DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Draft Letter of Offer is sent to you as a shareholder(s) of **ARCHANA SOFTWARE LIMITED (Formerly known as SSL FINANCE LIMITED).** If you require any clarifications about the action to be taken, you may consult your stockbroker or investment consultant or Manager to the Offer or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Draft Letter of Offer and the accompanying Form of Acceptance cum Acknowledgement and Transfer Deed(s) to the Members of Stock Exchange through whom the said sale was effected.

OPEN OFFER BY

MR. VASANTH KUMAR SUNDARAVADIVELU residing at No. 3, 21st Cross Street, Indira Nagar, Adyar, Chennai – 600 020, Tamil Nadu; Tel. No. +91 44 24453977; Email: kumarvasanths@gmail.com

TO ACQUIRE

1,577,342 fully paid up Equity Shares of ₹ 10/- each representing 26% of the total paid up equity share capital of

ARCHANA SOFTWARE LIMITED (Formerly known as SSL FINANCE LIMITED)
('ASL' or the 'Target Company')

Registered Office: Land Marvel Nest, First Floor, No. 3, First Main Road, Indira Nagar, Chennai - 600 020, Tamil Nadu, Tel: +91 44 64555955, Fax No.:+91 44 24405166, E-mail: archanainvestors@gmail.com, Website: www.archanasoftware.com.

at a price of Rs. 2.00/- (Rupees Two only) per share ("Offer Price"), payable in cash.

1. This Offer is being made by the Acquirer pursuant to Regulations 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto (**"Regulations"**).
2. This Offer is not conditional upon any minimum level of acceptance.
3. This is not a Competing Offer.
4. As on the date of this Draft Letter of Offer, there are no statutory approvals required to implement this offer. However, the Offer shall be subject to all statutory approvals that may become applicable on a later date.
5. The Acquirer can revise the Offer Price upto 3 working days prior to the opening of the tendering period for the offer, i.e. Friday, April 05, 2013. Any upward revision or withdrawal, if any of the offer would be informed by way of the Issue Opening Public Announcement in the same Newspapers and editions in which the original Detailed Public Statement had appeared. Consideration at the same rate will be paid to all Equity Shares tendered any time during the Offer period.
6. **If there is a Competing Offer; the public offers under all the subsisting bids shall open and close on the same date.**
7. Details of Competing Offers, if any: **There is no competing Offer *<u>(Will be updated)</u>***
8. A copy of the Public Announcement (**"PA"**), Detailed Public Statement (**"DPS"**) and this Draft Letter of Offer (including Form of Acceptance cum Acknowledgment) are also available on Securities and Exchange Board of India (**"SEBI"**) web-site: www.sebi.gov.in.
9. The Registration of all the Intermediaries associated with the Offer, viz. Birla Capital And Financial Services Limited, Manager to the Offer and M/s Sharex Dynamic (India) Private Limited, Registrar to the Offer is valid and no action has been initiated by SEBI or any other Government body against them.

	MANAGER TO THE OFFER: **BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED** SEBI Registration No.: INM000011567 Industry House, 5th Floor, 159, Churchgate Reclamation, Mumbai-400 020; Tel: +91 22 2204 2939; Fax: +91 22 2204 7835; E-mail: sushanth@birlacaps.com Website: www.birlacaps.com Contact Person: Mr. Sushanth Alva		**REGISTRAR TO THE OFFER:** **SHAREX DYNAMIC (INDIA) PRIVATE LIMITED** SEBI Registration No.: INR000002102 Unit No.1 Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai-400 072; Tel: +91 22-2851 5606/5644; Fax: +91 22-2851 2885; E-mail: sharexindia@vsnl.com; Website: www.sharexindia.com Contact Person: Mr. B. S. Baliga(Director)

TENTATIVE SCHEDULE OF ACTIVITY:

Activity	Date	Day
Date of Public Announcement	February 14, 2013	Thursday
Date of publication of Detailed Public Statement in the newspaper	February 22, 2013	Friday
Last date of filing LOO with SEBI, Stock Exchanges& Target Company	March 1, 2013	Friday
Last date for a Competitive Offer	March 15, 2013	Friday
Last date of receipt of comments from SEBI	March 22, 2013	Friday
Identified Date*	March 26, 2013	Tuesday
Date by which the Letter of Offer will be dispatched to shareholders	April 04, 2013	Thursday
Last date for upward revision of the Offer Price and /or Offer Size	April0 5, 2013	Friday
Last date by which the Independent Committee of Board of Directors of the Target Company shall give its recommendations.	April 08, 2013	Monday
Advertisement of Schedule of Activities for Open Offer, status of statutory and other approvals in the newspapers and sending the same to SEBI, Stock Exchanges & Target Company	April 10, 2013	Wednesday
Date of commencement of tendering period	**April 12, 2013**	**Friday**
Date of closing of tendering period	**April 29, 2013**	**Monday**
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/ delivery instruction for the rejected Shares will be dispatched/ issued.	May 14, 2013	Tuesday
Final report from Merchant Banker	May 21, 2013	Tuesday

*Identified 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 equity shares of the Target Company (except the Acquirer and the Sellers) are eligible to participate in the Offer any time before the Closure of the Offer.

RISK FACTORS

A. RELATING TO THE OFFER:

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

Probable risks relating to the Open Offer:

1. The Offer involves an offer to acquire up to 26% of the Paid-up Equity Share Capital of ASL from the Eligible Persons for the Offer. In the case of over subscription in the Offer, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
2. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration as the Acquirer have time upto 10 working days from date of closure of the tendering period to make payment of consideration.
3. In the event that either (a) a statutory and regulatory approval, if any, is not received in a timely manner, (b) there is a litigation, if any, leading to a stay of the offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, the payment of consideration to the shareholders of ASL whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirer may be delayed. In case of delay, due to non-receipt of statutory approvals, as per the Regulation 18(11) of the Regulations, SEBI may, if satisfied that the non-receipt of approvals was not due to willful default or negligence or failure to diligently pursue on the part of the Acquirer, grant an extension for the purpose of completion of the Offer subject to the Acquirer paying interest to the shareholders, as may be specified by SEBI.
4. Shareholders should note that those who have tendered shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance during the tendering period even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tenders and the payment of consideration is completed.
5. The Offer is subject to the receipt of statutory and regulatory approvals by the Acquirer, and wherever applicable, by the Target Company, in connection with the Offer. The Acquirer may not to be able to proceed with the Offer in the event the approvals are not received in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011. Delay, if any, in the receipt of these approvals may delay completion of the Offer.
6. The Shares tendered in the Offer will be held in trust by the Registrar to the Offer until the completion of the Offer formalities and disclaims any responsibility with respect to any decision by any shareholder of ASL on whether to participate or not to participate in the Offer.

Probable risks involved in associating with the Acquirer:

The Acquirer makes no assurance with respect to the financial performance of the Target Company. They also make no assurance with respect to the market price of the Shares upon the completion of the Offer, and disclaim any responsibility with respect to any decision by the Shareholders on whether or not to participate in the Offer.

The Acquirer does not accept any responsibility for statements made otherwise than in the Letter of Offer / Public Announcement/ Detailed Public Statement, and anyone placing reliance on any other sources of information (not released by the Acquirer) would be doing so at her / his / its own risk.

B. RISK IN THE TRANSACTION

The Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.

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1. DEFINITIONS / ABBREVIATIONS

The following definitions apply through this document, unless the context requires otherwise:

1	Acquirer	Mr. Vasanth Kumar Sundaravadivelu
2	BSE	Bombay Stock Exchange Limited
3	Detailed Public Statement or DPS	Public Statement of the Open Offer made by The Acquirer, which appeared in the newspapers on February 22, 2013 (Friday) in all editions of Financial Express (English), all editions of Jana Satta (Hindi), Navshakti(Marathi) in Mumbai edition and Makkal Kural in Tamil edition only.
4	Eligible Person(s) for the Offer	All owners (registered or unregistered) of shares of Target Company (other than Acquirer and the Seller) anytime before closure of the Offer
5	EPS	Earnings Per Equity Share
6	FEMA	Foreign Exchange Management Act, 1999 including related rules, amendments and regulations
7	FIIs	Foreign Institutional Investors
8	FIs	Financial Institutions
9	FOA / Form of Acceptance	Form of Acceptance cum Acknowledgement accompanying the Letter of Offer
10	FOW / Form of Withdrawal	Form of Withdrawal accompanying the Letter of Offer
11	FY	Financial Year ended on March 31
12	Identified Date	March 26, 2013; Tuesday
13	INR/Rs./₹	Indian Rupees
14	Listing Agreement	Listing agreement as entered by the Target Company with the Stock Exchanges
15	LOF / Letter of Offer	Letter of Offer
16	Merchant Banker / Manager to the Offer	Birla Capital and Financial Services Limited.
17	MoU	Memorandum of Understanding
18	MSE	Madras Stock Exchange Limited
19	NAV	Net Asset Value/ Book Value per
20	Off-Market Transaction/ Negotiated Price	Re. 1.00 (Rupee One Only) per fully paid-up Equity Share of face value of Rs. 10 each.
21	NRIs	Non-Resident Indians
22	Offer/Open Offer/ The Offer	Open Offer being made by the Acquirer for acquisition of 1,577,342 (Fifteen Lakhs Seventy Seven Thousand Three Hundred And Forty Two)Equity Shares to the public shareholders representing 26.00% of the voting capital of the

		Target Company at a price of Rs. 2.00 (Rupee Two Only) per equity share payable in cash.
23	Offer Price	Rs. 2.00 (Rupee Two Only) offered by the Acquirer for a fully paid-up equity share of Face Value Rs. 10.00 (Indian Rupees Ten only)
24	PA / Public Announcement	Announcement of this Offer made by the Manager on behalf of the Acquirer to Stock Exchanges and SEBI on Thursday, February 14, 2013.
25	PAC/PACs	Person(s) Acting in Concert
26	PAT	Profit After Taxes
27	ASL/ Target Company	Archana Software Limited (Formerly known as SSL Finance Limited)
28	Promoter/ Promoter Group/Sellers	Mr. R. Rajasankar, Mr. D. Ravishankar, Mr. S. Durai, Mr. R Vallabai, Mr. V. P. Ramanathan, Mr. K. R. Jain and M/s Sankar Homes Private Limited form a part of the Promoter and Promoter Group of Archana Software Limited(Target Company)
29	RBI	Reserve Bank of India
30	Registrar to the Offer	M/s Sharex Dynamic (India) Private Limited having its registered office at Unit No.1 Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai-400072
31	Regulations/Takeover Regulations/SEBI(SAST) Regulations/SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time.
32	RNW	Return on Net Worth
33	RoC	Registrar of Companies, Block No. 6, B' Wing, 2nd Floor, Shastri Bhawan 26, Haddows Road, Chennai, Tamil Nadu-600034.
34	Shares	Equity shares of ₹ 10 (Rupees Ten only) each of the Target Company
35	SEBI	Securities and Exchange Board of India
36	Shareholders	Shareholders of the Target Company

Note: All terms beginning with a capital letter used in this Draft Letter of Offer, but not otherwise defined herein, shall have the meanings ascribed thereto in the SEBI Takeover Regulations.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to "Rs." or "₹" are to the reference of Indian National Rupees ("INR"). Throughout this Draft Letter of Offer, all figures have been expressed in "Lakhs" unless otherwise specifically stated. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off.

