LETTER OF OFFER

Note: This document is important and requires your immediate attention.

This Letter of Offer is being sent to you as an existing shareholder of **Lanco Global Systems Limited** ("LGS"). If you require any clarifications about the action to be taken, you should consult your Stockbroker or your Investment Consultant, or the Merchant Banker/Registrar to the Offer. In case you have sold your shares in LGS, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deeds to the Member of the Stock Exchange (as defined) through whom the sale was affected.

Mr. K. Venkateswara Rao,Mr. K. Tejesh Kumar, 8-2-120/110/1, Nandinagar, Road No.14, Banjarahills, Hyderabad – 500 034 and Mr. K Venkata Subba Rao, #402, Park View Apartments, Pragathi Nagar, Yosufguda, Hyderabad – 500 045 **(the Acquirers)** along with their associates Ms. Y. Sirisha, Ms. Y. Janaki, 8-2-120/110/1, Nandinagar, Road No.14, Banjarahills, Hyderabad – 500 034, Ms. P. Sridevi, #402, Park View Apartments, Pragathi Nagar, Yosufguda, Hyderabad – 500 045, Mr. D. Janardhan Sharma, Mr. C.S. Leeladhar, 8-2-120/112/P/5,6 2nd floor, Park View Estate, Road No. 2, Banjara Hills, Hyderabad – 500034, M/s. Firora Enterprises, M/s. Mundi Enterprises Ltd., M/s. Probus Capital Ltd, M/s. Fingrowth Co., Ltd. St James Court – Suite 308, St Denis Street, Port-Louis, Republic of Mauritius (hereinafter collectively referred to as "Persons Acting in Concert" or "PACs")

Telephone and Fax numbers of Acquirers and PACs: Tel. 040-66102878 Fax: 040-66104567

MAKES CASH OFFER AT AN OFFER PRICE OF RS.66.25 (RUPEES SIXTY SIX AND TWENTY FIVE PAISE ONLY) PER FULLY PAID UP EQUITY SHARE AND Rs. 57.50 (RUPEES FIFTY SEVEN AND FIFTY PAISE ONLY) PER PARTLY PAID UP EQUITY SHARE

TO ACQUIRE

50,84,734 equity shares of face value of Rs 10/- each representing 20% of the equity capital and 20.003%of the voting capital from existing shareholders

OF

LANCO GLOBAL SYSTEMS LIMITED (the Target Company)

having its registered office at, 8-2-293/82/A/796/B,Road no 36,Jubilee Hills , Hyderabad – 500033, A.P. ,Tel No. 040-,66990000 Fax No. 040-66994444, email id: raju.kvr@lgsglobal.com)

The Offer is being made pursuant to the provisions of Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

The Offer is not conditional offer.

As on date, to the best of knowledge of the Acquirer, there are no specific approvals, statutory or otherwise, required to acquire the shares tendered pursuant to this Offer.

Regulation 26 of SEBI (SAST) Regulations, 1997 provides for an upward revision of the Offer Price / Offer Size at anytime, up to seven working days prior to the date of the closure of the Offer i.e January 25, 2008. In case of a revision in the Offer Price / Offer size, the Public Announcement for revision will be made in the same newspaper in which the original Public Announcement had appeared. In case of a revision in Offer Price, the same price shall be paid by Acquirer for all the shares tendered anytime during the period the Offer is open and accepted under the Offer.

Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public announcement / Letter of offer, can withdraw the same up to three working days prior to the date of the closure of the offer i.e. February 5, 2008.

There has been no competitive bid as on the date of this Letter of Offer.

This is not a competitive bid

If there is a competitive bid:

the public offers under all the subsisting bids will close on the same date. As the offer price cannot be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of Shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

The Registration of all the Intermediaries associated with the Offer, viz. UTI Securities Limited., Manager to the Offer and Aarthi Consultants Private Ltd., Registrar to the Offer are valid and no action has been initiated by SEBI or any other Government body against them.

THE PROCEDURE FOR ACCEPTANCE IS SET OUT IN PARAGRAPH 9. A FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT, FORM OF WITHDRAWAL AND TRANSFER DEED(S) ARE ENCLOSED WITH THIS LETTER OF OFFER. A COPY OF PUBLIC ANNOUNCEMENT AND THIS LETTER OF OFFER (INCLUDING FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL) WILL ALSO BE AVAILABLE ON SEBI'S WEB SITE www.sebi.gov.in

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
UTI Securities we make Investing easier	
UTI Securities Limited [Subsidiary of Securities Trading Corporation of India Limited] SEBI Regn. No. INM 000007458 1st floor, Dheeraj Arma, Anant Kanekar Marg-Station Road, Bandra East, Mumbai - 400 051. Tel : 022 – 67515809 Fax - 022- 67023194 e-mail: lalit.menghani@utisel.com Contact Person: Mr. Lalit Menghani	**Aarthi Consultants Private Limited** SEBI Regn. No. INR 0000000379 1-2-285, Domalguda, Hyderabad – 500 029 Tel: +91-40-27642217, 27638111 Fax: +91-40-27632184 Email: info@aarthiconsultants.com Contact Person: Mr. G. Bhaskar

TIMETABLE

	Original Schedule		Revised Schedule	
Activity	**Date**	**Day**	**Date**	**Day**
Date of Public Announcement	June 28, 2007	Thursday	June 28, 2007	Thursday
Specified Date	June 29, 2007	Friday	June 29, 2007	Friday
Last date for a competitive bid, if any	July 19, 2007	Thursday	July 19, 2007	Thursday
Date of dispatch of letter of offer	August 6, 2007	Monday	January 11, 2008	Wednesday
Date of opening of the Offer	August 17, 2007	Friday	January 17, 2008	Thursday
Last date for Revising the Offer Price / Number of Shares	August 27, 2007	Monday	January 25, 2008	Friday
Last date for withdrawing acceptances tendered by shareholders	August 31, 2007	Friday	January 30, 2008	Tuesday
Date of closing of the Offer	September 5, 2007	Wednesday	February 5, 2008	Tuesday
Date of communicating acceptance/ rejection and payment of consideration for accepted shares / dispatch of the share certificate in case of rejection.	September 20, 2007	Thursday	February 20, 2008	Wednesday

Note: *Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to reach not later than 5.00 p.m. on February 5 , 2008.*

RISK FACTORS

1. In the event of regulatory approvals not being received in time or litigation leading to stay on the Offer, or SEBI instructing that the Offer should not be proceeded with, the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.
2. The Acquirer makes no assurance with respect to the market price of the shares during/ after the Offer. Further, the tendered shares will lie to the credit of a designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuation in the market price of the shares of LGS.
3. The Offer to the shareholders of LGS is for substantial acquisition of shares and it is made in accordance with Regulation 10 & 12 of the SEBI (SAST) Regulations. There is no assurance with respect to the continuation of the past trend in the financial performance of LGS.
4. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company's share is 1 (one) share.

The risk factors set forth above pertain to the Offer and do not relate to the present or future business or operations of LGS or any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a shareholder in the Offer. The shareholders of LGS are advised to consult their stockbroker or investment consultant, if any, for further risks with respect to their participation in the Offer.

INDEX

Attached: Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed(s) (for shareholders holding shares in physical form).

DEFINITIONS

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

Term	Definition
"Acquirers"	Mr. K. Venkateswara Rao, Mr. K. Tejesh Kumar and Mr. K Venkata Subba Rao
"ASE"	Ahmedabad Stock Exchange Limited
"BSE"	Bombay Stock Exchange Limited
"Company", "Target Company" or "LGS"	Lanco Global Systems Limited
EPS	Earnings Per Share
"HSE"	Hyderabad Stock Exchange Limited
"Manager" or "Manager to the Offer"	UTI Securities Limited
"MOA"	Memorandum of Association
"NSE"	The National Stock Exchange India Limited
"Offer"	The offer being made by Acquirers to shareholders of LGS as set out in this Letter of Offer
"Offer Document"	This Letter of Offer
"Offer Price"	Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid up and Rs.57.50/(Rupees Fifty seven and fifty paise Only) - per partly paid up equity share of LGS
"Public Announcement" or "PA"	Announcement of the Offer made on June 28, 2007
PACs	Ms. Y. Sirisha, Ms. Y. Janaki, Ms. P. Sridevi, Mr. D. Janardhan Sharma, Mr. C.S. Leeladhar, M/s. Firora Enterprises located at Mauritus, M/s. Mundi Enterprises Ltd., located at Mauritus M/s. Probus Capital Ltd., located at Mauritius and M/s. Fingrowth Co., Ltd. located at Mauritus
PAT	Profits After Tax
Parties eligible to tender	Shareholders of LGS, except the Promoters, Acquirers/PACs and parties to the Share Purchase Agreement, whose names appear on the Register of Members of LGS and the beneficial owners of the shares whose names appear as beneficiaries on the records of the respective share depositories, at the close of business hours on June 29, 2007 (specified date)
Promoters	Promoters of the Company i.e. Mr. L. Madhusudhan Rao, Ms. L. Padma, Ms. G. Padmawathi, Ms. L. Rajalakshmi, Mr. G. Bhaskar Rao, Mr. L. Sridhar, Mr. Y. Harichandra Pradas, Mr. Nagarjuna Valluripalli, M/s. Lanco Solutions Inc., M/s. Lanco Group Limited, M/s. Lanco Infratech Limited, M/s. Fremont Ventures Limited and M/s. Pacific Power Ventures Limited
"RBI"	The Reserve Bank of India
"SEBI"	Securities & Exchange Board of India
"SEBI (SAST) Regulations"	Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto
SPA	Share Purchase Agreement
"Specified Date"	June 29, 2007
"Stock Exchanges"	BSE and HSE.

ATTENTION:

If, due to non-receipt of requisite statutory approvals, the Acquirer are unable to make the payment to the shareholders who have accepted the Offer within 15 days of the date of closure of the Offer, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time. Further, shareholders should note that after the date of withdrawal i.e. January 30, 2008, the shareholders who have lodged the shares would not be able to withdraw them 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 tendered shares and payment of consideration is completed.

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF **LANCO GLOBAL SYSTEMS LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS/PACs OR OF **LANCO GLOBAL SYSTEMS LIMITED** ("TARGET 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 ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER – **UTI SECURITIES LIMITED** HAS SUBMITTED A DUE DILIGENCE CERTIFICATE **DATED JULY 11, 2007** TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT (S) THERE OF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES, AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER."

2. DETAILS OF THE OFFER

2.1 Background of the Offer

a) This offer of 20% of the Equity capital and 20.003% of voting capital i.e. 50,84,374 shares of LGS is made in terms of Regulation 10 and Regulation 12 of SEBI (SAST) Regulations,1997.

b) Mr. K. Venkateswara Rao, Mr. K. Tejesh Kumar and Mr. K Venkata Subba Rao ("The Acquirers") do not hold any shares in the target company as on the date of Public Announcement. The Acquirers have entered into a Share Purchase Agreement (SPA) on June 26, 2007 with the Promoter & Promoter Group (therein and hereinafter collectively referred to as the "Present Promoters") and other shareholders of LGS, (collectively referred to as "Sellers) to acquire the shares of Lanco Global Systems Limited, a Company incorporated under the Companies Act, 1956 and having its Registered Office at 8-2-293/82/A/796/B,Road no 36,Jubilee Hills,Hyderabad – 500033, A.P. (herein referred to as "LGS/the Target Company". The acquirers have agreed to acquire 1,70,40,591 equity shares of Rs. 10 each representing 67.03% of the fully paid up equity voting capital of LGS at a price of Rs.2.20 (negotiated price) per share aggregating to a consideration of Rs. 3,74,89,300.20 payable in cash through their duly constituted attorney and that has resulted in the triggering of SEBI (SAST) Regulation 1997. The Offer is not as a result of global acquisition resulting in indirect acquisition of the target company.

c) The Persons Acting in Concert are Ms. Y. Sirisha, Ms. Y. Janaki, Ms. P. Sridevi, Mr. D. Janardhan Sharma, Mr. C.S. Leeladhar, M/s. Firora Enterprises located at Mauritius, M/s. Mundi Enterprises Ltd., located at Mauritius M/s. Probus Capital Ltd., located at Mauritius and M/s. Fingrowth Co., Ltd. located at Mauritius, **and** are also not holding any shares in the target Company. The PACs are not participating in this acquisition (open offer). The Acquirers and PAC according to the SPA are acquiring the shares in the way shown below:

Sl. No.	Name and Address of the Acquirer	No. of shares
01.	K. Tejesh Kumar	442642
02.	K. Venkateswara Rao	442642
03.	K. Venkata Subba Rao	442642
04.	Y. Sirisha	100000
05.	Y. Janaki	100000
06.	P. Sridevi	99999
07	D. Janardhan Sharma	370060
08	C.S. Leeladhar	275939
09.	Firora Enterprises	2461108
10.	Mundi Enterprises Ltd	4101853
11.	Probus Capital Ltd	4101853
12.	Fingrowth Co. Limited	4101853
	TOTAL (Representing 67.03%)	**17040591**

d) Share Purchase agreement was entered between the Acquirers and Promoter Group along with three other share holders (herein and thereafter collectively referred as Sellers) on 26 th June 2007. As per the SPA, the Sellers of the company are selling 1,70,40,591 Equity Shares representing 67.03 percent of the paid up capital .The details of Sellers and the breakup of the number and % acquired from them is given below :

Promoter Group:

Name and Contact details of the Promoter & Promoter Group	Shares agreed to be acquired under the SPA	% of paid up capital
Lanco Group Limited Ph: 040- 23540696	531000	2.09
G Bhaskara Rao Ph: 040-23545096	600	0.00
G. Padmavathi Ph: 040-23545096	60600	0.24
L. Padma Ph: 040-23547400	60700	0.24
L. Madhusudhana Rao Ph: 040-23547136	513960	2.02
L. Rajalakshmi Ph: 040-23547136	50700	0.20
Lagadapati Sridhar Ph: 040-65297235	100	0.00
Nagarjun Valluripalli Ph: 9849999338	6391662	25.14
Pacific Power Venture Limited Ph: 002302104000	5168333	20.33
Fremont Venture Limited Ph: 002302104000	3691667	14.52
Total	**1,64,69,322**	**64.78**

Other Shareholders:

Name and Contact details of the Other Shareholders	Shares agreed to be acquired under the SPA	% of paid up capital
Pearl Farms Private Limited Ph: 040-23540696	500060	1.97
G. Lakshmi Sirisha Ph: 23547136	61209	0.24
L. Sirisha Ph: 040-65297235	10000	0.04
TOTAL	**571269**	**2.25**

The summary of the major terms of the Share Purchase Agreement are:

i. All Corporate approvals of Corporate Sellers (namely, an appropriate resolution by the Board and EGM of each Company and suitable letters, if any) should be obtained.

ii. The Acquirers/Sellers undertake that if the public shareholding in the Company falls below the limit specified in listing agreement with Stock Exchanges for the purpose of listing on continuous basis, pursuant to the agreements and open offer, the Acquirers will acquire only such number of shares under the agreement so as to maintain the minimum specified public shareholding in the Company.

iii. The Company shall inform the Acquirers of any material event which adversely affects or is likely to affect the business, properties or assets of the Company

iv. The Sellers shall inform the Acquirers of any material litigation or winding-up or other proceedings initiated or threatened against the Company or of the appointment of a receiver or administrator in respect of any properties or assets of the Company

v. In case of non-compliance with any of the provisions of the Takeover Regulations by the Company, either Sellers or the Acquirer shall not act upon this agreement for sale of the Sale Shares

e) The Proposed change in control will take place on completion of the formalities according to Takeover Regulations.

f) In view of the above, the Acquirers are now making an open offer under Regulation 10 & 12 of the SEBI SAST Regulations to the public shareholders of LGS to acquire up to 50,84,374 equity shares ('Shares') of Rs. 10/- each representing 20% of the issued equity share capital and 20.003 % of voting capital of LGS, at a price of Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid up share and Rs. Rs.57.50/(Rupees Fifty seven and fifty paise Only) for partly paid up shares as the "the Offer Price "payable in cash.

g) The Acquirers and PACs have not acquired any shares of the target company after the date of Public Announcement upto the date of letter of offer.

h) The Equity Shares of Lanco Global Systems Limited are listed on BSE & HSE.

i) Neither the Acquirers/PACs nor the target company has been prohibited by SEBI from dealing in securities in terms of direction issued u/s. 11B of SEBI Act or under any other regulation. No action has so far been taken by the Stock Exchanges or SEBI against LGS, its Directors or promoters.

j) The Acquirers shall change the composition of the Board of Directors of LGS on completion of the Open Offer.

k) There have been instances of violations of the SEBI (SAST) Regulation 1997 in the past and no open offer was made The existing promoters had acquired shares from the market on 25.04.05. 29.12.05 and 24.05.06 which was not in compliance with the provisions of Regulation 11 of the Regulations. In this regard suitable action may be initiated by SEBI at a later stage. Also these trigger dates have been taken in to consideration to calculate the highest consideration payable to the shareholders across all the trigger dates. This highest consideration has been the basis of the open offer price

l) Neither the Promoters, the Acquirer nor the PACs have been prohibited by SEBI from dealing in securities under directions issued by SEBI pursuant to section 11B of the SEBI Act.

2.2 Details of the Proposed Offer

a) The Public Announcement dated June 28, 2007 was made in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations, 1997.

Publications	**Edition**
Financial Express (English)	All editions
Jansatta (Hindi)	All editions
Andhra Prabha (Telugu)	Hyderabad Edition where the Registered office of the Target Company is situated
Navashakti (Marathi)	Mumbai Edition where the BSE is situated in which shares of the target company are most frequently traded

A copy of this PA will also be available on the SEBI's website at www.sebi.gov.in.

Any decision for an upward revision in the Offer Price by the Acquirers till the last date of revision i.e. January 25, 2008, or withdrawal of the Offer would be communicated by way of a Public Announcement in the same newspapers in which the Public Announcement had appeared. In case of an upward revision in the Offer Price, the Acquirers would pay such revised price for all the Shares validly tendered any time during the Offer and accepted under the Offer.

b) There are 3400 partly paid up shares in the Target Company of Rs.10/- each on which Rs.5/- per share is payable, being the money due on allotment not paid by the shareholders.

c) The equity shares of LGS are to be acquired, pursuant to the Offer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividend or other distributions hereinafter declared, made or paid.

d) The Offer is not conditional on any minimum level of acceptances i.e. the Acquirer will acquire all the Shares that are tendered in terms of the Offer up to 50,84,734 equity Shares representing 20% of the issued equity share capital and 20.003 % of voting capital of LGS, subject to the conditions specified in the Public Announcement read together with the, Letter of Offer and Form of Acceptance-cum-Acknowledgement.

e) There has been no competitive bid as on date.

f) The Offer is in compliance with SEBI (SAST) Regulations 1997 and subsequent amendments thereof.

g) Non compete agreement Details

(i) The Acquirers have entered into separate non-compete agreement dated 26th June 2007 with the following:

1. G. Bhaskar Rao on behalf of himself and on behalf of Lanco Group Limited, L. Madhusudan Rao, L. Sridhar, L. Sirisha, G. Lakshmi Sirisha, G. Padmavati, L. Padmavati, L. Rajalakshmi, Pearl Forms Pvt. Ltd. & Lanco Infratech Limited
2. Mr. Valluripalli Nagarjun
3. Mr V Sambasiva Rao on behalf of Freemont Ventures Limited and Pacific power Ventures Limited

(ii) Pursuant to the SPA, all the above parties have agreed that in consideration for the consideration paid/to be paid pursuant to and covenants contained in the SPA, they will not at any time within one year period commencing with the date of this agreement, directly or indirectly engage in or prepare to engage in any Conflicting Organization (It means any person or organization controlled by, controlling or under common control , with such person or organization, who or which is engaged in, or is about to become engaged in such business as is being carried on by Lanco Global Systems Limited).

(iii) It is expressly agreed that under no circumstances the above parties shall, directly or indirectly hold any interest in IDI (Infinite Dimensions Inc, a company with its office at Leesburg Pike, Suite 412, Vienna, Virginia 22182 USA) or ITM (R K Computer Services Corporation d/b/a ITM, a company with its office at 6104, N. Oaks Blvd, North Brunswick, New Jersey 08902, USA), in any form whatsoever.

(iv) The above parties have also agreed that during one year commencing with the date of this agreement, shall not provide consulting services to any Conflicting Organisation.

(v) The Acquirers have complied with the Regulation 20(8) of SAST Regulations since no separate consideration has been paid for entering into non compete agreement.

h) The consideration shall be paid in cash

i) The Offer is made to all the shareholders of LGS except the Promoters, Acquirers/PACs and parties to the SPA in terms of Regulation 10 & 12 of the SEBI (SAST) Regulations, 1997

j) UTI Securities Limited does not hold any shares of LGS as on the date of Public Announcement.

3. BACKGROUND OF THE ACQUIRERS /PACs

a) Mr. Kodali Tejesh Kumar , S/o. K. Rambabu, aged about 35 years resident of 8-2-120/110/1, Nandinagar, Road No.14, Banjarahills, Hyderabad – 500 034, Tel No. 040-66102878 Fax No. 040-66104567, email id: kteja@globalitinc.com He completed his MBA from Andhra University in the year 1996 and has about 12 years functional experience in the software and finance industry. He is promoter and director of 3K Technologies Limited and Southern Online Bio technologies Limited.and is also a director in Rithwik Projects Limited. He is also a promoter of Probus Capital Limited, Mauritius and Fiora Enterprises Limited, Mauritius .Details of the same are mentioned below.

b) Mr. Kadiyala Venkateswara Rao, S/o. K. Appa Rao, aged about 35 years, resident of 8-2-120/110/1, Nandinagar, Road No.14, Banjarahills, Hyderabad – 500 034, Tel No. 040-66102878 Fax No. 040-66104567, email id: kvenkat@globalitinc.com. He completed his MCA from Osmania University in the year 1994 and has about 14 years functional experience in the software industry. He is promoter and director of 3K Technologies Limited and Southern Online Bio technologies Limited and is also a director in Rithwik Projects Limited.

c) Sri. Karusala Venkata Subba Rao, S/o of Sri.K. Bapaiah aged about 38 years, resident of #402, Park View Apartments, Pragathi Nagar, Yosufguda, Hyderabad – 500 045. Tel No. 040-66102878 Fax No. 040-66104567, email id: krao@techorbit.com. He completed his M.Tech from Regional Engineering College, Warangal in the year 1992 and has about 16 years functional experience in the software industry. He is also a promoter of 3K Technologies Limited.

d) As on 31.03.2007 networth of Mr. Kodali Tejesh Kumar is Rs. 9.67 crores, Mr. Kadiyala Venkateswara Rao is Rs. 9.51 crores and Mr. Karusala Venkata Subba Rao is Rs. 12.73 crores as certified by Mr. P. Murali Mohana Rao (Membership No. 23412), Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad- 500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 vide his certificate dated June 27, 2007.

PERSONS ACTING IN CONCERT (PACs)

The names, addresses and net worth of the PACs, as on March 31, 2007 as certified by Mr. P. Murali Mohana Rao (Membership No. 23412), Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad- 500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 vide certificate dated June 27, 2007, are as follows:

Sr. No.	**Name**	**Address**	**Relationship, if any, with Acquirers**	**Area of Operation / Experience (Yrs)**	**Net Worth (Rs. In Crores)**
1	Y. Sirisha	8-2-120/110/1, Nandi Nagar, Rd No: 14, Banjara Hills, Hyderabad- 34. Tel No. 98480 82566	W/o. Mr. K Venkateswara Rao	IT Sector/10 Yrs	13.14
2	Y. Janaki	8-2-120/110/1, Nandi Nagar, Rd No: 14, Banjara Hills, Hyderabad- 34 Tel No. 040- 2354 4568	W/o. Mr. K Tejesh Kumar	IT Sector/10 Yrs	5.24
3	P. Sridevi	402, Park View Apartments, Pragathi Nagar, Yousufguda, Hyderabad. Tel No. 99898 79000	W/o. Mr. K V Subbarao	IT Sector/18 Yrs	3.71
4	D. Janardhan Sharma	8-2-120/112/P/5,6 2nd floor, Park View Estate, Rd No:2 , Banjara Hills, Hyderabad. Tel No. 9989222877	No relation	Finance & Accounts/7 Yrs	0.275
5	C.S. Leeladhar	8-2-120/112/P/5,6 2nd floor, Park View Estate, Rd No:2 , Banjara Hills, Hyderabad. Tel No. 99086 60022	No relation	Finance & Accounts/17 Yrs	0.30
6	Firora Enterprises	St James Court – Suite 308, St Denis Street, Port-Louis, Republic of Mauritius Tel No. 2302126262	Promoted by Mr. Kodali Tejash Kumar	Investment Company	0.45*
7	Mundi Enterprises Ltd	St James Court – Suite 308, St Denis Street, Port-Louis, Republic of Mauritius Tel No. 2302126262	Promoted by K. Venkat Subba Rao and Ms. P. Sridevi	Investment Company	0.45*
8	Probus Capital Ltd	St James Court – Suite 308, St Denis Street, Port-Louis, Republic of Mauritius	Promoted by Mr. Kodali Tejash Kumar and his	Investment Company	0.45*

		Tel No. 2302126262	wife Ms. Y. Janaki		
9	Fingrowth Co. Limited	St James Court – Suite 308, St Denis Street, Port-Louis, Republic of Mauritius Tel No. 2302126262	Promoted by Mr. K. Venkateswara Rao and K. Sirisha	Investment Company	0.45*

