

DRAFT LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This draft letter of offer ("Draft Letter of Offer" or "DLoF") is sent to you as a Public Shareholder (as defined below) of KPIT Technologies Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or the Manager (as defined below) / Registrar to the Offer (as defined below). In case you have recently sold your Equity Shares (as defined below), please hand over this Draft Letter of Offer and the accompanying Form of Acceptance to the member of stock exchange through whom the said sale was effected.

PROFICIENT FINSTOCK LLP ("Proficient" or "Acquirer 1")

A limited liability partnership incorporated under the provisions of the Limited Liability Partnership Act 2008

Registered office: 35 & 36, Rajiv Gandhi Infotech Park, Phase I, MIDC, Hinjawadi, Pune – 411057

(Tel: +91 20 6770 6000 /6770 6500)

and

MR. KISHOR PATIL ("Acquirer 2")

An individual residing at Dwarka, Plot 15, Tejas Society, Kothrud Pune – 411038

(Tel: +91 20 6770 6000)

(hereinafter collectively referred to as the "Acquirers")

along with the following persons acting in concert ("PACs")

MR. SHASHISHEKHAR PANDIT ("PAC 1")

An individual residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021

(Tel: +91 20 6770 6000)

and

MS. NIRMALA PANDIT ("PAC 2")

An individual residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021

(Tel: +91 20 6770 6000)

and

MR. CHINMAY PANDIT ("PAC 3")

An individual residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021

(Tel: +91 20 6770 6000)

and

MS. HEMLATA SHENDE ("PAC 4")

An individual residing at 101, Old Oak Ln, Santa Rosa, CA 95409

(Tel: +91 20 6770 6000)

and

MS. ANUPAMA PATIL ("PAC 5")

An individual residing at Dwarka, Plot 15, Tejas Society, Kothrud Pune - 411038

(Tel: +91 20 6770 6000)

and

MR. SHRIKRISHNA PATWARDHAN ("PAC 6")

An individual residing at Shree Chinatamani D - 1, S. No. 135, Mayur Colony, Kothrud, Pune – 411029

(Tel: +91 20 6770 6000)

and

MR. AJAY BHAGWAT ("PAC 7")

An individual residing at A1001, Rohan Tapovan, Gokhale Nagar, Pune – 411016

(Tel: +91 20 6770 6000)

and

MS. ASHWINI BHAGWAT ("PAC 8")

An individual residing at A1001, Rohan Tapovan, Gokhale Nagar, Pune – 411016

(Tel: +91 20 6770 6000)

and

MR. SACHIN TIKEKAR ("PAC 9")

An individual residing at 10 Erin Court, Kendall Park, New Jersey 08824-1939

(Tel: +91 20 6770 6000)

and

K AND P MANAGEMENT SERVICES PRIVATE LIMITED ("PAC 10")

A private company incorporated under the laws of India

Registered office: Preetkamal, S. No. 256/254, Bungalow no. 2, Green Park Society, Baner, Pune - 411007

(Tel: +91-7774021581)

MAKE AN OPEN OFFER FOR ACQUISITION OF UPTO 7,12,77,391 (SEVEN CRORE TWELVE LAKH SEVENTY SEVEN THOUSAND THREE HUNDRED AND NINETY ONE ONLY) FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF INR 10 (INDIAN RUPEES TEN ONLY) EACH REPRESENTING 26.00% (TWENTY SIX PERCENT) OF THE EQUITY SHARE CAPITAL (AS DEFINED BELOW), UNDER THE SEBI (SAST) REGULATIONS (AS DEFINED BELOW) FROM THE PUBLIC SHAREHOLDERS OF

KPIT TECHNOLOGIES LIMITED

(erstwhile KPIT Engineering Limited)

A listed public limited company incorporated under the Companies Act, 2013

Registered office: Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Pune – 411057

(Tel: +91 020- 6770 6000)
CIN: U74999PN2018PLC174192
(hereinafter referred to as "KPIT" or "Target Company")