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF ARCHANA SOFTWARE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER(S) IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER(S) DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, M/S. BIRLA CAPITAL AND FINANCIAL SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MARCH 01, 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT (S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER(S) FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 Mr. Vasanth Kumar Sundaravadivelu, aged 45 years, S/o Dr. P. R. Sundaravadivelu is residing at No. 3, 21st Cross Street, Indira Nagar, Adyar, Chennai - 600020, Tamil Nadu, Tel. No. +91 044 24453977; Email: kumarvasanths@gmail.com (hereinafter referred to as **"The Acquirer"**) is making an Open Offer to the Shareholders (i.e. Shareholders other than the Acquirer and the Seller of ASL) of ARCHANA SOFTWARE LIMITED(Formerly known as SSL Finance Limited) (**"ASL"** or the **"Target Company"**) to acquire upto 1,577,342 (Fifteen Lakhs Seventy Seven Thousand Three Hundred & Forty Two) Equity Shares of . 10 each representing 26.00% of paid up Equity Share Capital of ASL (**"The Offer"**) at a price of Rs. 2.00 (Rupees Two Only) per fully paid Equity Share of ASL (the **"Offer Price"**). The Equity Shares are being acquired by the Acquirer for cash.

3.1.2 This Offer to acquire 1,577,342 fully paid-up equity shares of ₹10 each representing 26% of the fully paid-up equity share capital of ASL, is being made in terms of Regulation 4 and 7(1) of Regulations for the purpose of substantial acquisition of Equity shares and voting rights of ASL accompanied with the change in control and management of the Company as the aggregate equity stake of the Acquirer in the paid up equity share capital of ASL will be of 21.19% consequent to the acquisition of shares by the Acquirer through an Off-Market Transaction dated February 14, 2013.

3.1.3 The Acquirer on February 14, 2013, has acquired 1,285,470(Twelve Lakhs Eighty Five Thousand Four Hundred and Seventy) fully paid-up Equity Shares (**"Sale Shares"**) of face value of Rs. 10/-(Rupees Ten) each representing 21.19% of the total paid-up equity & voting share capital of the Target Company from existing Promoters of the Target Company namely Mr. R. Rajasankar, Mr. D. Ravisankar. Mr. S. Durai, Mr. R Vallabai, Mr. V. P. Ramanathan, Mr. K. R. Jain and M/s Sankar Homes Private Limited (hereinafter referred to as **"Sellers"**) at a price of Re. 1.00 (Rupee One Only) per share of Rs. 10(Rupees Ten Only) fully paid-up. The total consideration payable in cash is Rs. 1,285,470 (Rupees Twelve Lakhs Eighty Five Thousand Four Hundred and Seventy only). The details of the transaction are as follows:

Sr. No.	Name of the Sellers	No. of Equity Shares	% of paid-up capital
1.	Mr. R. Rajasankar	52,200	0.86
2.	Mr. D. Ravisankar	10	0.00
3.	Mr. S. Durai	10	0.00
4.	Mr. R Vallabai	150,000	2.47
5.	Mr. V. P. Ramanathan	10,010	0.16
6.	Mr. K. R. Jain	40,500	0.67
7.	M/s Sankar Homes Private Limited	1,032,740	17.02
TOTAL		**1,285,470**	**21.19**

Sr. No.	Name of the Acquirer	No. of Equity Shares	% of paid-up capital
1.	Mr. Vasanth Kumar Sundaravadivelu	1,285,470	21.19
TOTAL		**1,285,470**	**21.19**

Out of the above shares acquired by the Acquirer, 702,730 Equity shares are in physical form and 582,740 Equity shares are in demat form.

The shares that are acquired in physical form are kept in Custodianship/Escrow Account with Mr. Arumugam Saravanan**,** Chartered Accountant (Membership No**.** 26101), Proprietor, having his office at No.191-G, "Annai Garden", Gandhi Nagar Post, Tirupur,- 641 603, Tamil Nadu, Tel. No. +91 421 2479232; Email: casaravanan8889@gmail.com **(**herein referred to as the **"Escrow Agent")** and shall be transferred to the Acquirer upon the closure of the Open Offer period as required by the new norms specified by SEBI in the Press Release No. 17/2013 dated January 18, 2013; and the shares that are acquired in demat form are kept in a special depository account that has been created/opened with the Registrar- M/s Sharex Dynamic (India) Private Limited and shall be transferred to the Acquirer upon the closure of the Open Offer period as required by the new norms specified by SEBI in the Press Release No. 17/2013 dated January 18, 2013. The details of the special depository account are as follows:

DP Name	: NIRMAL BANG SECURITIES PRIVATE LIMITED
DP ID	: IN301604
Client ID Number	: 11241035
Account Name	: ESCROW ACCOUNT VASANTH KUMAR ACQUIRED SHARES OF ARCHANA SOFTWARE
Depository	: National Securities Depository Limited (NSDL)

3.1.4 Mr. Vasanth Kumar S. has not acquired any equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the PA except for the 1,285,470 (Twelve Lakhs Eighty Five Thousand Four Hundred Seventy) fully paid up equity shares acquired pursuant to an off market transaction on the date of PA as specified in point number 3.1.3. Apart from the above said Equity shares, the Acquirer does not hold any shares in the Target Company.

3.1.5 Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 2,862,812 Twenty Eight Lakhs Sixty Two Thousand Eight Hundred and Twelve) equity shares constituting 47.19% of the paid-up share capital of the Target Company.

3.1.6 Mr. Vasanth Kumar S. is the sole Acquirer in this Offer and there is no person acting in concert ("PAC") with him within the meaning of Regulation 2 (1) (q) of SEBI (SAST) Regulations, 2011.

3.1.7 The Target Company, the Sellers and the Acquirer have not been prohibited by SEBI from dealing in securities, in terms of directions issued pursuant to Section 11B of the SEBI Act, 1992 or under any of the Regulations made under the SEBI Act.

3.1.8 The Manager to the Open Offer i.e. Birla Capital and Financial Services Limited is not an associate of the Acquirer and does not hold any Shares in the Target Company as on the date of appointment as Manager to the Open Offer. They declare and undertake that they shall not deal on their own account in the Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.

3.1.9 The Committee of Independent Directors of the Board of ASL, the Target Company, will publish their recommendations for the Offer and it shall be published in the same newspapers and editions in which the Public Announcement and Detailed Public Statement was made, latest by Monday, April 08,2013.

3.1.10 There is no non-compete arrangement and/or agreement between the Acquirer and the Sellers.

3.1.11 This offer is not a result of global acquisition resulting in indirect acquisition of ASL.

3.2 Details of the proposed Offer

3.2.1 The Acquirer made a Public Announcement, as per Regulation 13 (1) of the Regulations and the same was submitted to the Bombay Stock Exchange Limited (**"BSE"**) and Madras Stock Exchange Limited (**"MSE"**), the Stock Exchanges where Equity Shares of ASL are listed, on Thursday, February 14, 2013. A Detailed Public Statement as required under Regulation 14(3) was made on Friday, February 22, 2013 in all editions of in the following Newspapers:

Name of the Newspaper	Language	Editions	Day of DPS	Date of DPS
Financial Express	English	All Editions	Friday	February 22, 2013
Jana Satta	Hindi	All Editions	Friday	February 22, 2013
Navshakti	Marathi	Mumbai Edition	Friday	February 22, 2013
Makkul Kural	Tamil	Chennai Edition	Friday	February 22, 2013

A copy of the Detailed Public Statement is also available at SEBI's Website at www.sebi.gov.in.

3.2.2 The Offer is being made to all the persons eligible to participate in the offer to tender 1,577,342 Equity Shares representing 26.00% of paid up and voting share capital of ASL at an Offer Price of Rs.2.00 (Rupees Two Only) per fully paid-up Equity Shares, payable in cash.

3.2.3 On the date of the PA the Target Company has 45,500 partly paid-up shares on which calls in arrears amounting to Rs 227,500 is pending. There are no other instruments outstanding, convertible into Equity Shares at a future date.

3.2.4 The consideration for all shareholders offering the shares will be paid in cash at the same rate and hence there is no differential price.

3.2.5 The Equity Shares acquired by the Acquirer, pursuant to the Offer, will be free from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividend, bonus and rights declared after all the formalities relating to this Offer are completed.

3.2.6 This is not a competitive bid.

3.2.7 The Offer is not subject to any minimum level of acceptances from the Shareholders i.e. it is not a conditional offer.

3.2.8 The Acquirer has not made any further acquisition of Shares in the open market or through negotiation or otherwise, from the date of Public Announcement to the date of Draft Letter of Offer.

3.2.9 This Offer is being made to all Shareholders of ASL except to the Acquirer and the Sellers as defined above.

3.2.10 There were no competitive bids to this offer.

3.2.11 The Acquirer and the Sellers have not entered into any agreement or Share Purchase Agreement and therefore there are no conditions stipulated or involved in the off – market transaction, the meeting of which would be outside the reasonable control of the Acquirer and in view of which the Offer might be withdrawn under Regulation 23 of the SEBI (SAST) Regulations, 2011.