* for the purpose of conversion USD to INR, the exchange rate taken is Rs. 45/- per USD

Details of the PAC (companies) as per Annexure I of standard letter of offer

Name of Company	Fiora Enterprises Ltd
Address	St. James Court- Suite 308, St. Denis Street, Port-Louis, Republic of Mauritius
Relationship with Acquirers	Promoted by Acquirer(Mr. Kodali Tejesh Kumar)
Agreement with PACs	None
Brief History & Major areas of operations	The Company was incorporated on 2nd June 2000 in the Republic of Mauritius as Wonderwound Investments PTE Ltd.The company subsequently changed its name to Fiora Enterprises Ltd 8th June 2000.One of the objects of the company is to purchase or otherwise acquire and hold in any manner and upon any terms, and to underwrite, invest and deal in shares ,stocks etc. and to carry on the business as an investment trust
Promoters	Mr. Kodali Tejesh Kumar – Promoter & Director
Compliance with applicable provisions of chapter II of SEBI Takeover Regulations	N.A

Share holding Pattern

SI. No	Shareholder's Category	No. and Percentage of Shares held
1.	Promoters	10000 100%
2.	FII/Mutual-Funds/ FIs/Banks	
3	Public	

Names and residential addresses of Board of directors	Kodali Tejesh Kumar 8-2-120/110/1, Nandinagar, Road No. 14, Banjarahills, Hyderabad – 34
Member of Board of Directors of LGS.	None
Listed on Stock exchanges	No
Total Paid up capital	USD 100000

Face Value of shares	USD 10
Market Price of shares	N.A

Name of Company	Mundi Enterprises Ltd
Address	St. James Court- Suite 308, St. Denis Street, Port-Louis, Republic of Mauritius
Relationship with Acquirers	Promoted by Acquirer and PAC
Agreement with PACs	None
Brief History & Major areas of operations	The Company was incorporated on 5th December 2006 in the Republic of Mauritius .The objects for which the Company is established is to engage in quailed global business as permitted under the Financial Services Development Act 2001 in the Republic of Mauritius
Promoters	Mr. Karusala Venkata Subba Rao – Promoter & Director Ms. Potu Sridevi – Promoter & Director
Compliance with applicable provisions of chapter II of SEBI Takeover Regulations	N.A

Share holding Pattern

Sl. no	Shareholder's Category	No. and Percentage of Shares held	
1.	Promoters	10000	100%
2.	FII/ Mutual-Funds/ FIs/Banks		
3.	Public		

Names and residential addresses of Board of directors	1.Karusala Venkata Subba Rao #402, Park View Apartments, Pragathi Nagar, Yosufguda, Hyderabad – 500 045 2. Potu Sridevi #402, Park View Apartments, Pragathi Nagar, Yosufguda, Hyderabad – 500 045
Member of Board of Directors of LGS.	None
Listed on Stock exchanges	No
Total Paid up capital	**USD 100000**
Face Value of shares	USD 10
Market Price of shares	N.A

Name of Company	Probus Capital Ltd
Address	St. James Court- Suite 308, St. Denis Street, Port-Louis, Republic of Mauritius
Relationship with Acquirers	Promoted by Acquirers and PAC
Agreement with PACs	None
Brief History & Major areas of operations	The Company was incorporated on 28th March 2007 in the Republic of Mauritius .The objects for which the Company is established is to engage in qualified global business as permitted under the Financial Services Development Act 2001 and any other laws for the time being in force in the Republic of Mauritius.
Promoters	Mr. Kodali Tejesh Kumar – Promoter & Director Ms. Yarlagadda Janaki – Promoter & Director
Compliance with applicable provisions of chapter II of SEBI Takeover Regulations	N.A

Share holding Pattern

Sl. No	Shareholder's Category	No. and Percentage of Shares held
1.	Promoters	10000 100%
2.	FII/ Mutual-Funds/ FIs/Banks	
3	Public	

Names and residential addresses of Board of directors	1. Kodali Tejesh Kumar 8-2-120/110/1, Nandinagar, Road No. 14, Banjarahills, Hyderabad – 34 2. Yarlagadda Janaki 8-2-120/110/1, Nandinagar, Road No. 14, Banjarahills, Hyderabad – 34
Member of Board of Directors of LGS.	None
Listed on Stock exchanges	No
Total Paid up capital	USD 100000
Face Value of shares	USD 10
Market Price of shares	N.A

Name of Company	Fingrowth Co, Ltd

Address	St. James Court- Suite 308, St. Denis Street, Port-Louis, Republic of Mauritius
Relationship with Acquirers	Promoted by Acquirer and PAC
Agreement with PACs	None
Brief History & Major areas of operations	The Company was incorporated on 28th March 2007 in the Republic of Mauritius .The objects for which the Company is established is to engage in qualified global business as permitted under the Financial Services Development Act 2001 and any other laws for the time being in force in the Republic of Mauritius.
Promoters	Mr. Kadiyala Venkateswara Rao – Promoter & Director Ms. Yarlagadda Sirisha– Promoter & Director
Compliance with applicable provisions of chapter II of SEBI Takeover Regulations	N.A

Share holding Pattern

Sl.No	Shareholder's Category	No. and Percentage of Shares held	
1.	Promoters	10000	100%
2.	FII/ Mutual-Funds/ FIs/Banks		
3.	Public		

Names and residential addresses of Board of directors	1. Mr. Kadiyala Venkateswara Rao 8-2-120/110/1, Nandinagar, Road No. 14, Banjarahills, Hyderabad – 34 2. Yarlagadda Sirisha 8-2-120/110/1, Nandinagar, Road No. 14, Banjarahills, Hyderabad – 34
Member of Board of Directors of LGS.	None
Listed on Stock exchanges	No
Total Paid up capital	USD 100000
Face Value of shares	USD 10
Market Price of shares	N.A

Details of the Companies Promoted by Acquirers/ PACs:

1. **3K Technologies Limited:** The company was incorporated on May 5, 2006 with the main activity of Software Development. It was promoted by Mr. K. Tejash Kumar, Mr. K. Venkateswara Rao, Mr. K. Venkat Subba Rao, Ms. Y Sirisha, Ms. Y. Janaki and Ms. P. Sridevi. As on March 31, 2007, Equity share capital of Company is Rs. 10 lacs, Reserves Rs. 610 lacs, total income Rs. 3098.37 lacs PAT Rs. 610 lacs, EPS Rs. 610, NAV Rs.617.70 lacs.

2. **Southern Online Bio- Technologies Limited:** The company was incorporated on November 9, 1998 with the main activity of ISP Services and establishment of Biodiesel unit. Mr. K. Tejash Kumar and Mr. K. Venkateswara Rao are among the promoters of the company. Brief Financials of the company for last three years are as follows:

(Rs. Lacs)

S. No.	Particulars	2004-05	2005-06	2006-07
1.	Equity capital	570.34	2281.73	2281.73
2.	Reserves (excluding revaluation reserves)	99.29	109.30	140.41
3.	Total Income	400.38	528.47	687.04
4.	Profit After Tax (PAT)	23.26	29.58	29.25
5.	Earnings Per Shares (EPS)	0.41	0.13	0.13
6.	Net Asset Value (NAV)	650.502	2329.43	2198.41

3. **Probus Capital Limited:** Details of the same have already been given before in the details of the PAC section

4. **Fiora Enterprises Limited: :** Details of the same have already been given before in the details of the PAC section. The brief financials of the company for the last three years is as follows:

(Rs Lacs)

Profit & Loss Statement	**2004-05**	**2005-06**	**2006-07**
Income from operations			
Other Income	Nil	3.94	5.82
Total Income	Nil	3.94	5.82
Total Expenditure.	0.51	2.42	3.59
Profit Before Depreciation Interest and Tax	(0.51)	1.52	2.23
Depreciation	Nil	Nil	Nil
Interest	Nil	Nil	Nil
Profit Before Tax	(0.51)	1.52	2.23
Provision for Tax			
Profit After Tax	(0.51)	1.52	2.23
Balance Sheet Statement			
I. Sources of funds			
Paid up share capital	40.00	40.00	40.00
Reserves and Surplus (excluding revaluation reserves)	(0.51)	1.01	3.24
Networth	39.49	41.01	43.24

Secured loans			
Unsecured loans	Nil	68.23	260.23
Total	39.49	109.24	303.47
Uses of funds			
Net fixed assets			
Investments	Nil	24.00	48.00
Net current assets	39.49	85.24	255.47
Total miscellaneous expenditure not written off			
Total	39.49	109.24	303.47

5. **Mundi Enterprises Limited: :** Details of the same have already been given before in the details of the PAC section

.

6. **Fingrowth Company Limited: :** Details of the same have already been given before in the details of the PAC section

7. **Cellexchange India (Pvt.) Limited:** The company was incorporated on June 2, 2006 and is carrying out software development business. Mr. D. Janardhan Sharma is among the promoters of the company. As on March 31, 2007, the company is having equity share capital of Rs. 1.00 lac.

e) The Acquirers/PACs do not hold any shares in LGS and have not acquired any shares in the Target Company before the SPA. Since the Acquirers/PACs do not hold any shares in the Target Company, the provisions of Chapter II of the regulations do not apply to them.

4. DISCLOSURE IN TERMS OF REGULATION 16(IX) OF THE REGULATIONS

a) Objects of the Acquisition /Offer

This Offer to acquire 20% of equity share capital and 20.003% of the voting capital i.e. 50,84,734 shares of LGS is made in terms of Regulations 10 & 12 of the SEBI (SAST) Regulations.

b) Reason for acquisition of shares

The prime reason for acquisition of shares is to get substantial ownership of shares/voting rights accompanied with a change of control and management of the company. The present acquisition of shares of Target Company would create synergies and help the Acquirers expand their capacities and enhance the product portfolio in combination with the operations of LGS.

The Acquirers are having experience in the areas of Software development, IT & ITES and through this acquisition, the Acquirers intend to expand their present activities and also derive benefits of a Listed Company. Barring unforeseen circumstances, the Acquirers are confident of ensuring sustained growth.

c) Acquirers undertake that they shall not sell, dispose off or otherwise encumber any substantial asset of LGS except with the prior approval of the LGS's shareholders.

d) The Acquirers do not have any plan to dispose off or otherwise encumber any assets of LGS in the succeeding two years except in the ordinary course of business of LGS.

5. FUTURE PLANS/STRATEGIES OF THE ACQUIRERS WITH REGARD TO THE TARGET COMPANY.

The Acquirers see great potential in the business prospects of Information Technology given the experience of the Acquirers in this particular field of business and foresee good growth prospects for LGS.

To augment the resources in the future, the Acquirers intend to participate in any Equity/Debt/Quasi Debt offering from LGS, be it subscription to the Rights Issue/Public Issue, Preferential allotment etc. Reorganization and/or streamlining of the business, including diversification, will be considered in the larger interest of LGS by its Board of Directors in accordance with the applicable rules and laws.

6. DISCLOSURE IN TERMS OF REGULATION 21 (2) & Clause 40 A OF THE SEBI (SAST) REGULATIONS,1997:

Pursuant to the Agreement and this Offer or otherwise, if the public shareholding in LGS fall below the limit specified in the Listing Agreement with Stock Exchange(s) for the purpose of listing on continuous basis, the Acquirers undertake to acquire only such number of Equity Shares under Share Purchase Agreement so as to maintain the minimum specified public shareholding in the Company. In case the open offer for any reason reduces the public holding below the percentage specified in Clause 40 A of the Listing Agreement, the acquirers shall take the required steps within the stipulated time for maintaining the public holding at the desired level.