1. This Offer (as defined below) is being made by the Acquirers and the PACs pursuant to and in compliance with the provisions of regulation 3(1) and regulation 4 of the SEBI (SAST) Regulations.
 2. This Offer is not a conditional offer in terms of regulation 19 of the SEBI (SAST) Regulations and is not subject to any minimum level of acceptance.
 3. This Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
 4. This Offer is subject to certain statutory and regulatory approvals set out in section C of part VI (*Statutory & other Approvals*) of this Draft Letter of Offer.
 5. In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
 6. The Acquirers may withdraw the Offer in accordance with the terms and conditions specified in section B of part II (*Details of the Offer*) of this Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirers (through the Manager) shall, within 2 (two) Working Days (as defined below) of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement (as defined below) had appeared, stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
 7. The Offer Price (as defined below) may be subject to revision pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers at any time prior to the commencement of the last 1 (one) Working Day before the commencement of the Tendering Period (as defined below) in accordance with regulation 18(4) of the SEBI (SAST) Regulations. Where the Acquirers have acquired any Equity Shares during the offer period at a price higher than the Offer Price, the Offer Price shall stand revised to the highest price paid for such acquisition in accordance with regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers shall not acquire any Equity Shares during the period between 3 (three) Working Days prior to the commencement of the Tendering Period and ending on the expiry of the Tendering Period. In the event of such revision, the Acquirers shall (i) make corresponding increases to the Open Offer Escrow Amount (as defined below); (ii) make a public announcement in the same newspapers in which the Detailed Public Statement was published; and (iii) simultaneously with the issue of such announcement, inform SEBI (as defined below), the Stock Exchanges (as defined below) and the Target Company at its registered office of such revision. Such revised Offer Price would be payable for all the Equity Shares validly tendered during the Tendering Period of the Offer.
 8. **If there is a competing offer, the public offers under all subsisting bids will open and close on the same date.**
 9. **There has been no competing offer as of the date of this Draft Letter of Offer.**
- A copy of the Public Announcement (as defined below), the Detailed Public Statement and the Draft Letter of Offer (including the Form of Acceptance-cum-Acknowledgement) is also available and the Letter of Offer (including Form of Acceptance-cum-Acknowledgement) will also be available on the website of SEBI (www.sebi.gov.in).

All future correspondence, if any, should be addressed to the Manager to the Offer/ Registrar to the Offer at the addresses mentioned below

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
 Kotak Mahindra Capital Company Limited 27BKC, 1st floor, Plot no. C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 Tel: +91 22 22 4336 0128 Fax: +91 22 22 6713 2447 Email: kpit.openoffer@kotak.com Contact Person: Ganesh Rane SEBI Registration Number: INM000008704 CIN: U67120MH1995PLC134050	 Karvy Fintech Private Limited (Formerly known as KCPL Advisory Services Private Ltd) Karvy Selenium Tower B, Plot no.31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 Tel No. +91 40 6716 2222 Contact Person: Mr. M. Muralikrishna Email ID: kpit.openoffer@karvy.com Website : www.karvyfintech.com SEBI Registration No: INR000000221

The schedule of activities under the Offer is as follows:

Activity	Schedule of activities as published in the DPS	Revised schedule of activities based on actual date of filing of DLoF	Revised schedule of activities
	Date & Day		
PA	Monday, April 22, 2019	Monday, April 22, 2019	[•]
Publication of the DPS	Friday, April 26, 2019	Friday, April 26, 2019	[•]
Last date for filing of the DLoF with SEBI	Tuesday, May 7, 2019	Monday, May 6, 2019*	[•]
Last date for the public announcement for competing offer(s)	Tuesday, May 21, 2019	Tuesday, May 21, 2019	[•]
Last date for receipt of SEBI observations on the DLoF (in the event SEBI has not sought clarifications or additional information from the Manager)	Tuesday, May 28, 2019	Monday, May 27, 2019	[•]
Identified Date#	Thursday, May 30, 2019	Wednesday, May 29, 2019	[•]
Last date by which the letter of offer (" Letter of Offer ") is to be dispatched to the Public Shareholders whose name appears on the register of members on the Identified Date	Friday, June 7, 2019	Thursday, June 6, 2019	[•]
Last date by which the committee of the independent directors of the Target Company shall give its recommendation to the Public Shareholders of the Target Company for this Offer	Tuesday, June 11, 2019	Monday, June 10, 2019	[•]
Last date for upward revision of the Offer Price / Offer Size	Wednesday, June 12, 2019	Tuesday, June 11, 2019	[•]
Date of publication of Offer opening public announcement in the newspapers in which the DPS has been published	Thursday, June 13, 2019	Wednesday, June 12, 2019	[•]
Date of commencement of the tendering period (" Offer Opening Date ")	Friday, June 14, 2019	Thursday, June 13, 2019	[•]
Date of closure of the tendering period (" Offer Closing Date ")	Thursday, June 27, 2019	Wednesday, June 26, 2019	[•]
Last date of communicating the rejection/ acceptance and completion of payment of consideration or refund of Equity Shares to the Public Shareholders of the Target Company	Thursday, July 11, 2019	Wednesday, July 10, 2019	[•]
Last date for publication of post-Offer public announcement in the newspapers in which the DPS has been published	Thursday, July 18, 2019	Wednesday, July 17, 2019	[•]