3.3 Object of the Offer

3.3.1 The Acquirer having acquired 21.19% of the Equity Capital of the Company on February 14, 2013 from the promoters and is interested in taking over the management and control of ASL and hence is making this open offer for substantial acquisition of Shares and voting rights of ASL, accompanied by change in control and management. Therefore the offer is made in accordance with Regulation 4 and 7(1) of the Regulations.

3.3.2 After the proposed Offer, the Acquirer will achieve substantial acquisition of shares and voting rights, accompanied with effective management control over the Target Company.

3.3.3 The Acquirer intends to expand the activity base of the Target Company in order to enter into related new area of business. Subject to the satisfaction of the provisions under the Companies Act, 1956 and / or any other Regulations, the Acquirer intends to reconstitute the Board of Directors of the Target Company in accordance with the provisions of these Regulations. However, no firm decision in this regards has been taken or proposed so far.

3.3.4 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of ASL in the succeeding 2 (two) years from the date of closure of the Offer, except as required for the purpose of restructuring and / or rationalization of assets, operations, investments, liabilities, or otherwise of the Target Company for commercial reasons and operational efficiencies. The Acquirer undertakes that he shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the Shareholders of the Target Company.

4. BACKGROUND OF THE ACQUIRER

MR. VASANTH KUMAR SUNDARAVADIVELU ("ACQUIRER" OR "MR. VASANTH KUMAR S"):

4.1 Mr. Vasanth Kumar S., aged 45 years, S/o Dr. P. R. Sundaravadivelu is residing at No. 3, 21st Cross Street, Indira Nagar, Adyar, Chennai - 600020, Tamil Nadu, Tel. No. +91 44 24453977; Email: kumarvasanths@gmail.com.

4.2 Mr. Vasanth Kumar S. is a Mechanical Engineer by qualification and obtained the Bachelor of Mechanical Engineering Degree from Bangalore University.

4.3 Mr. Vasanth Kumar S. is having experience of over 22 years in launching new engineering projects including textile projects and managing them.

4.4 Mr. Vasanth Kumar S. is holding a Permanent Account Number (PAN) AAHPS0157K under the Income Tax Act, 1961.

4.5 The Networth of Mr. Vasanth Kumar S as on February 14, 2013 is Rs. 83,500,000 [Indian Rupees Eight Crores Thirty Five Lakhs Only] and the same is certified by Mr. R. Ganesh, Chartered Accountant (Membership No. 025034), a Proprietor having his office at F-5, New# 36, Thambaiah Reddy Road, North Extension, West Mambalam, Chennai - 600 033, Tel. No. +91 44 24832440; Email: askrganeshca@gmail.com, vide his certificate dated February 14, 2013.

4.6 Mr. Vasanth Kumar S. has not been prohibited by SEBI from dealing in securities, in terms of the provisions of Section 11B of the SEBI Act, 1992, as amended (the **"SEBI Act"**) or under any other Regulation made under the SEBI Act.

4.7 Mr. Vasanth Kumar S. holds directorship in Shakthi Knitting Limited and Perundurai Common Effluent Treatment Plant (Company under Section 25 of the Companies Act, 1956) and the said Companies have not been prohibited by SEBI from dealing in Securities, in terms of directions issued under SEBI Act, 1992, as amended from time to time or under any other Regulation made under the Act.

4.8 Mr. Vasanth Kumar S. is not related to the Target Company, its Directors and Promoters or key employees in any manner whatsoever except for the fact that Mr. S. Sonaachalam and Mr. Yogesh Pai being the Directors of the Target Company are also the Directors of Shakthi Knitting Limited wherein Mr. Vasanth Kumar S. is a Managing Director.

4.9 The Acquirer has not acquired any equity shares/voting rights of the Target Company during the twelve (12) months period preceding the date of the Public Announcement except for the 1,285,470 (Twelve Lakhs Eighty Five Thousand Four Hundred Seventy) fully paid up equity shares which the Acquirer has acquired pursuant to an off market transaction on the date of PA. Apart from the above said Equity shares, the Acquirer does not hold any shares in the Target Company.

4.10 Apart from 1,285,470 (Twelve Lakhs Eighty Five Thousand Four Hundred Seventy) fully paid up equity shares which Mr. Vasanth Kumar S. has acquired pursuant to an Off-Market transaction on February 14, 2013, he does not have any shareholding in the Target Company for the past 10 years and hence Compliance with the provisions of Chapter II of the Takeover Regulations, 1997 and Chapter V of the Takeover Regulations, 2011 for the last ten years is not applicable to him.

Sr. No.	Regulation/ Sub-regulation	Due Date for compliance as mentioned in the regulation	Actual date of compliance	Delay, if any (in No. of days) Col. 4- Col. 3	Status Of compliance with Takeover Regulations	Remarks
1	2	3	4	5	6	7
1	7(1) & (2)	Not Applicable				
2	7(1A) & (2)					
3	29 (1)& (2)	18 -02-2013	18-02-2013	Nil	Complied	

4.11 Mr. Vasanth Kumar S. undertakes that he will not sell the equity shares of the Target Company acquired/held by him during the **"Offer Period"** in terms of Regulation 25(4) of the Regulations.

4.12Mr. Vasanth Kumar S. has not entered into any non-compete arrangement and/or agreement with the Sellers.

4.13There is no Person Acting in Concert (**"PAC")** along with Acquirer.

4.14 Mr. Vasanth Kumar S. has declared that there are no litigations against / by him as on date of the Public Announcement.

4.15 Other details about Acquirer

4.15.1 As per Regulation 17 of SEBI (SAST) Regulations, Acquirer has created/opened an Escrow Account bearing No. 913020009808918 with the Escrow Agent, i.e. Axis Bank, having address at Atlanta, Ground Floor, Nariman Point, Mumbai - 400 021, Maharashtra and has deposited a cash of ₹ 789,000 (Indian Rupees Seven Lakh Eighty Nine Thousand only), being more than 25% of the total consideration payable to the shareholders under the Offer (25% being Rs. Rs. 788,671). The Manager to the Offer has been authorized by the Acquirer to operate the above mentioned Escrow Account and realize the value of Escrow Account in terms of the Regulations.

4.15.2 The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/ net worth and financial commitments available with the Acquirer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations 2011.

Mr. R. Ganesh, Chartered Accountant (Membership No. 025034) Proprietor having his office at F-5, New# 36, Thambaiah Reddy Road, North Extension, West Mambalam, Chennai - 600 033, Tel. No. +91 44 24832440; Email: askrganeshca@gmail.com, vide certificate dated February 14, 2013 has certified that the Acquirer has sufficient resources available for fulfilling the obligations under this "Offer" in full.

4. 15.3 The Acquirer does not have any plans to dispose off or otherwise encumber any significant assets of ASL in the succeeding 2 (two) years from the date of closure of the Offer, except as required for the purpose of restructuring and / or rationalization of assets, operations, investments, liabilities, or otherwise of the Target Company for commercial reasons and operational efficiencies.
Except in the ordinary course of business, the Acquirer undertakes not to sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company through a special resolution in terms of Regulation 25(2) of the SEBI (SAST) Regulations, 2011 and in accordance with and subject to the applicable laws, permissions and consents, if any.

4. 15.4 Acquirer intends to control the Target Company & make changes in the Board of Directors of the Target Company subsequent to the completion of this Open Offer in accordance hereof. Subject to the satisfaction of the provisions under the Companies Act, 1956 and / or any other Regulations, the Acquirer intends to make changes in the management of ASL (Target Company). However, no firm decision in this regards has been taken or proposed so far.

4. 15.5 Upon completion of the Offer, assuming full acceptances in the Offer, the Acquirer will hold 2,862,812 (Twenty Eight Lakhs Sixty Two Thousand Eight Hundred and Twelve) shares constituting 47.19% of the paid-up share capital of the Target Company. As per minimum public holding norms for a listed Company and Listing Agreement of the Stock Exchanges, the Target Company is required to maintain at least 25% public shareholding on a continuous basis. The acquisitions made in pursuance to the Offer will not result in the public shareholding of the Target Company falling below such minimum level and in case if the public shareholding falls below the minimum required level, the Acquirer undertakes to take necessary steps to facilitate compliance by the Target Company with the relevant provisions of the Listing Agreement, within the time period mentioned therein or in accordance with such other directions as may be provided by the Stock Exchanges, in accordance with the provisions of Regulation 7(4) of the SEBI (SAST) Regulations,2011 and Securities Contract (Regulation) Rules, 1957 as amended from time to time.

5. BACKGROUND OF THE TARGET COMPANY

ARCHANA SOFTWARE LIMITED ("TARGET COMPANY" OR "ASL"):

5.1 The Target Company was incorporated on November 15, 1994 as SSL Finance Limited under the Companies Act, 1956 with the Registrar of Companies, Chennai, Tamil Nadu and obtained a Certificate of Incorporation bearing number IB-29226. Later the Target Company`s name was changed to Archana Software Limited vide Certificate dated January 07, 1999 issued by Registrar of Companies, Chennai, Tamil Nadu. The CIN number of the Target Company is L65191TN1994PLC029226. The Registered Office of the Target Company is located at Land Marvel Nest, First Floor, No. 3, First Main Road, Indira Nagar, Chennai – 600 020, Tel: +91 44 64555955, Fax No.:+91 44 24405166, E-mail: archanainvestors@gmail.com, Website: www.archanasoftware.com. The Company also has place of business at 3/606 c, Notchipalayam Road, Veerapandi, Tirupur, Tamil Nadu – 641 605, India.

5.2 As per Memorandum of Association **("MOA")** of ASL, the main object of the company is to carry on the business of developing and providing computer software, software packages and consultancy services relating to computer systems and software.

5.3 The Sellers form part of the Promoter and Promoter`s Group of the Target Company and collectively hold 21.19% of the total paid up equity share capital of ASL.