7. BACKGROUND OF LANCO GLOBAL SYSTEMS LIMITED (LGS) ("THE TARGET COMPANY")

a) LGS was incorporated as a public limited company on January 28, 1999 at Hyderabad, Andhra Pradesh State. LGS is a part of Lanco group, a leading diversified group in Andhra Pradesh and has been promoted by Mr. Rajagopal, Mr.Bhaskara Rao, Mr.Madhusudhan Rao and Mr.L.Sridhar. The Certificate for Commencement of Business was obtained from Registrar of Companies (ROC), Andhra Pradesh on 10th February 1999. The company made its public issue in July 2000 and got its shares listed on BSE, Ahmedabad Stock Exchange (ASE) & HSE. Later on, the shares of the Company were delisted from ASE vide its letter No. ASE/2004/4044 dated March 4, 2004.. During the fiscal year 2006, LGS opened a Branch in Atlanta, State of Georgia, United States of America for expansion of the Company's business in the United States of America. There was also a merger of Lanco Global Systems Inc. USA with Lanco Global Systems Limited as per the Scheme of Amalgamation approved by the Honourable High Court of Andhra Pradesh on August 03, 2006 w.e.f. April 1, 2005. The Company acquired two companies in the United States of America, namely Tech Orbit Inc. and Global IT Inc. on October 1, 2006 and January 1, 2007 and made them its subsidiaries. LGS is headed by Mr .L Madhusudan Rao who is the Chairman and Mr. Y. Anand Swaroop who is the CEO and Director of the Company.

b) **Main objects of LGS are**

1. To carry on the business to design, develop, acquire, accept, arrange, assemble, manufacture, produce fabricate, generate, equip, obtain, provide, erect, construct, install, set up, supervise, implement, support, assign engineer, give consultancy, advise, train, process, assist, use, distribute, transmit, repair, maintain, improve, extend, manage, modify alter, convert, enfranchise, explore, establish, insure, undertake, conduct, perform, sponsor, participate, protect, act, patent, value add and resell, lease or ire, sell on hire purchase or on installment system or entering into contract, to act as an authorized representative, reseller, agent, stockist, distributor, dealer, clearing and forwarding agent, franchise holder, counselor, broker, consultant, advisor, retainer, licensee, trainer, to acquire technical know-how to provide technical services, to perform

benchmark tests, to undertake turnkey projects, to conduct operation research, to provide management information processing applications and to conduct operation research to provide management and marketing services, in the fields of software development, computer software CAD/CAM books, systems, teaching aids, servers, parallel computers, mini and micro computers, all types of network computers microprocessors Pentium drives, disks, modem, monitors, information technology, virtual training and animation software internet, internet, web technologies and any such product or things which may be considered either as an integral part of a computer system or in related fields and supplement thereto. Also in the fields of micro processors, electromagnetic and mechanical electrical and electronic equipments, expert systems, photo setters, digital equipment/imaging, process control and real time systems, engineering work systems, electronics circuits, projects and cameras, time relay and telecommunications equipment cellular phones, paging systems, optical fibres, telephone machines, audio and video equipments, establishing earth station, satellite communications, software technology parks, internet and email services, generators, uninterrupted power supply system, all other allied fields and integral parts, items and components intended to use used in electrical, electronic, telecommunications, satellite communications and internet service industry.

2. To carry on business and to undertake consultancy, research, designing, conducting test, implementation, supervision and to give support services for the development of software, systems and programming either for own use for other users, for sale in India or exporting outside India. To send staff and students within and outside India for implementation of projects, for doing research ad advanced studies, to set up information management services like data processing, data entry works, desk top publishing, word processing, hiring out machine time, supervise and advise to other companies in info processing aspects to undertake turnkey projects, conducting feasibility studies, operations research in complete hardware and software solutions and to undertake the data processing and programming relating to issue of securities and to act as registrars and transfer agents, to digitize and make drawings, maps, pictures, photographs, CAD works, deal in animation, multimedia, to design and fabricate integrated and other electronic circuits and to render all kind of job work relating to information technology.

3. To carry on business to render higher education consultancy within and outside India, to provide computer education, teaching and training in software, hardware, networking and all other related fields in information technology by setting up training centres at various places within and outside India, either through own efforts or through franchising and to publish books, journals, bulletins, study materials, magazines, brochures, pamphlets, periodicals, circulations, news letters, news papers and to own and maintain stores for imparting and spreading the knowledge of computer programming and in general about information technology, to conduct, sponsor, grant, aid, subsidies, send for advanced studies, or otherwise participate in training programmes, courses, seminars and conferences to improve the overall knowledge in computer field or information technology.

c) The Registered Office of the Company is situated at, 8-2-293/82/A/796/B,Road no 36,Jubilee Hills , Hyderabad – 500033, A.P.. Ph. Nos. 040-66990000, Fax No. 040-66994444 Email: raju.kvr@lgsglobal.com, Website - www.lgsglobal.com.

d) The Company is presently engaged in the Business of providing Software Services. The Company plans to be a player in niche technologies and lays emphasis in staying up to date in the new technologies. The main focus of LGS is on providing IT Services in following sectors: Financial Services, Healthcare, Manufacturing, Chemicals Life Sciences and Retail Services.

e) As per the Scheme of Arrangement sanctioned by the Hon'ble High Court of Andhra Pradesh Vide Order dated 30th June, 2006 as amended by its Order dated 3rd August 2006 , for the amalgamation between Lanco Global Systems Inc. USA (transferor company) with Lanco Global Systems Limited (Transferee Company), two shares of Lanco Global Systems Limited have been issued for every three shares held by the share holders of Lanco Global Systems Inc. Accordingly 1,47,66,667 shares of Lanco Global Systems Ltd., were issued to the shareholders of Lanco Global Systems Inc., USA LGS has not received in principle approval for listing of 1,47,66,667 shares allotted to the shareholders of Lanco Global System Inc. The application for listing of the above shares was made on January 23, 2007 in both the Stock Exchanges. The Company is proposing to make a Qualified Institutional Buyers Placement so as to maintain the minimum public shareholding to 25% and has passed the necessary resolution in the Extra-Ordinary General Meeting of the company on October 12,2006 to issue and allot upto 75,00,000 Equity Shares of Rs 10/-each . The Company has already approached Stock Exchanges for in-principal approval for the same. Once the above placement is done, the Stock exchanges will list the 1,47, 66,667 shares allotted pursuant to the scheme of merger.

f) There are no outstanding warrants or any other convertible instrument as on the date of the PA and Letter of Offer.

g) There are no overdue liabilities of the Company with Banks / financial institutions.

h) Manufacturing / Development / Tech Support facility

The Company's software development centre & corporate office is located at:
8-2-293/82/A/796/B,
Road No.36, Jubilee Hills,
Hyderabad- 500 033

i) The Equity Shares of the Target Company are listed at the following stock exchanges: Bombay Stock Exchange Limited and Hyderabad Stock Exchange Limited (HSE)..

j) LGS was promoted by Mr. L. Madhusudhan Rao, Ms. L. Padma, Ms. G. Padmawathi, Ms. L. Rajalakshmi, Mr. G. Bhaskar Rao, Mr. L. Sridhar, Mr. Y. Harish Chandra Prasad, Mr. Nagarjuna Valluripalli, M/s. Lanco Solutions Inc., M/s. Lanco Group Limited, M/s. Lanco Infratech Limited, M/s. Fremont Ventures Limited and M/s. Pacific Power Ventures Limited. As on December 31, 2007, the promoter group holds 187,92,572 Equity Shares in the target company representing 73.92% of the existing voting capital.

k) LGS has the following Wholly owned Subsidiaries (i) **Tech Orbit Inc (ii) Global IT Inc**, which are engaged in software development and ancillary activities. These Companies were acquired on October 1, 2006 and January 1, 2007 for consideration of US $ 1.35 millions and US$ 1.85 millions respectively. The Registered office of both the companies is 1303, W Walnut Hill Lane, Irving, Texas 75038.

l) Share Capital structure of LGS

Particulars	No. of Shares / Voting Rights (VR)*	% of Shares / VR
Fully Paid up Equity Shares	2,54,20,267	99.99
Partly Paid up Equity Shares	3,400	0.01
Total Paid up Capital	**2,54,23,667**	**100.00**
Total Voting Rights	**2,54,20,267**	**99.99**

*In principle approval for 1,47,66,667 shares is pending from the Stock Exchanges.

m) Built up of Authorized Capital

(Rs. In Lacs)

Date	From	Increase	Authorized Capital after enhancement
28.01.1999	-	100.00	100.00
10.11.1999	100.00	1000.00	1100.00
23.08.2002	1100.00	1500.00	2600.00
12.10.2006	2600.00	1400.00	4000.00

n) The total subscribed capital of the target company is 2,54,23,667 shares of Rs. 10 each aggregating to Rs. 25,42,36,670. Out of above, shareholders holding 3400 shares have not paid the allotment money of Rs. 5 per share. Hence, Total paid up capital of the target company is Rs. 25,42,19,670.

o. Build up of Current Issued and Paid up Capital :

Date of allotment	No of shares issued	Cumulative paid up capital (No. of shares)	% of shares allotted/sold to total paid up capital	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance with SEBI guidelines
28.01.1999	700	700	100.00	Subscription to Memorandum	Promoter Group	N.A.
09.02.2000	500000	500700	99.86	Private Placement	Promoter Group	N.A.
28.03.2000	2000000	2500700	79.98	Private Placement	Promoter Group	N.A.
29.04.2000	990650	3491350	28.37	Private Placement	Promoter Group	N.A.
03.07.2000	4495650	7987000	56.29	Public Issue / Firm Allotment	Promoter Group	Complied with SEBI (DIP) Guidelines
17.08.2000	2670000	10657000	25.05	Public Issue	Public	Complied with SEBI (DIP) Guidelines
04.11.2006	14766667	25423667	58.08	Allotted to the Shareholders of Lanco Global System Inc USA on	Shareholders of Lanco Global Systems Inc USA	N.A.

				Merger with the Company.		

p. The target Company as well as the Promoters and major shareholders have complied with all the applicable provision of Chapter II of the Regulations except as mentioned in Annexure I and II.

q. There has been no suspension of trading in the shares of LGS on any of the stock exchanges. LGS has been paying listing fee regularly and there are no arrears of listing fee. LGS has been complying with the listing requirements of the Stock Exchanges. No action has so far been taken by the Stock Exchanges or SEBI against LGS, its Directors or promoters.

r. LGS has allotted 1,47,66,667 shares of Rs. 10 per equity shares pursuant to the scheme of amalgamation of Lanco Global System Inc USA with the Company for which listing and trading permission is pending from the Stock Exchanges. The Company is proposing to make a Qualified Institutional Buyers Placement so as to maintain the minimum public shareholding to 25% and has passed the necessary resolution in the Extra-Ordinary General Meeting of the company on October 12,2006 to issue and allot upto 75,00,000 Equity Shares of Rs 10/-each . The Company has already approached Stock Exchanges for in-principal approval for the same. Once the above placement is done, the Stock exchanges will list the 1,47, 66,667 shares allotted pursuant to the scheme of merger

s. Board of Directors of LGS as on the date of PA i.e. June 28, 2007:

Name & Qualification, Experience in years	Designation	Date of Appointment	Residential Address
L Madhusudhana Rao M tech (Mech. Design), M.S. (Indl. Engg.) Exp. 18 Years	Non Executive Chairman	28.01.1999	Plot No.157, Road No 10, Jubilee Hills, Hyderabad-500033
G Bhaskara Rao M. Tech (Mech. Design) Exp. 26 Years	Non Executive Director	28.01.1999	Plot No.150, Road No 10, Jubilee Hills, Hyderabad-500033
Y Harish Chandra Prasad M. Tech (Comp. & Inf.) Exp. 22 Years	Non Executive Director	16.10.2002	Flat # G2, Plot No.24, Lakshmi Srivilla, Road No:2 and 8, Jubilee Hills, Hyderabad - 500 033
M N Nambiar BL Exp. 34 Years	Non Executive & Independent Director	03.02.2000	601, Sashi Kiran Apartaments 18th Cross, Malleswaram Bangalore – 560 055
Dr. Prasada Rao VDM Ravella MBBS Exp. 27 Years	Non Executive & Independent Director	19.07.2000	5021, Fair View Lane Skokie, Illinois - 60077 U.S.A.
Y Anand Swaroop B.Tech Exp. 20 Years	Director & CEO	20.06.2007	38, Model Colony S R Nagar Post Hyderabad 500 038
B Anand M.TECH, MBA, AICWA Exp. 21 Years	Alternate to Dr. Prasada Rao VDM Ravella	30.01.2007	Plot No.14, Flat No.502 Padmaja Apartments Srinagar Colony Hyderabad 500 073
G Ramesh B. Tech Exp. 19 Years	Non Executive & Independent Director	20.06.2007	Plot No.C-40, Road No.10 Film Nagar Hyderabad 500 033
P G K Murthy FCA, FCS Exp. 33 Years	Non Executive & Independent Director	20.06.2007	Pragathinagar Colony Yousufguda Hyderabad 500 045

There was also merger of Lanco Global Systems Inc. USA with Lanco Global Systems Limited as per the Scheme of Amalgamation approved by the Honourable High Court of Andhra Pradesh on 30th June, 2006 as amended by its Order dated August 03, 2006 w.e.f. April 1, 2005. Pursuant to the amalgamation, 1,47,66,667 shares were allotted to the shareholders of Lango Global Systems Inc.

u. LGS is not a sick industrial company.

v .Brief Financials of LGS

The financial details of LGS are as under, in compliance with the provisions of Clause 6.14 to the Standard letter of offer format as prescribed by SEBI:

Rs in Lacs

Profit & Loss Statement	**31.03.2004**	**31.03.2005**	**31.03.2006**	**31.03.2007 (Consolidated)**	**Certified Consolidated Results for 6 months ended September 30, 2007 (Unaudited)**
Income from operations	287.73	611.25	3562.94	7807.61	10072.85
Other Income	5.43	2.09	22.78	17.63	6.72
Total Income	**293.16**	**613.34**	**3585.72**	**7825.24**	**10079.57**
Total Expenditure.	214.16	497.98	3322.75	6656.21	8709.01
Profit Before Depreciation Interest and Tax	79.00	115.36	262.97	1169.03	1370.56
Depreciation	51.34	55.08	59.95	231.04	131.67
Interest	6.92	1.26	17.75	60.54	32.51
Profit Before Tax	20.74	59.02	185.27	877.45	1206.38
Provision for Tax including Deferred Tax	(0.75)	(5.64)	0.78	26.82	59.09
Profit After Tax	**21.50**	**64.66**	**184.49**	**850.63**	**1147.29**

Balance Sheet Statement	**31.03.2004**	**31.03.2005**	**31.03.2006**	**31.03.2007 (Consolidated)**	**Certified Consolidated Results for 6 months ended September 30, 2007 (Unaudited)**
Sources of funds					
Share capital	1064.94	1064.94	2541.76	2542.20	2542.20
Reserves and Surplus (excluding revaluation	95.57	162.73	349.72	1184.07	2242.74

reserves)					
Revaluation Reserves	0.00	0.00	0.00	0.00	
Less : Total miscellaneous expenditure not written off	(9.19)	(3.08)	(1.42)	(8.38)	(7.47)
Secured loans	10.15	1.92	117.04	261.78	297.05
Unsecured loans	0.00	0.00	306.54	2053.91	1742.26
Total	**1161.47**	**1226.51**	**3313.64**	**6033.58**	**6816.78**

Application of funds	**31.03.2004**	**31.03.2005**	**31.03.2006**	**31.03.2007 (Consolidated)**	**Certified Consolidated Results for 6 months ended September 30, 2007 (Unaudited)**
Net fixed assets	321.12	282.58	940.83	1617.04	1487.75
Investments	200.00	200.00	200.00	200.00	200.00
Net current assets	196.69	294.35	668.26	2021.08	3344.41
Net Deferred tax assets	(35.71)	(29.79)	(23.42)	(29.00)	(29.84)
Capital WIP	479.37	479.37	1527.97	2224.46	1814.46
Total	**1161.47**	**1226.51**	**3313.64**	**6033.58**	**6816.78**

Other Financial Data	**31.03.2004**	**31.03.2005**	**31.03.2006**	**31.03.2007 (Consolidated)**	**Certified Consolidated Results for 6 months ended September 30, 2007 (Unaudited)**
Dividend (%)	0.00	0.00	0.00	0.00	0.00
Earning Per Share (Rs.)	0.20	0.61	0.73	3.35	4.51
Return on Networth (%)	1.87	5.28	6.38	22.88	24.01
Book Value Per Share (Rs.)	10.80	11.49	11.37	14.62	18.79

Net Worth	31.03.2004	31.03.2005	31.03.2006	31.03.2007 (Consolidated)	Certified Consolidated Results for 6 months ended September 30, 2007 (Unaudited)
Paid up Share capital	1064.94	1064.94	2541.76	2542.20	2542.20
Share Application Money	0.00	0.00	0.00	0.00	0.00
Reserves & Surplus (excluding revaluation `reserves)	95.57	162.73	349.72	1184.07	2242.74
Less: Misc Expenditure	(9.19)	(3.08)	(1.42)	(8.38)	(7.47)
Net Worth	1151.32	1224.59	2890.06	3717.89	4777.47

Reasons for fall/rise in PAT or Total Income during above period:

During FY 2004-05, Total Income of the Company was Rs. 613.34 lacs and Net Profit after deferred tax adjustment was Rs. 64.66 lacs as compared to Rs.293.16 lacs and Rs.21.50 lacs in the FY 2003-04. The total income has increased mainly due to increase in the client base of the company. The net profits are higher in the FY 2004-05 in proportion to sales due to constant fixed cost.

During FY 2005-06, Total Income of the Company was Rs.3585.72 lacs as compared to Rs. 613.34 lacs in the FY 2004-05. In FY 2005-06, Company had acquired a US Company, Lanco Solutions Inc. consequent to which turnover of the Company increased. The Net Profit for FY 2005-06 was Rs. 184.49 lacs as compared to Rs. 64.66 lacs in the FY 2004-05. As a percentage to sales, net profit has come down from 10.54% to 5.15% in the FY 2005-06. This was due to steps taken to strengthen infrastructure by developing the support teams like marketing, HR teams by recruiting experienced people.

During FY 2006-07, Total Income of the company was Rs.7825.24 lacs as compared to Rs. 3585.72 lacs in the FY 2005-06. In the FY 2006-07, Company has acquired two Companies in USA, i.e Global IT Inc ., and Techorbit Inc. consequent to which turnover of the Company increased. The Net Profit for FY 2006-07 was Rs. 850.63 lacs as compared to Rs. 184.49 lacs in the FY 2005-06. As a percentage to sales, net profit has increased from 5.15% to 10.87% in the FY 2006-07. This was due to increase in volume and addition of new clients with better margins.

During the six months ended 30th September, 2007, the total income was Rs. 10079.57 lacs and Net Profit was Rs. 1147.29 lacs. In the first half year of 2007-08, the Net profit percentage to sales is increased from 10.87% to 11.38%. Now, the company started reaping the fruits of the earlier investments on infrastructure, recruitments and training costs and this resulted in increase in profits.

Reasons for Increase in Unsecured Loans of Lanco global systems limited

In the year 2005-06 the target Company acquired Lanco global systems Inc., a US company, consequent to this, the turnover is increased from Rs. 6.13 crores in the year 2004-05 to Rs. 35.86 crores. At the same time Sundry Debtors increased from Rs 305 lakhs to Rs. 843 lakhs. So, to that extent our working capital requirement has increased. The Company brought in unsecured loans to meet part of the working capital gap.

In the year 2006-07, the company has acquired two subsidiary Companies in USA, i.e Global IT Inc ., and

Techorbit Inc. The Company paid only part of the Sale consideration to the old promoters of Global IT Inc ., and Techorbit Inc. The balance consideration payable to them is shown as Unsecured Loan.
During the first half year 2007-08 part of the Unsecured Loans are repaid, consequent to this the balance is reduced as on 30th September, 2007.

w) Changes in Shareholding pattern of Promoter group and compliance with Regulations:

Date of allotment/ Acquisition/ Sale	No. of Shares Issued/acquired/ sold/ reduced	Cumulative Share holding (Shares)	Percentage of Cumulative Shareholding to Total Share Capital	Mode of allotment/ Acquisition	Identity of allottees (e.g.- promoters /others	Status of compliance with SEBI (SAST) Regulations under SEBI Act 1992 & other statutory requirements, as applicable
28-Jan-99	700	700	100.00	Subscription to MOA	Promoters/ Promoter Group	NA
3-Jul-00	4795650	4796350	60.05	Firm allotment before Public issue	Promoters/ Promoter Group	Complied with SEBI (DIP) Guidelines
17-Aug-00	2200	4798550	45.03	Public Issue	Promoters/ Promoter Group	Complied with SEBI (DIP) Guidelines
16-Aug-01	50000	4848550	45.50	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
17-Aug-01	10000	4858550	45.59	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
25-Aug-01	25000	4883550	45.82	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
5-Oct-01	15000	4898550	45.97	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
16-Nov-01	15000	4913550	46.11	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a

						financial year is less than 5%
27-Nov-01	20000	4933550	46.29	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
7-Dec-01	15000	4948550	46.43	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
11-Dec-01	20000	4968550	46.62	Market purchase	Promoters/ Promoter Group	NA, because the aggregate purchase in a financial year is less than 5%
3-Mar-03	400000	5368550	50.38	Market purchase	Others (Lanco Infratech Limited)	NA, because the aggregate purchase in a financial year is less than 5%
18-Aug-03	250000	5618550	52.72	Market purchase	Others (Lanco Infratech Limited)	Complied with SEBI (SAST) Regulations by filing report under Regulation 7(3)
9-Jun-04	1459500	7078050	66.42	Merger of Encon Services Limted with Lanco Construction Limited, which has been renamed as Lanco Infratech Limited	Others (Lanco Infratech Limited)	NA, as it is a merger transaction as approved by High Court
3-Nov-04	(2000)	7076050	66.40	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
4-Mar-05	(2000)	7074050	66.38	Market sale	Promoters/ Promoter Group	NA as it is a sale transaction.
25-Apr-05	(479565)	6594485	61.88	Market sale	Promoters/ Promoter Group	Complied with SEBI (SAST) Regulations by filing report

						under Regulation 7(3)
25-Apr-05	479565	7074050	66.38	Market purchase	Others (Lanco Infratech Limited)	Promoter Shareholding already beyond 55%. Non compliance with the SEBI (SAST) Regulations".
18-Aug-05	(2000)	7072050	66.36	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
23-Sep-05	(4000)	7068050	66.32	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
12-Dec-05	(2000)	7066050	66.30	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
29-Dec-05	192430	7258480	68.11	Market purchase	Others (Nagarjuna Valluripalli)	The shareholding of these persons not included as promoters earlier, now included on the basis of email sent by BSE Dated April 13, 2006. Promoter Shareholding already beyond 55% . Non compliance with the SEBI (SAST) Regulations
31-Dec-05	(10000)	7248480	68.01	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
5-Jan-06	(77000)	7171480	67.29	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
16-Jan-06	(100000)	7071480	66.36	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
30-Mar-06	(500000)	6571480	61.66	Market sale	Promoters/ Promoter	Complied with SEBI (SAST)

					Group	Regulations by filing report under Regulation 7(3)
24-May-06	531000	7102480	66.65	Market purchase	Others (Lanco Group Ltd)	Promoters Shareholding already beyond 55% . Non compliance with the SEBI (SAST) Regulations.
24-May-06	(530000)	6572480	61.67	Market sale	Promoters/ Promoter Group	NA, as it is a sale transaction.
25-May-06	513860	7086340	66.49	Market purchase	Others (L. Madhusud han Rao)	Inter-se Transfer from Lanco Infratech Limited. Informed SEBI via report pursuant to reg 3(4) of SEBI SAST-1997
25-May-06	(560435)	6525905	61.24	Inter se transfer to L Madhusudhan Rao & Market sale	Promoters/ Promoter Group(**Lanco Infratech Ltd**)	Complied with SEBI (SAST) Regulations by filing report under Regulation 7(1A)
4-Nov-06	14766667	21292572	83.75	Merger of Lanco Inc.	Promoters/ Promoter Group	Complied with SEBI (SAST) Regulations by filing report under Regulation 7(3)
29.Sept 07	(2000000)	19292572	75.89	Off Market Sale	Promoters/ PromoteGr oup	Complied with SEBI (SAST) Regulations by filing report under Regulation 7(1A)
10.Dec.2007	(500000)	**18792572**	73.92	Off Market Sale	Promoters/ Promoter Group	NA, as it is a sale transaction. SEBI SAST not applicable

*details of the entities (along with the number and % of the shares held by them) when they were included in the promoters group in terms of BSE letter dated 13.04.2006.

** BSE vide letter dated April 13,2006 had asked the company to include Lanco Infratech Ltd in to the Promoter Category along with Mr Nagarjun Valluripalli as a PAC .
Also when the company had applied for listing for securities pursuant to amalgamation of the company ,the BSE vide their letter dated February 27,2007 had instructed the company to classify the shares allotted to the shareholders of an unlisted transferor company to be classified as promoters shareholding

S.No.	Particulars	No. of shares	% to the paid up capital
1	Lanco Infratech Limited	1117935	10.49

x) Pre and Post offer Shareholding Pattern of LGS:

Shareholders' category	Shareholding & voting rights prior to the SPA/Acquisition & Offer.		Shares /voting rights agreed to be acquired through SPA which triggered off the Regulations.		Shares/voting rights to be acquired/sold in open offer (Assuming full acceptances)		Share holding / voting rights after the acquisition and offer. i.e.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement, if any	16469322	64.78	0	0.00	0	0	0	0.00
b. Promoters other than (a) above	2323250	9.14	0	0	0	0	0	0
Total 1(a+b)	**18792572**	**73.92**	0	0	0	0	**0**	**0.00**
(2) Acquirers other than Promoter acquirer								
a. Main Acquirers	0	0.00	1327926	5.22	5084734	20.00	6412660	25.22
b. PACs	0	0.00	15712665	61.80	0	0.00	15712665	61.80
Total (2)	**0**	**0.00**	**17040591**	**67.03**	**5084734**	**20.00**	**22125325**	**87.03**
(3) Parties to agreement other than(1) (a) & (2)	**571269**	**2.25**	**0**	**0**	**0**	**0**	**0**	**0**
(4) Public (other than parties to agreement, acquirers & PACs)								
a. FIs/MFs/FIIs/Banks, SFIs (indicate names)	0	0.00	0	0	0	0	0	0
b. Others	6059826	23.84	0	0	0	0	3298342**	12.97
(The total number of shareholders in "Public category is 2013)								
Total (4)(a+b)	**6059826**	**23.84**	**0**	**0.00**	**0**	**0.00**	**3298342**	**12.97**
GRAND TOTAL (1+2+3+4)	**25423667**	**100**	**17040591**	**67.03**	**5084734**	**20.00**	**25423667**	**100**

* In case the public shareholding in the Company falls below the limit specified in listing agreement with Stock Exchanges pursuant to the agreements and open offer, the Acquirers will acquire only such no. of

shares under the agreement so as to maintain the minimum specified public shareholding in the Company.