*Actual date of filing of DLoF with SEBI

The Identified Date is only for the purpose of determining the Public Shareholders as on such date to whom the Letter of Offer would be posted.

RISK FACTORS

Risk factors relating to the Offer

- The Acquirers may withdraw the Offer in accordance with the conditions specified in section C of part VI (*Statutory & other Approvals*) in the Draft Letter of Offer. In the event of a withdrawal of the Offer, the Acquirers (through the Manager) shall, within 2 (two) Working Days of such withdrawal, make a public announcement of such withdrawal, in the same newspapers in which the Detailed Public Statement had appeared, stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
- In the event of any litigation leading to a stay on the Offer by a court of competent jurisdiction, or SEBI instructing that the Offer should not proceed, the Offer may be withdrawn or the Offer process may be delayed beyond the schedule of activities indicated in this Draft Letter of Offer. Consequently, in the event of any delay, the payment of consideration to the Public Shareholders of the Target Company, whose Equity Shares are accepted under this Offer, as well as the return of Equity Shares not accepted under this Open Offer by the Acquirers may be delayed.
- The Equity Shares tendered in the Offer will be held in trust by the Registrar to the Offer / Clearing Corporation (as defined below) until the completion of the Offer formalities, and the Public Shareholders who have tendered their Equity Shares will not be able to trade such Equity Shares held in trust by the Registrar to the Offer / Clearing Corporation during such period. During such period, there may be fluctuations in the market price of the Equity Shares that may adversely impact the Public Shareholders who have tendered their Equity Shares in this Offer. It is understood that the Public Shareholders will be solely responsible for their decisions regarding their participation in this Offer.
- In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares which are validly tendered by the Public Shareholders on a proportionate basis as detailed in paragraph 12 of Part VII (*Acceptance of Shares*) below. Therefore, there is no certainty that all the Equity Shares tendered in the Offer will be accepted. The unaccepted Equity Shares will be returned to the respective Public Shareholders in accordance with the schedule of activities for the Offer.
- Further, Public Shareholders should note that, under the SEBI (SAST) Regulations, once Public Shareholders have tendered their Equity Shares in the Offer, they will not be able to withdraw their Equity Shares from the Offer even in the event of a delay in the acceptance of Equity Shares under the Offer and/or the dispatch of consideration.
- All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Offer Shares

- In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers to diligently pursue such approval, and subject to such terms and conditions as specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, grant an extension of time to the Acquirers pending receipt of such statutory approval(s) to make the payment of the consideration to the Public Shareholders whose Equity Shares have been accepted in the Offer.
- The Acquirers and the PACs and the Manager accept no responsibility for the statements made otherwise than in the Draft Letter of Offer, the DPS (as defined below) and/or the PA (as defined below) and/or in the Offer Opening Public Announcement (as defined below) or in any corrigendum to the DPS and the PA (if issued) and anyone placing reliance on any other source of information (not released by the Acquirers and the PACs or the Manager) would be doing so at his, her or their own risk.
- Public Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirers and the Manager do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Draft Letter of Offer.
- This Offer is subject to the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the Tendering Period in order to allow the Offer to be made without breaching certain applicable rules under the U.S. Securities Exchange Act of 1934 (as amended).
- The Offer is being made for securities of an Indian company and Public Shareholders of the Target Company in the U.S. should be aware that this LoF and any other documents relating to the Offer have been or will be prepared in accordance with Indian procedural and disclosure requirements, including requirements regarding the offer timetable and timing of payments, all of which differ from those in the United States. Any financial information included in this LoF or in any other documents relating to the Offer, has been or will be prepared in accordance with non-U.S. accounting standards that may not be comparable to financial statements of companies in the U.S. or other companies whose financial statements are prepared in accordance with U.S. generally accepted accounting principles.
- The receipt of cash pursuant to the Offer by a Public Shareholder of the Target Company may be a taxable transaction for U.S. federal income tax purposes and under applicable U.S. state and local, as well as foreign and other, tax laws. Each Public Shareholder of the Target Company is urged to consult his independent professional adviser immediately regarding the tax consequences of accepting the Offer.
- Neither the U.S. Securities Commission (“SEC”) nor any U.S. state securities commission has approved or disapproved the Offer, or passed any comment upon the adequacy or completeness of this LoF. Any representation to the contrary is a criminal offence in the U.S.