5.4 The Directors of ASL as on the PA date are:

Sr. No.	Name of the Directors	Address	Date of Appointment	Designation
1.	Mr. S. Sonaachalam DIN No.:0486087	No.8, J.S. Garden, Phase - II, Arun Gardens, Kangeyam Road, Nallur, Tirupur - 641 606, Tamil Nadu, India.	03-08-2010	Whole Time Director
2.	Mr. Chikalpat YogeshPai DIN No.:02896131	150/151 Amarjothi A S Nagar, Kangeyam Road Nallur, Tirupur - 641 604, Tamil Nadu, India.	03-08-2010	Independent Director
3.	Mr. M.B. Sekar DIN No.:01864069	Door No.21, Peryiar Nagar A Plot, Chennai - 600 082, Tamil Nadu, India.	07-03-2007	Independent Director
4.	Mr. S.Ravi Shankar DIN No.: 02181717	V I P Lane, Jagat Janani Street, Jeypore - 764 001, Orissa, India.	29-04-2008	Independent Director

5.5 The Target Company obtained listing of its equity shares on the Bombay Stock Exchange Limited (**BSE**) and Madras Stock Exchange Limited **(MSE).** The script code and script Id of the listed Equity Shares is 530565 and ARCHSOFT respectively for BSE. The script code of the listed Equity Shares is SSSL for MSE.

The Equity Shares of ASL were suspended from trading from February 01, 2003 to October 13, 2011 on BSE due to non-compliance with the procedural requirements of the Listing Agreement. The suspension was revoked on October 14, 2011 and since then the shares are being traded on the Bombay Stock Exchange. In MSE, the shares of the Target Company are under suspension and are not being traded.

The Target Company is in compliance with the Listing Agreement only with BSE as on the date of the Public Announcement, the Detail Public Statement and this Draft Letter of Offer. No punitive action has been initiated against the Target Company by any of the Stock Exchanges where the Equity Shares are listed.

The Equity Shares of ASL are infrequently traded shares on BSE within the meaning of Regulation 2(j) of the SEBI (SAST) Regulations, 2011.

5.6 The Target Company has already established connectivity with Central Depository Services (India) Limited (**CDSL**) and National Securities Depository Limited (**NSDL**) whereby the ISIN number is INE149B01015. The equity shares of the Company are held by its shareholders in physical form and in dematerialized form. The detailed breakup of holding of the shares as on February 8, 2013 is as follows:

Particulars	No. of shares	%
CDSL	469,460	7.74
NSDL	3,214,274	52.98
PHYSICAL	2,382,966	39.28
Total	**6,066,700**	**100.00**

5.7 The present authorized share capital of Target Company is divided into 7,000,000 (Seventy Lakhs) Equity Shares of Face Value of Rs. 10/- each aggregating to Rs. 70,000,000(Rupees Seven Crores Only). The issued, subscribed and paid up capital of the Target Company as on the date of the Public Statement and this Draft Letter of Offer comprises of 6,066,700 (Sixty Lakhs Sixty Six Thousand Seven Hundred) equity shares of Rs. 10/- each aggregating Rs.60,667,000 (Rupees Six Crores Six Lakhs Sixty Seven Thousand Only). As on date of this Draft Letter of Offer, the Target Company has 45,500 partly paid-up shares on which calls in arrears amounting to Rs. 227,500 is pending. There are no other instruments convertible into Equity Shares at a future date.

Paid up Equity Shares of ASL No. of Equity Shares	Voting rights	% of Shares / voting
Fully paid-up Equity Shares	6,021,200	99.25
Partly paid-up Equity Shares	45,500	0.75
Total Equity Shares	6,066,700	100.00
Total Voting Rights in the Target Company	**6,066,700**	**100.00**

5.8 The built up of the capital structure of the Company since inception, is as under:

Date of Allotment	No. and % of shares issued		Cumulative paid-up capital (In Shares	Mode of Allotment	Identity of allottees (Promoters / Others)	Status of Compliance
	No.	% of current capital				
On Incorporation (15-01-1994)	70	0.00%	70	Cash	Signatories to Memorandum	Provisions of Companies Act, Complied with
03-01-1995	517,060	8.52%	517,130	Cash	Further Issue	Provisions of Companies Act, Complied with
03-04-1995	682,940	11.26%	1,200,070	Cash	Further Issue	Provisions of Companies Act, Complied with
18-05-1995	1,799,930	29.67%	3,000,000	Cash	Public issue	Provisions of Companies Act, Complied with
05-05-2000	3,066,700	50.55%	6,066,700	Cash	Rights Issue	Provisions of Companies Act, Complied with
Total	**6,066,700**	**100%**				

5.9 There are no shares under lock-in period.

5.10 The following changes took place in the Board of Directors of ASL in the past 3 years:

Name of the Directors	Address	Details of Change (Appointment / Resignation)	Date of Change	Reasons for change
Mr. S. Sonaachalam DIN No.:0486087	No.8, J.S. Garden, Phase - II, Arun Gardens, Kangeyam Road, Nallur, Tirupur, 641606, Tamil Nadu, India	Appointment	03-08-2010	To broad base the Board
Mr. Chikalpat Yogesh Pai DIN No.:02896131	150/151 Amarjothi A S Nagar, Kangeyam Road Nallur, Tirupur, 641604, Tamil Nadu, India	Appointment	03-08-2010	To broad base the Board
Mr. D. Ravisankar DIN No.: 01818544	42/7, 2nd Main Road, Kalaimagal Nagar, Ekkaduthangal, Chennai, 600097,Tamil Nadu, India	Resignation	03-08-2010	Personal Reason

5.11 As on the date of this Draft Letter of Offer, ASL has no subsidiaries.

5.12 ASL has not declared any dividend in the last 5 years.

5.13 None of the directors of ASL represent the Acquirer in any manner whatsoever except that Mr. S. Sonaachalam and Mr. Yogesh Pai being the Directors of the Target Company are also the Directors of Shakthi Knitting Limited wherein Mr. Vasanth Kumar S. is a Managing Director.

5.14 ASL is not a Sick Company.

5.15 There has not been any merger, de-merger or spin-off of activity in the preceding 3 years.

5.16 ASL has certified that there are no pending litigations against the company as on the date of DPS.

5.17 The Compliance Officer of the Target Company is Mr. S. Sonaachalam, who will be available at the registered office of the Company, Ph. No.: +91 44 64555955; e-mail: archanainvestors@gmail.com.

5.18 As on the date of this Draft Letter of Offer, the Acquirer does not have any intention to delist the Target Company for the next three years after the closure of the Offer.

5.19 Brief audited financial data for the last three financial years ending on March 2012, March 2011 and March 2010 is given below:

Profit & Loss Account Statement

(₹ in Lakhs)

Profit & Loss Statement	Year Ended 2011-2012 (Audited)	Year Ended 2010-2011 (Audited)	Year Ended 2009-2010 (Audited)
Income from Operations	462.44	316.82	38.19
Other Income	-	-	-
Total Income	**462.44**	**316.82**	**38.19**
Total Expenditure (Excl Depreciation and Interest)	402.40	266.79	26.30
Profit/ (Loss) Before Depreciation, Interest and Tax	60.04	50.03	11.9
Depreciation	2.48	2.48	2.16
Interest	-	-	-
Profit/ (Loss) Before Tax	**57.56**	**47.55**	**9.74**
Provision for Taxation (includes deferred tax adjustment)	-	-	-
Deferred Tax	-	-	-
Profit /(Loss) after Tax	**57.56**	**47.55**	**9.74**

Balance Sheet Statement

(₹ in Lakhs)

Balance Sheet Statement	Year Ended 2011-2012 (Audited)	Year Ended 2010-2011 (Audited)	Year Ended 2009-2010 (Audited)
Sources of Funds			
Paid-up Equity Share Capital	*604.40	*604.40	*604.40
Reserves & Surplus	(344.89)	(402.45)	(450.00)
Networth	**259.51**	**201.95**	**154.40**
Secured Loan	-	-	-
Unsecured Loan	-	-	-
Deferred Tax Liability	36.88	36.88	36.88
Total	**296.39**	**238.83**	**191.28**
Application of Funds			
Net Fixed Assets	15.10	17.58	13.29
Capital Work in Progress	-	-	-
Investments	0.04	0.04	0.04

Balance Sheet Statement	Year Ended 2011-2012 (Audited)	Year Ended 2010-2011 (Audited)	Year Ended 2009-2010 (Audited)
Net Current Assets	281.25	221.21	177.95
Total	**296.39**	**238.83**	**191.28**

* Excluding Calls in arrears of Rs. 227,500/-.

Other Financial Data

Particulars	Year Ended 2011-2012 (Audited)	Year Ended 2010-2011 (Audited)	Year Ended 2009-2010 (Audited)
Dividend (%)	NIL	NIL	NIL
Earnings Per Share (INR)	0.95	0.78	0.16
Return on Net Worth (%)	22.18	23.55	6.30
Book Value Per Share (INR)	4.28	3.33	2.54

Notes to Accounts as on March 31, 2012:

1. Loans and Advances, Advance received and Sundry Creditors shown in the Balance Sheet are subject to confirmation.
2. In the opinion of the Board of Directors, Current Assets and Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount of which they are stated.
3. For the year ended March 31, 2012, no provision for contingent liability has been provided for.
4. In view of the huge carried forward loss, Company has not provided for deferred tax liability for the current year on the difference amount of depreciation between Companies act,1956 and Income tax act,1961
5. No provision for taxation has been made in view of the carried forward losses available for set off.
6. Figures of the previous year have been re-grouped wherever necessary to confirm to the classification of the current year.