** After the above acquisition and Open Offer, holding of Existing Promoters will come down to 9.14% and they will not be able to control the management of the Company. Hence, their shareholding has been indicated under Public Category.

y)

1. Status of Corporate Governance compliances by LGS:

   As per the information provided by the company the provisions of Clause 49 of the Listing Agreement with the Stock Exchange dealing with Corporate Governance has been complied with. Certificate of Compliance on Corporate Governance received from the Statutory Auditors had been published in the Annual Report for the year ended 31st March, 2007 and compliance certificates on quarterly basis have been filed with the Stock Exchanges within the stipulated times.

2. There is one Pending Litigation against LGS for non payment of dues amounting to Rs. 1,01,404 filed by Bharat Sanchar Nigam Limited Chennai Telephones. However, the case is against Lanco Globus Systems and by mistake it has been sent to LGS. The case is pending with VII Assistant City Civil Court Chennai. The hearing for the same has been postponed to July 11, 2007.

3. Name and other Details of compliance Officer:
   K V R Raju

   8-2-293/82/A/796/B,

   Road No.36, Jubilee Hills,

   Hyderabad – 500 033, AP.

   Tel: +91 40 6699 0000; Fax: +91 40 6699 4444

   Email id: raju.kvr@lgsglobal.com

8. OFFER PRICE AND FINANCIAL ARRANGEMENTS

8.1 Justification of Offer Price

a. The shares of LGS are listed on BSE and HSE. However, listing of 1,47,66,667 shares is pending in the Stock Exchanges.

b. The annualized trading turnover based on the trading volume in the shares of LGS on each of the above mentioned stock exchanges during December 2006 to May 2007 (6 calendar months preceding the month in which Public Announcement is made) is as under:

Name of Stock Exchange(s)	**Total no. of shares traded during the 6 calendar months prior to the month of Public Announcement**	**Total No. of listed Shares during that period**	**Annualized Trading turnover(as a % to total listed shares)**
BSE	1945504	1,06,57,000*	36.51
HSE	-	1,06,57,000*	-

*Listing approval for 1,47,66,667 shares is pending.

c. The Equity shares of LGS are frequently traded on BSE and infrequently traded on HSE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations. (Source: BSE website and LGS)

d. Average Stock Price of Last Twenty Six Weeks from December 27, 2006 to June 26, 2007 i.e. 26 weeks period preceding the date of PA, in BSE, in which shares of the Company are most frequently traded.

S. No	Week		Closing High	Closing Low	Average
1	27-Dec-06	2-Jan-07	36.8	35.95	36.38
2	3-Jan-07	9-Jan-07	37.7	35.2	36.45
3	10-Jan-07	16-Jan-07	39.6	36.7	38.15
4	17-Jan-07	23-Jan-07	38.75	36.90	37.83
5	24-Jan-07	30-Jan-07	38.7	37	37.85
6	31-Jan-07	6-Feb-07	37.05	33.85	35.45
7	7-Feb-07	13-Feb-07	33.65	29.3	31.48
8	14-Feb-07	20-Feb-07	31.15	30.1	30.63
9	21-Feb-07	27-Feb-07	30.95	28.25	29.6
10	28-Feb-07	6-Mar-07	26.90	24.50	25.70
11	7-Mar-07	13-Mar-07	35.15	21.8	28.48
12	14-Mar-07	20-Mar-07	35.35	32.05	33.70
13	21-Mar-07	27-Mar-07	33	31.15	32.08
14	28-Mar-07	3-Apr-07	35.35	28.9	32.125
15	4-Apr-07	10-Apr-07	36.9	33	34.95
16	11-Apr-07	17-Apr-07	35.25	34.15	34.70
17	18-Apr-07	24-Apr-07	34.85	34.05	34.45
18	25-Apr-07	1-May-07	35.5	32.95	34.23
19	2-May-07	8-May-07	35.70	34.50	35.10
20	9-May-07	15-May-07	35.3	34.4	34.85
21	16-May-07	22-May-07	41.85	35.40	38.63
22	23-May-07	29-May-07	39.55	38.25	38.9
23	30-May-07	5-Jun-07	41.6	38.15	39.88
24	6-Jun-07	12-Jun-07	46.75	40.65	43.7
25	13-Jun-07	19-Jun-07	46.1	42.7	44.4
26	20-Jun-07	26-Jun-07	43.15	41.3	42.23
	Total				**34.06**

The daily high and low prices of equity shares of LGS on BSE during the 2-week period preceding the date of PA are given below:

Sr. No.	Date	High	Low	Average
1	13-Jun-07	47.65	45.25	46.45
2	14-Jun-07	48.9	45.5	47.2
3	15-Jun-07	46	42.5	44.25
4	16-Jun-07	Holiday		
5	17-Jun-07	Holiday		
	18-Jun-07	45.95	42.1	44.03
	19-Jun-07	43.65	40	41.83
			(a)	**44.75**
1	20-Jun-07	44.95	41.3	43.13

2	21-Jun-07	46	42.6	44.3
3	22-Jun-07	43.9	40	41.95
4	23-Jun-07	Holiday		
	24-Jun-07	Holiday		
	25-Jun-07	42.45	40.9	41.68
	26-Jun-07	43.8	41.35	42.58
			(b)	**42.73**
			{(a) + b)}/2	**43.74**

(Source : BSE Website)

e. The details of the trigger dates, prices and the other financial parmeters of Lanco global systems are given in table below

	25-Apr-05	**29-Dec-05**	**24-May-06**	**26-Jun-07**
26 Week Average Price	11.48	40.15	57.61	34.06
2 Week Average Price	18.7	40.9	53.24	43.74
Preferential allotment in last one year before trigger date	N.A	N.A	N.A	N.A
Highest Price paid by Acquirer Group for acquisition of Shares (Rs Per Share)	N.A	N.A	N.A	2.2
Price paid by erstwhile promoters triggering the Open offer	1.00	40.10	47.90	N.A
Negotiated Price under any agreement	N.A	N.A	N.A	N.A
Book Value(For year ended March)	11.5	11.5	11.37	14.62
EPS(For year ended March of latest financial year)	0.61	0.61	0.73	3.35
Highest Price per share of all the above	18.7	40.9	57.61	43.74
Interest per share @10% from the date 90 days from the trigger dates up to 20 th Feb 2008	4.82	7.77	8.63	1.79
Consideration(Price plus Interest)per share (Rs.)	23.52	48.67	66.24	45.53

As per the table above, the maximum price per Equity Share is Rs.57.61 and maximum consideration (Price + Interest) per share is Rs.66.24 per Equity Share. Hence, Rs.66.25 per Equity Share has been determined as the Offer Price.

In case of Open offer price for partly paid up shares, the amount has been due since the allotment date.In this case the company has charged an interest rate at 10 % to deduct the interest amount from the open offer price .

Date of allotment .17 August 2000

Interest for the period 17 august 2000 to 20 February 2008 at the rate of 10 % amounts to Rs 3.75 on each share. This interest plus the unpaid money (Rs 3.75 +Rs 5) has been deducted from Rs 66.25 to arrive at price of Rs 57.5

f. In respect of HSE, where the Equity Shares are infrequently traded, the Offer price is justified in terms of Regulation of 20 (5) of the SEBI (SAST) Regulations, 1997 considering the following:

Particulars	Based on audited Accounts for the Year-ended 31.03.06	Based on Unaudited certified Accounts for the nine month period ended 31.12.2006
Return on Networth	6.38%	12.82%
Book Value	11.37	13
Earning per Share	0.73	1.67
Industry PE Ratio*	21.39	

(Source: CapitalLine, Industry – Medium/Small-Software)

In view of the above paragraph, the Offer Price of Rs Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid up equity share of Rs. 10 each and Rs. Rs.57.50/(Rupees Fifty seven and fifty paise Only)per partly paid up equity share of Rs. 10 on which a sum of Rs. 5 payable on allotment has not been paid by the shareholders, being the highest among the prices mentioned above, is justified in terms of Regulation 20(4) and Regulation 20(5) of the SEBI (SAST) Regulations, 1997 as applicable on the date of PA.

g. In the opinion of the Acquirers and Manager to the Offer, the Offer price of Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid Equity Share and Rs Rs.57.50/(Rupees Fifty seven and fifty paise Only)per partly paid up share (on which allotment money of Rs. 5 is due but not paid) is justified.

h. There is non-compete agreement.

i. If Acquirers acquire shares after the date of Public Announcement upto 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the shares tendered in the offer and accepted under the offer.

j. The Acquirers/PACs have not acquired any shares of LGS, including by way of allotment in public or rights issue or by way of preferential allotment by Target Company during the 26 weeks period prior to the date of public announcement

8.2 Financial Arrangements

a) The total fund requirement for the implementation of the offer at Rs. Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) for fully paid up share and Rs.57.50/(Rupees Fifty seven and fifty paise Only) for partly paidup share for 50,84,734 equity shares being 20 % of the equity capital and 20.003% of total voting capital of 2,54,23,667 equity shares is aggregating to Rs 33,68,63,627.5 approximately (assuming all shares are fully paid up) assuming that full acceptance for the offer is received which is in addition to the amount of Rs. 32,54,16,098 required for the purpose of acquisition of 1,70,40,591 equity shares from the promoters through share purchase agreement. The Acquirers have confirmed vide their letter dated June 27, 2007 that firm financial arrangements has been made for the implementation of the Offer in full out of their own sources/Networth and no borrowings from any Bank and/or Financial Institutions is envisaged.

b) In accordance with Regulation 28 of the SEBI (SAST) Regulations, 1997, the acquirers have vide their letter mentioned above created an escrow account in the following manner:

a. Cash deposit of Rs. 33,00,000 (Rupees Twenty Nine Lakhs only), payable with M/s. UTI Bank, S.R. Nagar Branch, Hyderabad empowering UTI Securities, the Managers to the Offer to instruct the banker to issue a banker's cheque or demand draft for the amount lying in the escrow account.

b. Bank Guarantee by The Karur Vysya Bank, S.R. Nagar branch for Rs. 5,53,00,000 (Rupees Five Crores and Fifty Three Lakhs only) in favour of_UTI Securities Limited, the Manager to the Offer and is valid for a period commencing from the date of this public announcement till October 25, 2007.

In case of a revision in the Offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with Regulation 28 of SEBI (SAST) Regulations.

c. An Additional bank guarantee of 2,90,00,000 (Rs Two Crores and Ninety Lakhs Only)has been given in favour of UTI Securities Limited to meet the additional escrow account requirements in light of revision of offer price. Thus the total guarantee amount stands at Rs 8,43,00,00,000(Rs Eight Crores and Forty Three Lakhs Only)

c) As on 01.01.2008 networth of Mr. Kodali Tejesh Kumar is Rs. 14.95 crores, Mr. Kadiyala Venkateswara Rao is Rs. 17.29 crores and Mr. Karusala Venkata Subba Rao is Rs. 15.23 crores as certified by Mr. P. Murali Mohana Rao (Membership No. 23412), Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad- 500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 vide certificate dated Jan 01, 2008

d) Mr. P. Murali Mohana Rao (Membership No. 23412) Partner of M/s. P. Murali & Co., Chartered Accountants, having Office at 6-3-655/2/3, Somajiguda, Hyderabad-500 082. Tel. No. (040) 23326666/23312554 Fax No: (040) 23392474 has certified vide letter dated June 27, 2007 that sufficient resources are available with the Acquirers for fulfilling the obligations under Regulation 29 of SEBI (SAST) Regulations, 1997 under this "Offer" in full.

The Manager to the Offer is satisfied about the ability of Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations.

9. TERMS AND CONDITIONS OF OFFER

9.1 Statutory Approvals

a. Non-resident shareholders will be required to submit all the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirer reserves the right to reject the shares tendered in the offer.**

b. The Acquirers will make the requisite application to RBI to obtain permission under FEMA for the acquisition of shares under this Offer.

c. There are no other statutory approvals required to acquire the shares tendered pursuant to this Offer. However, the Offer would be subject to all statutory approvals that may become applicable prior to completion of the Offer.

d. The Acquirers shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the offer.

e. The Acquirers reserve the right to withdraw the Offer, in terms of Regulation 27 of the SEBI (SAST) Regulations, in the event the requisite statutory approvals are refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original PA is being made.

f. In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the offer provided the Acquirers agree to pay interest to the shareholders for delay beyond 15 days from the date of closing of the offer.

g. If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in Regulation 28(12)(e) of SEBI (SAST) Regulations.

h. No approval is required to be obtained from Banks/ Financial Institutions for this offer.