Probable risks involved in associating with the Acquirers and the PACs

- Neither the Manager nor the Acquirers and the PACs make any assurance with respect to the continuation of past trends in the financial performance of the Target Company.
- Neither the Acquirers and the PACs nor the Manager can provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and each of them expressly disclaim any responsibility or obligation of any kind with respect to any decision by any Public Shareholder regarding whether or not to participate in the Offer.

The risk factors set forth above are indicative only and are not intended to provide a complete analysis of all risks as perceived in relation to the Offer or associating with the Acquirers and the PACs. The risk factors set forth above do not relate to the present or future business or operations of the Target Company and any other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by any Public Shareholder in the Offer. Public Shareholders are advised to consult their stockbroker, investment consultant or tax advisor for an understanding of the further risks associated with their participation in the Offer.

Disclaimer for U.S. persons:

This open offer described in this Draft Letter of Offer is not being made to, nor will tenders of shares be accepted from or on behalf of Public Shareholders of the Target Company in any jurisdiction in which such offer or invitation is not in compliance with applicable law or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLoF are requested to inform themselves about and to observe any such restrictions.

Disclaimer for persons in other foreign countries:

This DLoF does not in any way constitute an offer to sell or an invitation to sell, any securities in any jurisdiction in which such offer or invitation is not authorized or to any person to whom it is unlawful to make such offer or solicitation. Potential users of the information contained in this DLoF are requested to inform themselves about and to observe any such restrictions.

CURRENCY OF PRESENTATION

In this Draft Letter of Offer, all references to “**Rs.**”/“**INR**” are to Indian Rupee(s), the official currency of India. In this Draft Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

TABLE OF CONTENTS

I.	DISCLAIMER CLAUSE	9
II.	DETAILS OF THE OFFER	10
III.	BACKGROUND OF THE ACQUIRER	14
IV.	BACKGROUND OF THE TARGET COMPANY	26
V.	OFFER PRICE AND FINANCIAL ARRANGEMENTS	30
VI.	TERMS AND CONDITIONS OF THE OFFER	32
VII.	PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER	34
VIII.	DOCUMENTS FOR INSPECTION	44
IX.	DECLARATION BY THE ACQUIRERS AND THE PACS	45