5.20 Pre & Post Offer shareholding pattern of ASL as on 8th February 2013 is and shall be as follows:

Share Holders Category	Shareholding & Voting rights prior to the acquisition and offer (A)		Shares / voting rights agreed to be acquired which triggered the Regulations (B)		Shares / voting rights to be acquired in open offer (assuming full acceptances) (C)		Shareholding / voting rights after the acquisition and offer (A)+(B)+(C)= (D)	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
1**. Promoter & Promoter Group**								
a. Parties to the Off-Market Transaction	1,285,470	21.19	(1,285,470)	(21.19)	--	--	--	--
b. Promoters other than Acquirer	--	--	--	--	--	--	--	--
Total 1 (a+b)	**1,285,470**	**21.19**	**(1,285,470)**	**(21.19)**	**Nil**	**Nil**	**Nil**	**Nil**
2. Acquirer								
a. Mr. Vasanth Kumar S.	--	--	1,285,470	21.19	1,577,342	26.00	2,862,812	47.19
b. PACs	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.	N. A.
Total 2 (a + b)	**--**	**--**	**1,285,470**	**21.19**	**1,577,342**	**26.00**	**2,862,812**	**47.19**

<table>
<tr><th rowspan="2">Share Holders Category</th><th colspan="2">Shareholding & Voting rights prior to the acquisition and offer (A)</th><th colspan="2">Shares / voting rights agreed to be acquired which triggered the Regulations (B)</th><th colspan="2">Shares / voting rights to be acquired in open offer (assuming full acceptances) (C)</th><th colspan="2">Shareholding / voting rights after the acquisition and offer (A)+(B)+(C)= (D)</th></tr>
<tr><th>No.</th><th>%</th><th>No.</th><th>%</th><th>No.</th><th>%</th><th>No.</th><th>%</th></tr>
<tr><td>3. Parties to agreement other than 1 & 2</td><td>--</td><td>--</td><td>--</td><td>--</td><td>--</td><td>--</td><td>--</td><td>--</td></tr>
<tr><td colspan="9">4. Public other than parties to the agreement, Acquirer & PACs</td></tr>
<tr><td>a. FIs/ MFs/ FIIs/ Banks</td><td>--</td><td>--</td><td>--</td><td>--</td><td rowspan="5">(1,577,342)</td><td rowspan="5">(26.00)</td><td rowspan="5">3,203,888</td><td rowspan="5">52.81</td></tr>
<tr><td>b. Bodies Corporate</td><td>225,365</td><td>3.715</td><td>--</td><td>--</td></tr>
<tr><td>c. Clearing Members</td><td>1,369</td><td>0.023</td><td>--</td><td>--</td></tr>
<tr><td>d. NRI`s</td><td>300</td><td>0.005</td><td>--</td><td>--</td></tr>
<tr><td>e. Indian Public</td><td>45,54,196</td><td>75.07</td><td>--</td><td>--</td></tr>
<tr><td>Total 4 (a+ b+ c+ d+ e)</td><td>4,781,230</td><td>78.81</td><td>--</td><td>--</td><td>(1,577,342)</td><td>(26.00)</td><td>3,203,888</td><td>52.81</td></tr>
<tr><td>GRAND TOTAL (1+2+3+4)</td><td>6,066,700</td><td>100</td><td>NIL</td><td>NIL</td><td>NIL</td><td>NIL</td><td>6,066,700</td><td>100</td></tr>
</table>

Notes:

1. The number of Shareholders in ASL in public category i.e. under 4 above is 6,912 and there are 1 NRI Shareholder in the Company as per the Shareholding Pattern as on February 08, 2013 prior to the date of PA.
2. The Target Company has 45,500 partly paid-up shares on which calls in arrears amounting to Rs 227,500 is pending.
3. No Equity Shares are subject to lock in.
4. Face Value of Equity Shares of Target Company is Rs. 10/- each.
5. The actual Post-Offer shareholding of Public would depend on the response and acceptance of the shareholders in this Open Offer.
6. The Acquirer has not acquired any shares from the date of the Public Announcement till date of this Draft Letter of Offer.

6. OFFER PRICE AND FINANCIAL ARRANGEMENT

6.1 Justification of Offer Price

6.1.1 The equity shares of the Target Company are listed on the Bombay Stock Exchange Limited (**BSE**) and Madras Stock Exchange Limited (**MSE**). The script code and script Id of the listed Equity Shares is 530565 and ARCHSOFT respectively for BSE. The script code of the listed Equity Shares is SSSL for MSE.

The Equity Shares of ASL were suspended from trading from February 01, 2003 to October 13, 2011 on BSE due to non-compliance with the procedural requirements of the Listing Agreement. The suspension was revoked on October 14, 2011 and since then shares are being traded on the Bombay Stock Exchange. In MSE, the shares of the Target Company are under suspension and are not being traded.

The Target Company is in compliance with the Listing Agreement only with BSE as on the date of the Public Announcement and the Detail Public Statement and this Draft Letter of offer. However, no punitive action has been initiated against the Target Company by any of the Stock Exchanges where the Equity Shares are listed.

6.1.2 The Target Company has already established connectivity with Central Depository Services (India) Limited (CDSL) and National Securities Depository Limited (NSDL) whereby the ISIN number is INE149B01015. The equity shares of the Company are held by its shareholders in dematerialized form and in physical form. The detailed breakup of holding of the shares as on February 8, 2013 is as follows:

Particulars	No. of shares	%
CDSL	469,460	7.74
NSDL	3,214,274	52.98
PHYSICAL	2,382,966	39.28
Total	**6,066,700**	**100.00**

6.1.3 The Equity Shares of ASL are infrequently traded shares on BSE within the meaning of Regulation 2(j) of the SEBI (SAST) Regulations, 2011.

The annualized total trading turnover in the Equity Shares of the Target Company on the Bombay Stock Exchange based on trading volume during the twelve (12) calendar months prior to the month of PA (period from February 2012 to January 2013) is given as below:

Stock Exchange	Total no. of Equity Shares traded during the period February 2012 to January 2013 prior to the month of PA	Total No. of listed Equity Shares of the Target Company	Total trading turnover (as % of total Equity Shares listed)
BSE	240,746	6,066,700	3.97%

6.1.4 The Offer Price of Rs. 2.00 (Rupees Two Only) per fully paid-up equity share of the Target Company has been determined taking into account the parameters as set out under Regulation 8(2) of the SEBI (SAST) Regulations, 2011, as under:

Sr. No.	Particulars	Price(In Rs. per Share)
A	The Negotiated Price at the time of Off-Market transaction	1.00
B	The Volume-Weighted Average Price paid or payable for acquisitions by the Acquirer during 52 weeks immediately preceding the date of PA	Not Applicable
C	Highest price paid by Acquirer for acquisition during the 26 weeks prior to the date of PA	Not Applicable
D	The Volume-Weighted Average Market Price of shares for a period of 60 trading days immediately preceding the date of PA as traded on the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period.	Not Applicable
E	**Other Financial Parameters as at March 31, 2012:**	
	Return on Net worth (%)	22.18%
	Book Value per share	4.28
	Earnings per share	0.95

The fair value for the shares of ASL is Rs. 1.17 (Indian Rupee One and Paise Seventeen only) and the same has been certified by Mr. Arumugam Saravanan, Chartered Accountant (Membership No. 26101) Proprietor, having his office at No.191-G, "Annai Garden", Gandhi Nagar Post, Tirupur- 641 603, Tamil Nadu, Tel. No. +91 421 2479232; Email: casaravanan8889@gmail.com vide certificate dated February 19, 2013.

Considering the fair value certificate of the Chartered Accountant dated February 19, 2013 and the financial parameters presented in the above table, the highest price being Rs 1.17 from A, B, C and D above, the offer price of Rs 2/- per share (Rupees Two only) is justified as required under the SEBI (SAST) Regulations, 2011.

6.2 Financial Arrangements

6.2.1 Assuming full acceptance under the offer, the maximum consideration payable by the Acquirer under the offer would be Rs. Rs. 3,154,684 (Indian Rupees Thirty One Lakhs Fifty Four Thousand Six Hundred and Eighty Four Only).

6.2.2 The Acquirer has adequate financial resources and has made firm financial arrangements for the implementation of the Offer in full out of his own sources/ net worth and financial commitments available with the Acquirer, in terms of Regulation 25(1) of the SEBI (SAST) Regulations 2011.
Mr. R. Ganesh, Chartered Accountant (Membership No. 025034) Proprietor having his office at F-5, New# 36, Thambaiah Reddy Road, North Extension, West Mambalam, Chennai - 600 033, Tel. No. +91 44 24832440; Email: askrganeshca@gmail.com, vide certificate dated February 14, 2013 has certified that the Acquirer has sufficient resources available for fulfilling the obligations under this "Offer" in full.

No funds are being borrowed from any bank or financial institution for the purpose of this Open Offer by the Acquirer.

6.2.3 Based on the above certificate, Birla Capital and Financial Services Limited, Manager to the Offer certifies and confirms that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

6.2.4 The total fund requirement for the Offer (assuming full acceptance) is Rs. 3,154,684 (Indian Rupees Thirty One Lakhs Fifty Four Thousand Six Hundred and Eighty Four Only). In accordance with Regulation 17 of the SEBI (SAST) Regulations, 2011, the Acquirer have created/opened an **"Escrow Account"** bearing account No. 913020009808918 with the escrow agent, i.e., Axis Bank Limited**(herein referred to as "Axis Bank")**, having branch at Atlanta, Ground Floor, Nariman Point, Mumbai - 400 021, Maharashtra and made therein a cash deposit of Rs. 789,000 (Indian Rupees Seven Lakh Eighty Nine Thousand Only) in the account, being more than 25% (25% being Rs. 788,671)of the total consideration payable to the shareholders under the Offer.

6.2.5 A Tripartite Escrow Agreement dated February 15, 2013 has been entered into between Axis Bank Limited, the Acquirer and Birla Capital and Financial Services Limited governing the operation of Escrow Account.

