yours faithfully,

**For and on behalf of the President of India,**

Mr. Mukesh Rai  
Undersecretary, Ministry of Steel

**Government of India**  
मुकेश राय / Mukesh Rai  
अवर सचिव / Under Secretary  
इस्पात मंत्रालय / Ministry of Steel  
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