9.2 Others Terms and Conditions

a. The Letter of Offer together with Form of Acceptance cum Acknowledgement (FOA), the Form of Withdrawal (FOW) and Transfer Deed (TD) (for shareholders holding shares in physical form) will be mailed to all the shareholders of LGS, except the Acquirers/PACs & Parties to the SPA, whose names appear on the Register of Members of LGS and the beneficial owners of the shares whose names appear as beneficiaries on the records of the respective share depositories, at the close of business hours on June 29, 2007 (specified date).

b. Accidental omission to dispatch Letter of Offer to any member entitled to this open offer or non-receipt of the Letter of Offer by any member entitled to this open offer shall not invalidate the open offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of LGS as on the specified date.

c. All the shareholders, except the Acquirers/PACs & Parties to the SPA, who own the shares of LGS anytime before the closure of the Offer, are eligible to participate in the Offer anytime before date of closing of the offer.

d. The shares allotted under the scheme of amalgamation to Lanco Global Systems Inc USA in LGS are subject to lock-in as per the terms mentioned in the Order.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

a. The Acquirer has appointed **Aarthi Consultants Pvt. Limited** as Registrar to the Offer. Registrars have set up the following center to collect the acceptances being tendered in this offer:

LOCATION	**CONTACT DETAILS OF THE REGISTRAR TO THE OFFER**
Hyderabad	Mr. G. Bhaskar Aarthi Consultants Private Limited 1-2-285, Domalguda, Hyderabad – 500 029 Tel: +91-40-27642217, 27638111 Fax:+91-40-27632184 Email: info@aarthiconsultants.com

The documents should be sent either by Hand delivery or by Registered Post, so as to reach before the closure of the offer. The documents can be tendered at the above centre between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday. The centre will be closed on Sundays and Public holidays.

b. **Registered Shareholders (holders of shares in physical form) 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 deed(s)** duly signed as transferors by all shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with LGS and duly witnessed at the appropriate place(s).

c. **Beneficial owners (holders of shares in dematerialized form) should enclose:**
   - **Form of Acceptance Cum Acknowledgement** duly completed and signed in accordance with the instructions contained therein, by all the beneficial holders of shares as per the records of the DP.
   - **Photocopy/Counterfoil of Delivery Instruction slip** in "off market" mode in favour of the special depository account mentioned above, duly acknowledged by DP

d. In case of non-receipt of the aforesaid documents, but receipt of the shares in the special depository account, it will be deemed that the shareholder has tendered acceptance of the Offer.

e. The Registrar to the Offer has opened a special depository account with Hyderabad Stock Exchange Limited (Depository – CSDL) styled **"AARTHI-LGS-OPEN OFFER-ESCROW ACCOUNT "**. The DP ID is **23800** and Beneficiary/Client ID is **1302380000206263**.

f. **Unregistered Shareholders should enclose:**
   - **Form of Acceptance-cum-Acknowledgement or an application on plain paper** duly completed and signed in accordance with the instructions contained therein by the person(s) accepting the Offer. Application on plain paper should be duly signed and stating the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer
   - **Original Share Certificate(s)**
   - **Original Contract Note(s) from the broker through whom the shares were acquired.**
   - **Valid Share Transfer deed(s)** as received from market. The details of buyer should be left blank failing which, the same will be invalid under this offer. All other requirements for valid transfer will be pre condition for valid acceptance.
   - **No indemnity is required from the unregistered owners.**

g. The shareholders tendering shares in demat form should ensure the credit of shares in favour of the special depository account mentioned above, before the closure of the Offer i.e. September 5,, 2007. FOA, in respect of dematerialized equity shares not credited to the above special depository account before the date of closing of offer, is liable to be rejected.

h. **Shareholders having their beneficiary account with National Securities Depository Limited (NSDL), have to use inter-depository delivery instruction slip for the purpose of crediting their Equity shares in favour of the above mentioned Special Depository Account with CDL.**

i. In case of non-receipt of the Letter of Offer/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to Registrars to the offer at any of the collection centers clearly marking the envelope "LGS Open Offer" or make an application on plain paper duly signed and stating their name, address, No. of Shares held, no. of shares offered, DP name, DP ID, Client ID and the counterfoil/photocopy of the delivery instruction in "Off-Market" mode in favour of the special depository account, duly acknowledged by the DP, to the Registrar to the Offer, before the closure of the Offer.

j. In case any person has lodged shares of LGS for transfer and the transfer has not yet been effected, the concerned person may apply in writing on a plain paper, duly signed and stating the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer and the acknowledgement of the lodgment of shares for transfer. Such person should also instruct LGS and its Registrars & Transfer Agents to send the transferred share certificate(s) directly to the collection centers of Registrars to the offer as mentioned above before the date of closing of the offer.

k. Shareholders who have sent their physical shares for Dematerialization and the dematerialization has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialization request form acknowledged by shareholder's DP. The shareholder should ensure that process of getting shares dematerialized is completed well in time so that the credit in the special depository account should be received before closure of the Offer i.e. February 5, 2008, else the application will be rejected.

l. Equity shares tendered by the shareholders of LGS in the offer shall be free from lien, charges and encumbrances of any kind whatsoever.

m. Equity shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of LGS may be precluded from transferring the equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered in the offer prior to the date of closing of the offer.

n. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. The Marketable lot for the Shares of LGS is 1(one) for Equity Shares. The ISIN Number of Equity Shares in dematerialized form is INE425B01019.

o. While tendering shares under the Offer, NRIs/OCBs/Foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirer reserves the right to reject the shares.** While tendering shares under the Offer, NRI/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 maximum marginal 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.

p. The consideration received by the shareholders for shares accepted in the offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further the securities transaction tax will not be applicable on shares accepted in this offer.

q. The Registrar to the Offer will hold in Trust the Shares / Share certificates, FOA, if any, and the transfer form/s on behalf of the shareholders of LGS who have accepted the Offer, till the Acquirer completes the offer obligations in accordance with the Regulations.

r. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders'/unregistered owners' sole risk to the sole/first shareholder. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the FOA.

s. The shares and other relevant documents should not be sent to the acquirer/PACs/ Target Company by the shareholders.

11. PROCEDURE FOR WITHDRAWAL OF APPLICATION / ACCEPTANCE

a) In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations 1997, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date i.e. up to January 30, 2008.

b) Shareholders who wish to withdraw their shares from the Offer will be required to send the FOW duly completed & signed along with the requisite documents.

c) In case of non receipt of Form of Withdrawal, the withdrawal can be exercised by making an application on plain paper along with following details :-
   - **In case of physical shares**: by stating Name, Address, Distinctive numbers, Folio number, Number of shares tendered and to be withdrawn.
   - **In case of dematerialized shares**: by stating Name, Address, Number of shares tendered and to be withdrawn, DP Name, DP ID, Beneficiary account number, Counterfoil/ Photocopy of the delivery instruction in "Off Market" mode duly acknowledged by the DP in favour of the special depository account.
   - **In either case:** a copy of the acknowledgement received from the Manager to the Offer upon tendering of the Shares,

   So as to reach the Registrar to the Offer either by hand delivery or by registered post on or before February 5, 2008.

12. MATERIAL DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of UTI Securities Limited, Dheeraj Arma, 1st Floor, Anant Kanekar Marg, Station Road, Bandra (East), Mumbai - 400 051 from 10.00 a.m. to 1.00 p.m. and from 2.30 p.m. to 4.30 p.m. on any working day, except Saturdays, Sundays, and Public/Bank Holidays until the offer closes:

a) Memorandum & Articles of Association and Certificate of Incorporation of Lanco Global Systems Limited.

b) Letter dated April 7, 2007 accepting UTI Securities Limited as Manager to the Offer.

c) Copy of Certificate dated June 27, 2007 from M/s. P. Murali & Co., Chartered Accountants, certifying about the adequacy of resources of Acquirer in fulfilling the obligations of the offer.

d) Copy of Certificate dated June 27, 2007 from M/s. P. Murali & Co., Chartered Accountants, certifying about the net worth of Acquirers & PACs as on March 31, 2007.

e) Annual Reports of LGS for FY 2002-03, 2003-04, 2004-05, 2005-06,2006-07 certified by the statutory Auditors of the Company and brief unaudited certified financials for 6 months ended September 30,2007 as certified by the statutory Auditors.

f) Bank Guarantee dated June 26, 2007 from Karur Vysya Bank for Rs. 5,53,00,000 in favour of UTI Securities Limited and another bank guarantee dated October 29,2007 for Rs. 2,90,00,000 to take care of the revised offer price

g) Copy of the letter from Depositary participant Hyderabad Stock Exchange Limited for opening of a special depository account for the purpose of the offer.

h) Copy of Public Announcement dated June 28, 2007.

i) Copy of Share Purchase Agreement Dated June 26, 2007.

j) Due Diligence Certificate dated July 11, 2007.

13. DECLARATION BY THE ACQUIRERS

a) The Acquirers Mr. K. Venkateswara Rao, Mr. K. Tejesh Kumar and Mr. K Venkata Subba Rao accept full responsibility for the information contained in this Letter of Offer.

b) Further the Acquirers accepts full responsibility, jointly and severally, for ensuring compliance of the SEBI (SAST) Regulations.

Sd/- K. Venkateswara Rao	K. Tejesh Kumar	K Venkata Subba Rao

Date: July 11, 2007
Place: Hyderabad

Encl: FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT, FORM OF WITHDRAWAL, TRANSFER DEED(S) FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM

ANNEXURE I

STATUS OF COMPLIANCE WITH THE PROVISIONS OF CHAPTER II OF THE TAKEOVER REGUALTIONS (as applicable)

By the promoters/Sellers/major shareholders/Acquirers, separately (as may be applicable

Name of the Promoter: M/s. Lanco Infratech Limited.

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	7(1)	30.08.2003	29.08.2003	NA	
2	8(1)	21.04.2004	NA	NA	
3	8(2)	21.04.2004	05.04.2004	NA	
4	8(1)	21.04.2005	NA	NA	
5	8(2)	21.04.2005	08.04.2005	NA	
6	7(1A)	27.04.2005	27.04.2005	NA	#
7	7(1A)	01.04.2006	31.03.2006	NA	@
8	8(1)	21.04.2006	NA	NA	
9	8(2)	21.04.2006	06.04.2006	NA	
10	8(1)	21.04.2007	NA	NA	
11	8(2)	21.04.2007	02.04.2007	NA	

4.5% has been sold by M/s. Lanco Infratech Limited and retaining 15.26%.

@ Sale of 4.69% by Lanco Infratech Limited and retaining 10.49%

Name of the Promoter: Sri. Y. Harish Chandra Prasad

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	04.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	05.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	04.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	04.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Sri. L. Madhusudhana Rao

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	05.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	04.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	05.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	05.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	11.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Sri. L. Sridhar

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	06.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	05.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	05.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	05.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Sri. G.Bhaskhar Rao

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	06.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	04.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	04.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	04.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	08.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Smt. L.Padma

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	04.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	06.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	04.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	04.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Smt. G. Padmavati

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	05.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	06.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	05.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	05.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	08.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Smt.L.Raja Lakshmi

Sl. 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	Remarks
1	2	3	4	5	6
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	04.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	04.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	05.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	05.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: M/s. Lanco Group Limited

Sl. 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	Remarks
1	2	3	4	5	6
1	8(1)	21.04.2007	NA	NA	
2	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: M/s. Lanco Solutions Inc.