6.2.6 By this Escrow Agreement, the Acquirer has authorized Birla Capital and Financial Services Limited, Manager to the Offer to realize the value of the Escrow Account, in terms of Regulation 17(5) of the Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 Operational terms and conditions

a. This tendering period will commence on Friday, April 12, 2013 and will close on Monday, April 29, 2013.

b. The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of ASL (except the Acquirer and the Sellers) whose name appear on the Register of Members at the close of business hours on Tuesday, March 26, 2013 (the **"Identified Date"**).

c. All owners of the shares, Registered or Unregistered (except the Acquirer and the Sellers) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer as per the procedure set out in Para 8 below. Eligible persons can participate in the Offer by offering their shareholding in whole or in part. No indemnity is required from the unregistered owners.

d. All shares tendered under this Offer should be fully paid up and should be free from any charge, lien or encumbrances of any kind whatsoever and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.

e. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.

f. ASL has signed agreements with NSDL and CDSL for offering Shares in dematerialized form. The ISIN number is INE149B01015.

g. The Marketable lot for the Shares of ASL for the purpose of this Offer shall be 1 (One Only).

h. Accidental omission to dispatch the Letter of Offer to any member entitled to the Open Offer or non-receipt of the LOF by any member entitled to the Open Offer shall not invalidate the Open Offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein in the LOF.

i. The acceptance of the Offer must be unconditional and should be sent in the attached Form of Acceptance along with the other documents duly filled in and signed by the applicant shareholder(s) which should be received by the Registrar to the Offer at the collection centre mentioned in Point 8.1.2 under **"Procedure for Acceptance and Settlement"** on or before **Monday, April 29, 2013**. If any change or modification is made in the Form of Acceptance, the same is liable to be rejected.

j. The Acquirer or the Manager to the Offer will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The equity shareholders of ASL are advised to adequately safeguard their interest in this regard.

k. If the aggregate of the valid responses to the Offer exceeds the number of shares for which the open offer is made, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 7 of the Regulations.

l. The Acquirer reserves the right to withdraw the Offer pursuant to Regulation 23 of the Regulations. Any such withdrawal will be notified in the form of an Announcement within 2 working days in the same newspapers in which the Public Announcement had appeared.

7.2 Locked in Shares

There are no shares, which are subject to lock-in as per SEBI guidelines / Regulations.

7.3 Eligibility for accepting the Offer

a. The Letter of Offer shall be mailed to all Equity Shareholders (except the Acquirer and the Sellers) whose names appear in the Register of Members of Target Company as on Tuesday, March 26, 2013 (the **"Identified Date"**).

b. This Offer is also open to persons who own Equity Shares in ASL but are not registered Shareholders as on the "Identified Date".

c. All Equity Shareholders (except the Acquirer and the Sellers) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

d. The Form of acceptance cum Acknowledgement and other documents required to be submitted, will be accepted by the Registrar to the Offer, Sharex Dynamic (India) Private Limited, at the centers as mentioned in Point 8.1.2, either by Registered Post / Courier or by hand delivery on Mondays to Fridays between 10.30 AM and 6.00 PM and on Saturday between 10.30 AM and 2 PM, on or before the date of Closure of the Offer i.e. **Monday, April 29, 2013**.

e. The Public Announcement, Detailed Public Statement, Draft Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available at SEBI's website: www.sebi.gov.in. In case of non-receipt of Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance cum Acknowledgement or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

f. Unregistered Equity Shareholders who have sent the Share Certificates for transfer to ASL / its Share Transfer Agent, and not received them back or hold Shares of ASL without being submitted for transfer or those who hold in the Street Name shall also be eligible to participate in this Offer.

g. Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any Indemnity and may follow the same procedure mentioned above for registered Shareholders.

h. The acceptance of this Offer by the Equity Shareholders of ASL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

i. The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of ASL.

j. The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms etc. during transit and the Equity Shareholders of ASL are advised to adequately safeguard their interest in this regard.

k. The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

l. The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.

m. The Manager to the Offer shall submit a final report to SEBI within 15 working days from the expiry of the tendering period in accordance with Regulation 27 (7) of the Regulations.

n. For any assistance please contact Birla Capital and Financial Services Limited, Manager to the Offer or the Registrar to the Offer.

7.4 Statutory Approvals

a. Shareholders of the Target Company who are either Non-Resident Indians (**"NRIs"**) or Overseas Corporate Bodies (**"OCBs"**) and wish to tender their equity shareholding in this Open Offer shall be required to submit all the applicable Reserve Bank of India (**"RBI"**) approvals (specific and general) that they have obtained at the time of their acquisition of the Equity Shares of the Target Company. In the event such RBI approvals are not submitted, the Acquirer reserves the sole right to reject the Equity Shares tendered by such shareholders in the Open Offer. This Open Offer is subject to receipt of the requisite RBI approvals, if any, for acquisition of Equity Shares by the Acquirer from NRIs and OCBs.

b. No approval is required to be obtained from Banks/Financial Institutions for the Offer.

c. As on the date of this Draft Letter of Offer, no statutory approvals are required by the Acquirer to acquire the Equity Shares that are tendered pursuant to the Offer other than those indicated above.

d. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer will not proceed with the Open Offer in the event that such statutory approvals that are required are refused in terms of Regulation 23 of the SEBI (SAST) Regulations, 2011.

e. In terms of Regulation 18(11), the Acquirer shall be responsible to pursue all statutory approvals required by the Acquirer in order to complete the open offer without any default, neglect or delay.

f. Barring unforeseen circumstances, the Acquirer would endeavor to obtain all such approvals referred in clause 7.4.a above and complete all procedures relating to Offer within 10 days of the expiry of the tendering period. In terms of Regulation 18(11) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days from the date of closure of Offer.

g. In case the Acquirer fails to obtain requisite statutory approval in time, on account of any willful default or neglect or inaction, Regulation 17(9) of the SEBI (SAST) Regulations will also become applicable and the amount lying in the Escrow Account shall become liable to forfeiture.

h. The Acquirer shall complete all procedures relating to the Open Offer including payment of consideration to the shareholders who have accepted the open offer within 10 working days from the last date of the tendering period.

i. In the event of withdrawal, a public announcement will be made within two (2) working days of such withdrawal, in the same newspapers in which this DPS has appeared.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

8.1.1 The Acquirer has appointed Sharex Dynamic (India) Private Limited as the Registrar to the Offer.

8.1.2 All eligible Equity Shareholders of fully paid Equity Shares of ASL, registered or unregistered who wish to avail and accept the Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LOF/FOA at below mentioned collection centre on or before closure of the Offer i.e. **Monday, April 29, 2013**.

Registrar to the Offer	Working days and timings	Mode of delivery
SHAREX DYNAMIC (INDIA) PVT. LTD. SEBI Registration No.: INR000002102 Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri East, Mumbai- 400 072;Tel: +91 22-2851 5606/5644; Fax: +91 22-2851 2885; E-mail: sharexindia@vsnl.com; Contact Person: Mr. B. S. Baliga (Director)	Monday to Friday 10.30 a. m. to 6.00 p.m. Saturday 10.30 a. m. to 2.00 p.m.	By Post/Courier/ Hand delivery

Note: The centre will be closed on Sundays and Public holidays.

Shareholders are advised to ensure that the Form of Acceptance cum Acknowledgement and other documents are complete in all respects; otherwise the same are liable to be rejected.

8.2 In case of shares held in PHYSICAL MODE by the REGISTERED SHAREHOLDERS

Shareholders to enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original equity share certificate(s); and
- Valid equity share transfer form(s) duly signed by transferor (by all the Shareholders in case the shares are in joint names in the same order) as per the specimen signatures registered with the Target Company and duly witnessed at the appropriate place(s). A blank Share Transfer form is enclosed along with this LOF.

If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid transfer deed from a registered Shareholder, then the Offer will be deemed to have been accepted by such Shareholders.

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED

8.3 In case of shares held in PHYSICAL MODE by PERSONS UNREGISTERED/NOT REGISTERED AS SHAREHOLDERS

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original equity share certificate(s) accompanied by valid share transfer forms as received from the market, wherein the name of the transferee has not been filled in; and
- Original broker contract note of a registered broker of a recognized stock exchange through whom such Shares were acquired and/or such other documents as may be specified (in relation to the purchase of the shares being tendered in this case).

In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company / its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/ its transfer agents, of the share certificate(s) and the transfer deed(s).

No indemnity is required from persons not registered as Shareholders.

PLEASE DO NOT FILL IN ANY OTHER DETAILS IN THE TRANSFER DEED.

8.4 For equity shares held in dematerialized form:
In the case of Shares held in dematerialized form, Depository Participant ("**DP**") name, DP ID, beneficiary account number together with photocopy or counterfoil of the delivery instruction slip in **"Off-Market"** mode duly acknowledged by the DP for transferring the Equity Shares. The details of the special depository account are as follows:

DP Name	: NIRMAL BANG SECURITIES PRIVATE LIMITED
DP ID	: IN301604
Client ID Number	: 11240528
Account Name	: ASL OPEN OFFER ESCROW ACCOUNT OPERATED BY SHAREX
Depository	: NSDL

- Shareholders who have their beneficiary account with Central Depository Services (India) Limited (CDSL) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favor of the Special Depository Account opened with National Securities Depository Limited (NSDL).

- Shareholders who have sent their physical equity shares for dematerialization need to ensure that the process of getting equity shares dematerialized is completed well in time so that the credit in the Special Depository Account is received on or before closure of offer.

8.5 The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer or Target Company.

8.6 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 acceptance of the Offer with Name; Address; Number of Shares held; Distinctive Number; 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, or the eligible persons can write to the Manager to the Offer requesting for the Letter of Offer and Form of Acceptance cum Acknowledgement and fill up the same in accordance with the instructions given therein, so as to reach the Registrar to the Offer, on or before the close of the Offer. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

Alternatively, the Letter of Offer and Form of Acceptance cum Acknowledgement will be available on SEBI's website (www.sebi.gov.in), from the date of Opening of the Offer. The eligible persons can download the Form of Acceptance cum Acknowledgement from the SEBI's website and apply using the same.

8.7 In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares **in dematerialized form**, may send their applications 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 photocopy of the delivery instruction in "Off-market", or counterfoil of the delivery instruction in Off-market" mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer.

8.8 In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of ASL **in physical form**, may send his/her/their consent on plain paper stating the name, address, number of Shares held/offered, distinctive numbers, folio numbers together with the original Share certificate/s and duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the date of closure of the Offer.

Persons who have acquired Shares of the Target Company, pending transfer of shares in their name, should send the above documents to the Registrar to the Offer, along with the original contract note issued by the registered share broker of the recognized stock exchange through whom such Shares were acquired and/or such other documents as may be specified so as to reach the Registrar on or before the date of closure of the Offer.