Sl. 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	Remarks
1	**2**	3	**4**	**5**	**6**
1	8(1)	21.04.2001	NA	NA	
2	8(2)	21.04.2001	05.04.2001	NA	
3	8(1)	21.04.2002	NA	NA	
4	8(2)	21.04.2002	05.04.2002	NA	
5	8(1)	21.04.2003	NA	NA	
6	8(2)	21.04.2003	04.04.2003	NA	
7	8(1)	21.04.2004	NA	NA	
8	8(2)	21.04.2004	04.04.2004	NA	
9	8(1)	21.04.2005	NA	NA	
10	8(2)	21.04.2005	06.04.2005	NA	
11	8(1)	21.04.2006	NA	NA	
12	8(2)	21.04.2006	06.04.2006	NA	
13	8(1)	21.04.2007	NA	NA	
14	8(2)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Mr Nagarjun Valluripalli

Sl. 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	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	7 (1)	30.12.2005	09.01.2006	10 days	By oversight
2	7(1)	21.02.2007	19.02.2007	NA	
3	8(1)	21.04.2007	02.04. 2007	NA	

Name of the Promoter: Pacific Power Ventures Limited

Sl. 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	Remarks
1	2	3	4	5	6
1	7(1)	21.02.2007	19.02.2007	NA	
2	8(1)	21.04.2007	02.04.2007	NA	

Name of the Promoter: Fremont Ventures Limited

Sl. 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	Remarks
1	2	3	4	5	6
1	7(1)	21.02.2007	19.02.2007	NIL	
2	8(1)	21.04.2007	02.04.2007	NIL	

ANNEXURE II

Name of the Target Company: Lanco Global Systems Limited

Sl. 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	Remarks
1	2	3	4	5	6
1.	8(3)	30.04.2001	20.01.2003		a
2.	8(3)	30.04.2002	20 .01.2003		a
3.	7(3)	05.09.2003	30.08.2003		b
4.	8(3)	30.04.2003	17 .04.2003	NA	
5.	8(3)	30.04.2004	15 .04.2004	NA	
6.	8(3)	30.04.2005	15 .04.2005	NA	
7.	7(3)	04.05.2005	29.04.2005	NA	c
8.	7(3)	16.07.2005	12.07.2005	NA	d
9.	7(3)	09.01.2006	09.01.2006	NA	e
10.	7(3)	07.04.2006	07.04.2006	NA	f
11.	8(3)	30.04.2006	12 .04.2006	NA	
12.	7(3)	26.02.2007	20.02.2007	NA	g
13.	7(3)	27.02.2007	21.02.2007	NA	h
14.	7(3)	27.02.2007	21.02.2007	NA	i
15.	8(3)	30.04.2007	13 .04.2007	NA	
16.	8(3)	08.10.2007	03 .10.2007	NA	

a) Availed regularization Scheme and paid Rs.10,000/- each vide DDs No. 617723 & 617723 dated 13.01.2003.

b) Lanco Infratech Limited has acquired 2,50,000 equity shares equivalent to 2.35% taking the total holding to 6.10% on 28.08.2003 and the acquirer has reported to the Company on 29.08.2003 and the Company has filed the statement under regulation 7(3) on 30.08.2003.

c) Reg. 7(1A)-4.5% has been sold by M/s. Lanco Infratech Limited and retaining 15.26%.

d) Reg.7 (1) - Acquisition of 8.32% by Ms. Geetha Gupta taking her total shareholding to 11.91%.

e) Reg.7 (1) - Acquisition of 1.71% by Mr.Nagarjuna Valluripalli taking his total shareholding to 6.21%.

f) Reg. 7 (1A) - Sale of 4.69% by Lanco Infratech Limited and retaining 10.49%.

g) Reg. 7(1) Acquisition of 23.24% by Mr.Nagarjuna Valluripalli taking the total to 26.54%.

h) Reg. 7(1) Acquisition of 20.33% by M/s. Pacific Power Ventures Limited taking the total to 20.33%.

i) Reg. 7(1) Acquisition of 14.52% by M/s.Fremont Ventures Limited taking the total to 14.52%.

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Aarthi Consultants Pvt. Limited at the collection centre as mentioned in the Letter of Offer)

Offer Opens on	January 17, 2008 ,Thursday
Last Date for Withdrawal of Application	January 30 ,2008 Tuesday
Offer Closes on	February 5 2008,Tuesday

From
(Name & Complete Address)

Tel No. ________Fax No. ________ Email__________

To,
Aarthi Consultants Pvt. Limited
1-2-285, Domalguda,
Hyderabad – 500 029

Dear Sir,

Sub: Open Offer for acquisition of equity shares of Lanco Global Systems Ltd. ("LGS") by Mr. K. Venkateswara Rao, Mr. K. Tejesh Kumar and Mr. K Venkata Subba Rao (“Acquirers”) at a price of Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid up share and Rs. Rs.57.50/(Rupees Fifty seven and fifty paise Only) for partly paid up shares as the “the Offer Price “payable in cash.

I/We refer to the letter of offer dated Jan 10, 2007 for acquiring the equity shares held by me/us in Lanco Global Systems Limited.

I/We, the undersigned have read the letter of offer and understood its contents including the terms and conditions as mentioned therein.

For Shares held in Physical Form :

I/We, accept the offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of shares
			From	To	
Total number of equity shares					

(In case of insufficient space, please use additional sheet and authenticate the same)

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

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

For Shares held in Demat Form:

I/We hold shares in demat form and accept the Offer and enclose photocopy of the Delivery Instruction duly acknowledged by my/our DP in respect of my/our equity shares as detailed below:

DP Name	**DP ID**	**Client ID**	**Name of Beneficiary**	**No. of Equity Shares**

I/We have done an off market transaction for crediting the shares to the Escrow Account opened with CDSL named "AARTHI-LGS-OPEN OFFER-ESCROW ACCOUNT" (the "Special Depository Escrow Account") with the following particulars:

DP Name – Hyderabad Stock Exchange Limited   Client ID – 23800   DP ID – **1302380000206263**

Shareholders whose shares are held in beneficiary Account with NSDL have to use an inter–depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Escrow Account with CDSL.

I/We note and understand that the Shares would lie in the Special Depository Escrow Account until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

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

I/We authorise the Acquirer to accept the shares so offered which they may decide to accept in consultation with the merchant banker and in terms of the Letter of Offer and I/We further authorise the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirer or their Merchant Banker to send by Registered Post / Courier the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned below.

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

	First/Sole Holder	**Joint Holder 1**	**Joint Holder 2**
PAN/GIR No.			

So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank		**Account No.**		**Saving/Current/NRE/NRO/ Others (Please tick)**
Address of Branch				

Yours faithfully,

Signed & Delivered by	**Full Names (s) & Address**	**Signature**	**Verified and Attested (by DP in case of Demat Shares and by Bank in case of Physical Shares)**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note : In case of joint holdings all must sign. A Corporation must affix its common seal and necessary Board resolution should be attached.

Place :
Date :

--**Tear along this line** ---

Acknowledgement slip Received from Mr./Ms. ___________________________ Folio No. __________________ Form of Acceptance cum Acknowledgement, _________Number of certificates for ________ equity shares / Copy of Delivery instruction to DP for ___________ equity shares.

Stamp of collection Center
Signature of Official
Date of Receipt

INSTRUCTIONS

1. Pease read the enclosed Letter of Offer carefully before filling this Form of Acceptance.

2. The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Equity Shareholders of LGS. Each equity shareholder of LGS to whom this Offer is being made is free to offer his equity shareholding in LGS in whole or in part while accepting the Offer.

3. In case of joint holdings, all the holders whose names appears on the Equity Share Certificate must sign this Form of Acceptance in the same order in which these names appears on the register of members and as per the specimen signature(s) lodged with LGS.

4. In case of physical Equity Shares, the enclosed transfer deed should be duly signed as transferors by all shareholders in the same order and as per specimen signatures lodged with LGS and should be duly witnessed at the appropriate place. The Transfer Deed should be left blank, excepting the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar Authority holding a Public Office and authorised to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or Manager of the transferors' bank. PLEASE DO NOT FILL UP ANY DETAILS ON THE TRANSFER FORM. Relevant Equity Share Certificates must be annexed.

5. In case of Bodies Corporate, proper corporate authorization should be enclosed.

6. Persons who own Equity Shares (as on the Specified Date or otherwise) but are not the registered holders of such Equity Shares and who desire to accept the Offer, will have to communicate their acceptance in writing to the Registrar to the Offer together with the Equity Share Certificate(s) and valid transfer deed(s) and other relevant documents. In case, the Equity Share Certificate(s) and transfer deed(s) are lodged with LGS for transfer, then the acceptance shall be accompanied by the acknowledgement of lodgement or receipt by LGS Limited.

7. Shareholders of LGS, who wish to avail this Offer should forward the relevant documents, by registered post with acknowledgement due or by hand delivery only to the Registrar to the Offer, so as to reach on or before February 5, 2008.

- TEAR HERE -

Note: All future correspondence, if any, should be addressed to the Registrar to the offer, at the address mentioned below:

Aarthi Consultants Pvt. Limited
1-2-285, Domalguda,
Hyderabad- 500 029

FORM OF WITHDRAWAL

Offer Opens on	January 17, 2008 ,Thursday
Last Date for Withdrawal of Application	January 30 ,2008 Tuesday
Offer Closes on	February 5 2008,Tuesday

From
(Name & Complete Address)

Tel No. ________Fax No. ________ Email__________

To,
Aarthi Consultants Pvt. Limited
1-2-285, Domalguda,
Hyderabad – 500 029

Dear Sir,

Sub: Open Offer for acquisition of equity shares of Lanco Global Systems Ltd. ("LGS") by Mr. K. Venkateswara Rao, Mr. K. Tejesh Kumar and Mr. K Venkata Subba Rao (“Acquirers Rs. 66.25/- (Rupees Sixty six and twenty five paise Only) per fully paid up share and Rs. Rs.57.50/(Rupees Fifty seven and fifty paise Only) for partly paid up shares as the “the Offer Price “payable in cash.

I/We refer to the letter of offer dated January 10, 2008 or acquiring the equity shares held by me/us in Lanco Global Systems Limited.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise the Acquirer to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

I/We note that upon withdrawal of my/our Shares from the Offer, no claim or liability shall lie against the Acquirer/Manager to the Offer/ Registrar to the Offer.

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned in the Letter of Offer on or before the last date of withdrawal.

I/We note that the Acquirer/Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay/loss in transit for the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures etc. and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Folio **No.**	**Certificate No.**	**Distinctive Nos.**	**No. of shares**

	Tendered			
Total number of equity shares Tendered				
	Withdrawn			
Total number of equity shares Withdrawn				

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We hold the following equity shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the "AARTHI-LGS-OPEN OFFER-ESCROW ACCOUNT" (Special Depository Escrow Account) as per the following particulars:

DP Name – Hyderabad Stock Exchange Limited Client ID - 23800 DP ID – **1302380000206263**

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP. The particulars of the account from which my/our equity shares have been tendered are as detailed below:

DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

I/We note that the equity shares will be credited back only to that Depository Account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

I/We confirm that the particulars given above are true and correct.

Yours faithfully,

Signed & Delivered by	Full Names (s) & Address	Signature	Verified and Attested (by DP in case of Demat Shares and by Bank in case of Physical Shares)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note : In case of joint holdings all must sign. A Corporation must affix its common seal necessary Board resolution should be attached.

Place : Date :

---**Tear along this line** ---

Acknowledgement slip

Received from Mr./Ms. ___________________________ Folio No. __________________ Form of Withdrawal dated_____________.

Stamp of collection Center
Signature of Official
Date of Receipt

INSTRUCTIONS

PLEASE NOTE THAT THE FORM OF WITHDRAWAL SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR TO THE MANAGER TO THE OFFER

1. Shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at the Collection Centre mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal i.e. January 30 ,2008.

2. Shareholders should enclose the following:
I. For Equity Shares held in demat form :
Beneficial owners should enclose duly signed and completed Form of Withdrawal.

Acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.

II. For Equity Shares held in physical form:
Registered shareholders should enclose duly signed and completed Form of Withdrawal.

Acknowledgement slip in original / copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

In case of partial withdrawal, 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 Lanco Global Systems Limited and duly witnessed at the appropriate place.

III. Unregistered owners should enclose:

Duly signed and completed Form of Withdrawal.

Acknowledgement slip in original / Copy of the submitted Form of Acceptance-cum-Acknowledgement in case delivered by Registered A.D.

3. The withdrawal of Shares will be available only for the Share certificates / the Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account.

4. The intimation of returned Shares to the Shareholders will be at the address as per the records of the Target Company / Depository as the case may be.

5. The Form of Withdrawal should be sent only to the Registrar to the Offer.

6. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from the Target Company. The facility of partial withdrawal is available only to registered shareholders.

7. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

8. The Form of Withdrawal and other related documents should be submitted the Collection Centre of Aarthi Consultants Pvt. Limited stated in Paragraph 9 of the Letter of Offer.

9. Applicants who cannot hand deliver their documents at the Collection Centre, may send their documents only by Registered Post / Speed Post / Courier, at their own risk, to the Registrar to the Offer at Aarthi Consultants Pvt. Limited, 1-2-285, Domalguda, Hyderabad – 500 029 so as to reach the Registrar

to the Offer on or before the last date of withdrawal i.e. Tuesday, January 30,2008.

PLEASE REFER TO THE DETAILED INSTRUCTIONS UNDER PARA 10 TITLED "PROCEDURE FOR ACCEPTANCE AND SETTLEMENT" ON PAGE * OF THIS LETTER OF OFFER

- **TEAR HERE** -

Note: All future correspondence, if any, should be addressed to the Registrar to the offer, at the address mentioned below:

Aarthi Consultants Pvt. Limited
1-2-285, Domalguda,
Hyderabad- 500 029