8.9 If the aggregate of the valid responses to the Offer exceeds the Offer size of 1,577,342 fully paid-up equity shares of ASL representing 26.00% of the Equity Voting Capital of the Target Company, then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 7(1) of the SEBI (SAST) Regulations in such a way that the acquisition from any Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot. The minimum marketable lot for the Shares is 1 (One Only).

8.10 In terms of Regulation 18(11) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 2011 in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 10 working days from the date of expiry of the tendering period, for the purpose of making payment, however, subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 working days from the date of expiry of the tendering period.

8.11 The Equity Shares Certificate(s) and the transfer form(s), together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pay the Offer Price.

8.12 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the shareholders' sole risk to the sole/ first shareholder. Unaccepted shares held in dematerialized form will be credited back to the beneficial owners' DP account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

8.13 Shareholders who are holding fully paid equity shares who wish to tender their equity shares will be required to send their FOA and other relevant documents to the Registrar to the Offer at the applicants sole risk so that the same are received on or before the Offer closing date, in accordance with the procedures as specified in this Draft Letter of Offer and the Form of Acceptance cum Acknowledgement.

8.14 The payment of consideration for the shares accepted will be made by crossed account payee cheque / demand draft / pay order or through Electronic mode as detailed below. In case of joint holder(s), the cheque / demand draft will be drawn in the name of the first holder and in case of unregistered owners of shares the consideration will be paid to the person whose name is stated in the contract note.

8.15 Non Resident Shareholders

a. While tendering shares under the Offer, NRIs / OCBs / Foreign Shareholders will be required to submit the previous RBI Approvals (specific or general) that they may have obtained for acquiring shares of the Target Company. In case of previous RBI Approvals not being submitted, the Acquirer reserve the right to reject such shares tendered.

b. While tendering shares under the Offer, NRIs / OCBs / Foreign Shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

c. The above documents should not be sent to the Acquirer or to ASL or to the Manager to the Offer. The same should be sent to the Registrar to the Offer only at the collection centre given above in 8.1.2.

8.16 Settlement/ Payment of Consideration

i The Acquirer shall arrange to pay the consideration on or before Tuesday, May 14, 2013.

ii Consideration for Equity Shares accepted will be paid as given hereinafter: Acceptors of this Offer, having their Bank accounts at any of the Centres where Clearing Houses are managed by the Reserve Bank of India (**RBI**) will get payment of consideration through Electronic Credit Service (**ECS**), except where the acceptor is otherwise eligible to get payments through Direct Credit (**"DC"**), National Electronic Funds Transfer (**"NEFT"**) or Real Time Gross Settlement (**"RTGS"**). In case of other applicants, the consideration of value up to Rs.1,500/- will be dispatched through Ordinary Post and those of Rs.1,500 and above by Registered Post or Speed Post, by Demand Drafts/Banker's Pay Order. Applicants to whom payments are made through Electronic transfer of funds will be sent a letter (Payment advice) through Ordinary Post intimating them about the mode of credit/payment within 15 days from the date of closure of the Offer. The Registrars to the Offer shall ensure dispatch of Consideration/payment advice, if any, by Ordinary Post or Registered Post or Speed Post or Electronic Clearing Service or Direct Credit or RTGS, only in the name of the Sole or First shareholder and all communication will be addressed to the person whose name appears on Acceptance Form within 15 days of the date of Closure of the Offer and adequate funds for making payments as per the mode(s) disclosed above shall be made available to the Registrar by the Acquirer. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

iii In terms of Regulation 18(11) of the SEBI (SAST) Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond the last date mentioned for payment of consideration.

8.17 General

a. The Form of Acceptance and instructions contained therein are integral part of this DLOF.

b. The Offer Price is denominated and payable in Indian Rupees only.

c. If there is any upward revision in the Offer Price by the Acquirer at any time prior to commencement of the last three working days before the commencement of the tendering period viz., Friday, April 05, 2013, the same would be informed by way of a Public Announcement in the same newspapers in which the Detailed Public Statement pursuant to Public Announcement was published as per Regulation 18(7) of SEBI (SAST) Regulations, 2011.

d. If the Acquirer and/or PAC acquires equity shares of the Target Company during the period of 26 (twenty-six) weeks after the closure of tendering period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in this Offer within 60 (sixty) days from the date of such acquisition as provided under Regulation 8 (10) of the Regulations. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009 or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form.

e. If there is Competing Offer:

- The Public Offers under all the subsisting bids shall close on the same date.
- The Offer Price can be revised at any time prior to the commencement of the last three working days before the commencement of the tendering period to know the final Offer Price of each bid and tender their acceptance accordingly.

9. DOCUMENTS FOR INSPECTION

9.1 Copies of the following documents are regarded as material documents and are available for inspection at 159 Industry House, 5th Floor, Churchgate Reclamation, Churchgate, Mumbai - 400020, the Registered Office of Birla Capital and Financial Services Limited, the Manager to the Offer. The documents can be inspected during normal business hours (11.00 A.M. to 3.00 P.M.) on all working days (except Saturdays and Sundays and Public/Bank Holidays) from the date of opening of the Offer up till the date of closure of the Offer.

9.1.1 Certificate of Incorporation, Memorandum and Articles of Association of Archana Software Limited.

9.1.2 A certificate by Mr. R. Ganesh, Chartered Accountant (Membership No. 025034), Proprietor having his office at F-5, New# 36, Thambaiah Reddy Road, North Extension, West Mambalam, Chennai - 600 033, Tel. No. +91 44 24832440; Email: askrganeshca@gmail.com, vide his certificate dated February 14, 2013 has certified the net worth and also certified that the Acquirer has sufficient resources available for fulfilling the obligations under this "Offer" in full.

9.1.3 Audited Annual Reports of ASL for years ended on March 31, 2012, March 31, 2011 and March 31, 2010.

9.1.4 Copy of Letter dated February 20, 2013 from Axis Bank Limited(**"Escrow Bank"**), having its branch at: Atlanta, Ground Floor, Nariman Point, Mumbai - 400 021, Maharashtra certifying opening of Escrow Account, confirming that the amount is kept in the escrow account and noting of lien in favor of Birla Capital and Financial Services Limited, Manager to the Offer.

9.1.5 Copy of the Public Announcement submitted to Stock Exchanges on February 14, 2013.

9.1.6 Copy of the Detailed Public Statement which appeared in the newspapers on February 22, 2013 for acquisition of Equity Shares.

9.1.7 Published copy of the recommendation made by Committee of the Independent Directors of the Target Company, published in Newspapers on [•]

9.1.8 Observation letter no [•] dated [•] on the Draft Letter of Offer filed with the Securities and Exchange Board of India.

9.1.9 Copy of MOU dated February 14, 2013 for acquisition of Equity Shares between the Acquirer and the Manager to the Offer.

9.1.10 Copy of MOU dated February 14, 2013 between the Acquirer and the Registrar to the Offer.

9.1.11 Copy of Escrow Agreement dated February 15, 2013 between the Acquirer, M/s Axis Bank Limited and M/s Birla Capital and Financial Services Limited.

9.1.12 Copy of Escrow Agreement dated February 14, 2013 between the Acquirer, Sellers and Mr. Arumugam Saravanan**,** Chartered Accountant (Membership No**.** 26101), Proprietor, having his office at No.191-G, "Annai Garden", Gandhi Nagar Post, Tirupur - 641 603, Tamil Nadu, Tel. No. +91 421 2479232; Email: casaravanan8889@gmail.com for keeping the physical shares acquired by Acquirer in Custodianship/Escrow Account.

9.1.13 Undertakings from the Acquirer, stating full responsibility for all information contained in the PA, Detailed Public Statement and the Draft Letter of Offer.

9.1.14 Undertaking from the Acquirer that if he acquires any shares of the target company during the Offer Period, they shall inform Stock Exchange, the Target Company and the Manager to the Offer within 24 hours as per Regulation 18(6) of SEBI (SAST) Regulations, 2011.

9.1.15 Undertaking from the Acquirer for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all Shareholders of the Target Company whose applications are accepted in the Open Offer.

9.1.16 Undertaking by the Acquirer, agreeing to maintain public holding as per Clause 40A of listing agreement.

9.1.18 Undertaking by the Acquirer, expressing his intention not to delist the Equity Shares of ASL after the Offer.

9.1.19 Undertaking by the Acquirer agreeing that he shall not sell, dispose of or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders.

9.1.20 Due Diligence Certificate dated March 01, 2013 submitted to SEBI by Birla Capital and Financial Services Limited, Manager to the Offer.

10. DECLARATION

The Acquirer i.e. Mr. Vasanth Kumar Sundaravadivelu accept full responsibility for the information contained in this Letter of Offer and also accept responsibility for the obligations of the Acquirer laid down in the SEBI (SAST) Regulations, 2011. All the information contained in this document is as on date of the Public Announcement, Detailed Public Statement unless stated otherwise.

I have made all reasonable inquiries, accept responsibility for, and confirm that this Letter of Offer contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

I hereby declare and confirm that all the relevant provisions of Companies Act, 1956 and all the provisions of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011 have been complied with and no statements in the Offer document is contrary to the provisions of Companies Act, 1956 and SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

The Manager to the Offer hereby states that the person signing this Letter of Offer is the Acquirer.

Signed by

Mr. Vasanth Kumar Sundaravadivelu
(Acquirer)

Place: Chennai
Date: February 28, 2013

Encl:

1. Form of Acceptance cum Acknowledgement

THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrar to the Offer at their address given overleaf)

FORM OF ACCEPTANCE - CUM - ACKNOWLEDGMENT

OFFER OPENS ON: April 12, 2013	
OFFER CLOSES ON: April 29, 2013	

FOR OFFICE USE ONLY	
Acceptance Number	:
Number of Equity Shares offered	:
Number of Equity Shares accepted	:
Purchase Consideration (Rs.)	:
Cheque/ Demand Draft/Pay Order No/ECS	:

PLEASE READ THE INSTRUCTIONS OVERLEAF BEFORE FILLING-IN THIS FORM OF ACCEPTANCE

From	:
Name	:
Address	:
Status: Resident/ Non Resident	:

Folio No.:	Sr. No:	No of Shares Held:
Tel. No:	Fax No:	E-Mail:

To

Mr. Vasanth Kumar Sundaravadivelu

C/O **SHAREX DYNAMIC (INDIA) PVT. LTD.**

SEBI Registration No.: INR000002102

Unit No.1, Luthra Industrial Premises, Safed Pool,

Andheri Kurla Road, Andheri East, Mumbai- 400 072;

Tel: +91 22-2851 5606/5644; Fax: +91 22-2851 2885;

E-mail: sharexindia@vsnl.com; Website: www.sharexindia.com

Contact Person: Mr. B. S. Baliga (Director)

Dear Sir,

Sub: Open Offer to the shareholders of ARCHANA SOFTWARE LIMITED ('ASL') for acquisition of 1,577,342 fully paid-up equity shares of Rs. 10.00 each representing 26.00% of the paid-up and voting share capital of ASL, for cash at a price of Rs. 2.00 per share under SEBI (SAST) Regulations, 2011 by Mr. Vasanth Kumar Sundaravadivelu (hereinafter referred to as the 'Acquirer').

I / We refer to the Letter of Offer dated _________, 2013for acquiring the Equity Shares held by me/us in ASL.

I / We, the undersigned, have read the Letter of Offer, Detailed Public Statement and understood its contents including the terms and conditions as mentioned therein.

FOR SHARES HELD IN PHYSICAL FORM

I / We hold the shares in the Physical Form and accept the Offer and enclose the original Share certificate (s) and duly signed share transfer deed (s) in respect of my /our Shares as detailed below:

Sr. No.	**No. of shares**	**Share Certificate Nos.**	**No. of Share Certificates**	**Distinctive Nos.**	
				FROM	**TO**
Total Number of Equity Shares					

(In case of insufficient space, please use additional sheet and authenticate the same by putting signatures on each sheets)

I/We confirm that the equity shares of ASL which are being tendered herewith by me/us under this Offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We note and understand that the original share certificate(s) and the valid share transfer deed(s) will be held in trust for me/us by the Registrar to the Offer until the time the Acquirer make payment of the purchase consideration as mentioned in the Letter of Offer.

I/We also note and understand that the Acquirer will pay the consideration only after verification of the documents and signatures.

I / We authorize the Acquirer to accept the equity shares so offered or such lesser number of equity shares that the Acquirer may decide to accept in consultation with the Manager to the Offer and in terms of the said Letter of Offer and I / we further authorize the Acquirer to apply and obtain on our behalf split of share certificate(s) as may be deemed necessary by them for the said purpose. I further authorize the Acquirer to return to me / us, equity share certificate(s) in respect of which the Offer is not found / not accepted, specifying the reason thereof.

My / Our execution of this Form of Acceptance shall constitute my / our warranty that the equity shares comprised in this application are owned by me / us and are transferred by me / us free from all liens, charges, claims of third parties and encumbrances. If any claim is made by any third party in respect of the said equity shares, I / we will hold the Acquirer, harmless and indemnified against any loss they or either of them may suffer in the event of the Acquirer acquiring these equity shares. I / We agree that the Acquirer may pay the Offer Price only after due verification of the document(s) and signature(s) and on obtaining the necessary approvals as mentioned in the said Letter of Offer.

I / We also note and understand that the shares/ Original Share Certificate(s) and Transfer Deed(s) will be held by the Registrar to the Offer in trust for me / us till the date the Acquirer makes payment of consideration or the date by which Shares/ Original Share Certificate(s), Transfer Deed(s) and other documents are dispatched to the shareholders, as the case may be.

I/We undertake to execute such further document(s) and give such further assurance(s) as may be required or expedient to give effect to my / our agreeing to sell the said equity shares.

I / We irrevocably authorize the Acquirer to send by Registered Post at my / our risk, the Cheque(s) / Demand Draft(s) / Pay Order(s) in settlement of consideration payable and excess share certificate(s), if any, to the Sole / First holder at the address given hereunder and if full address is not given below the same will be forwarded at the address registered with ASL/DP:

Name and complete address of the Sole/ First holder (in case of member(s), address as registered with ASL:
Name
Address
Place: ———————— Date: ————————— Tel. No(s). : ———————— Fax No.: ——————

So as to avoid fraudulent encashment in transit, the shareholder(s) are requested to kindly provide the following bank details of the first/sole shareholder and the consideration will be payable by way of ECS Mode/ cheque or demand draft will be drawn accordingly.

In case of shareholders holding Shares in electronic mode, bank particulars noted with the Depository Participant (DP) and forming part of the beneficial download will be incorporated in the cheque/demand draft. In case of any change in bank particulars recorded with the DP, new bank particulars duly attested by the DP should be furnished. In order to receive payment consideration through ECS mode, the shareholders are requested to compulsorily provide their following bank details:-

Bank Account No.: ____
Type of Account: ____ (Savings / Current / Other (please specify))
Name of the Bank: ____
Name of the Branch and Address: ____

MICR Code of Bank____
IFSC Code of Bank____

The Permanent Account No. (PAN / GIR No.) as allotted under the Income Tax Act, 1961 is as under:

PAN / GIR No.	**1st Shareholder**	**2nd Shareholder**	**3rd Shareholder**

Enclosure (Please tick)

- ❖ Power of Attorney, if any person apart from the shareholder, has signed the acceptance from or transfer deed(s)
- ❖ Duly attested Death certificate/succession certificate (in case of single shareholders) in case the original shareholders has expired
- ❖ RBI approval (for NRI/OCB/Foreign shareholders)
- ❖ Corporate Authorization in case of companies along with Board resolutions and specimen signature of authorized signatory
- ❖ No objection certificate & Tax clearance certificate under Income Tax Act, 1961 (for NRI/OCB/Foreign shareholders)
- ❖ Other (please specify)

Yours faithfully,

Signed and Delivered:

PARTICULARS	**FULL NAME (S) OF THE HOLDERS**	**SIGNATURE (S)**
First/Sole Shareholder		
Joint Holder 1		
Joint Holder 2		

Note: In case of joint holdings, all the holders must sign. In case of body corporate, stamp of the company should be affixed and necessary Board Resolution should be attached.

INSTRUCTIONS

1. Please read the enclosed Letter of Offer carefully before filling-up this Form of Acceptance.
2. The Form of Acceptance should be filled-up in English only.
3. Signature(s) other than in English, Hindi, Marathi and Tamil and thumb impressions must be attested by a Notary Public under his Official Seal.

Mode of tendering the Equity Shares Pursuant to the Offer:

I. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the equity shareholder of ASL.

II. Shareholders of ASL to whom this Offer is being made, are free to offer his / her / their shareholding in ASL for sale to the Acquirer, in whole or part, while tendering his / her / their equity shares in the Offer.

Business Hours: Monday to Friday: 10.30 hours to 18.00 hours
Saturday: 10.00 to 14.00 hours
Holidays: Sundays, Public Holidays and Bank Holidays

-- Tear along this line---

For Future Correspondence, if any, should be addressed to Registrar to the Offer at the following address
Contract Person`s Name: Mr. B. S. Baliga (Director)
C/O SHAREX DYNAMIC (INDIA) PRIVATE LIMITED
SEBI Registration No.: INR000002102
Unit No.1, Luthra Industrial Premises, Safed Pool,
Andheri Kurla Road, Andheri East, Mumbai- 400 072;
Tel: +91 22-2851 5606/5644; Fax: +91 22-2851 2885;
E-mail: sharexindia@vsnl.com

ACKNOWLEDGEMENT SLIP
ARCHANA SOFTWARE LIMITED-CASH OFFER

Folio No.: Serial No.
Received from Mr. / Ms. ____Address:______________________
____Form of Acceptance for
___________________________________ Shares along with a copy of ______________________
_______________________ Share Certificate(s) __________________ Transfer Deed folio number (s)_____________

For accepting the Offer made by the Acquirer

Signature of Official and Date of Receipt	Stamp of Registrar to the Offer	Date of Receipt

INSTRUCTIONS

1. Shareholders should enclose the following:-.

For Equity shares held in physical form: -

A. Registered Shareholders should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all shareholders whose names appear on the share certificates.
- Original Share Certificate(s).
- Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with ASL and duly witnessed at the appropriate place. A blank Share Transfer is enclosed along with this LOF.
- Self attested copy of the PAN card.

B. Unregistered owners should enclose:

- Form of Acceptance cum Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original Share Certificate(s).
- Original Broker Contract Note.
- Valid Share Transfer form(s) as received from the market.
- Self attested copy of the PAN card of all the proposed transferees.

2. The share certificate(s), share transfer form(s) and the Form of Acceptance should be sent only to the Registrar to the Offer and not to the Manager to the Offer or the Acquirer or ASL.
3. Non-resident shareholders/FII/OCB should enclose a copy of the permission received from RBI for the equity shares held by them in ASL. If, the shares are held under General Permission of RBI, the non-resident shareholder should state that the shares are held under General Permission and whether on repatriable basis or non repatriable basis.
4. Non- resident shareholders/FII should enclose No Objection certificate/ Tax Clearance certificate from the Income Tax Authorities under Income-Tax Act, 1961, indicating the tax to be deducted by the Acquirer before remittance of consideration

otherwise tax will be deducted at marginal rate as may be applicable to the category of the shareholder on the consideration payable by the Acquirer.

5. Shareholders who wish to accept the Offer and tender their Equity Shares pursuant to this Offer will be required to communicate their acceptance along with all relevant documents in the form and manner specified in the LOF to the Registrar to the Offer on or before closure of the Offer i.e. **April 29, 2013,** The documents shall be tendered at the above centre between **10.30 am to 6.00 pm from Monday to Friday and between 10.30 am to 2.00 pm on Saturday.** The centre will be closed on Sundays and Public holidays.

Applicants may send their documents only by Registered Post/Courier, at their own risk, if not hand delivered at the designated collection centre, to the Registrar during business hours indicated above other than Sunday and public holidays.

THE SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE/SHARES ARE RECEIVED BY THE REGISTRAR TO OFFER AFTER THE CLOSURE OF THE OFFER I.E 6.00 P.M ON MONDAY, APRIL 29, 2013 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE LIABLE TO BE REJECTED.

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