DEFINITIONS / ABBREVIATIONS

Particulars	Details / Definition
Acquirers	Acquirer 1, Acquirer 2 collectively referred to as the Acquirers
Board of Directors	The board of directors of the Target Company
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Clearing Corporation	Clearing Corporation of Stock Exchanges
Depositories	CDSL and NSDL
Detailed Public Statement / DPS	The detailed public statement dated April 26, 2019 in connection with the Offer, published on behalf of the Acquirers and the PACs on April 26, 2019 in The Financial Express – English (all editions), in Jansatta - Hindi (all editions), Navshakti – Marathi (Mumbai edition) and Loksatta – Marathi (Pune edition)
DP	Depository Participant
Draft Letter of Offer / DLoF/ Draft LoF	The Draft Letter of Offer dated May 6, 2019, filed with the SEBI pursuant to regulation 16(1) of the SEBI (SAST) Regulations
Equity Share Capital	The total equity share capital of the Target Company consisting of of 27,41,43,808 equity shares
Equity Share(s)	Fully paid-up equity shares of the Target Company of face value of INR 10 (Indian Rupees ten only) each
Equity Shareholder(s)	All holders of Equity Shares, including beneficial owners of the Equity Shares.
Escrow Amount	The amount deposited by the Acquirers in one or more account(s), having lien marked with an irrevocable right to encash the proceeds in favour of the Manager to the Offer, in compliance with Regulation 17 of the SEBI (SAST) Regulations
Escrow Bank	Kotak Mahindra Bank Limited acting through its office at 5 C / II, Mittal Court, 224, Nariman Point, Mumbai – 400 021
FEMA	Foreign Exchange Management Act, 1999 (as amended)
Identified Date	The date falling on the 10th Working Day prior to the commencement of the Tendering Period
Income Tax Act	The Income Tax Act, 1961 (as amended)
KEL	KPIT Engineering Limited
KEL Investment Agreement	The investment agreement executed between the Acquirers, PACs and Sellers on January 29, 2018 and includes any amendment agreed by the parties thereto in writing.
KPIT Promoter Group	Acquirer 1, Acquirer 2, PAC 1, PAC 2, PAC 3, PAC 4, PAC 5, PAC 6, PAC 7, PAC 8, PAC 9 and PAC 10 collectively referred
Letter of Offer	The Letter of Offer dated [●]
LODR Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended
Manager / KMCC	Kotak Mahindra Capital Company Limited
Maximum Open Offer	INR 473,99,46,501.50 (Indian Rupees Four Hundred Seventy Three Crore Ninety Nine Lakh Forty Six Thousand Five Hundred and One and Paise Fifty

Particulars	Details / Definition
Consideration	only) being the total consideration payable to the Public Shareholders by the Acquirers pursuant to the Open Offer.
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
Offer / Open Offer	Open offer being made by the Acquirers to the Public Shareholders of the Target to acquire up to 7,12,77,391 (Seven Crore Twelve Lakh Seventy Seven Thousand Three Hundred and Ninety One only) Equity Shares representing 26.00% (twenty six percent) of the Voting Share Capital of the Target Company, at an offer price of INR 66.50 (Indian Rupees Sixty Six and Paise Fifty only) per Equity Share
Offer Opening Public Announcement	The announcement of the commencement of the Tendering Period made on behalf of the Acquirers
Offer Price	INR 66.50 (Indian Rupees Sixty Six and Paise Fifty only) per Offer Share
Offer Shares	7,12,77,391 (Seven Crore Twelve Lakh Seventy Seven Thousand Three Hundred and Ninety One only) Equity Shares
Offer Size	Offer Shares representing 26.00% (twenty six percent) of the Voting Share Capital of the Target Company
Open Offer Escrow Account	The account opened with Kotak Mahindra Bank Limited in accordance with regulation 17 of the SEBI (SAST) Regulations bearing the name "PROFICIENT ESCROW ACCOUNT" and account number "4112835833"
Open Offer Escrow Agent	Kotak Mahindra Bank Limited (acting through its office at 27 BKC, 1st Floor, Plot No. C-27, 'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051)
Open Offer Escrow Agreement	Escrow agreement entered into by the Acquirers with the Open Offer Escrow Agent and the Manager
Open Offer Escrow Amount	The Cash Escrow maintained by the Acquirers with the Open Offer Escrow Agent in accordance with the Open Offer Escrow Agreement
PAN	Permanent Account Number
Public Announcement / PA	The public announcement in connection with the Offer dated April 22, 2019 issued by the Manager on behalf of the Acquirers and the PACs and submitted to Stock Exchanges, SEBI and the Target Company
Public Shareholders	All the public equity shareholders of the Target Company excluding (i) the Acquirers and the PACs (ii) persons deemed to be acting in concert with the Acquirers and the PACs and (iii) the Sellers (as defined below).
RBI	Reserve Bank of India
Registrar to the Offer / RTA	Karvy Fintech Private Limited
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI Delisting Regulations	Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
Seller 1 / NEIL	National Engineering Industries Limited

Particulars	Details / Definition
Seller 2 / CIIL	Central India Industries Limited
Sellers	Seller 1 and Seller 2 are collectively referred to as Sellers
Selling Broker	Shall have the meaning ascribed to it in paragraph 5 of part VII of this DLoF
Stock Exchanges	BSE & NSE
STT	Securities Transaction Tax
Target / Target Company	KPIT Technologies Limited
Tendering Period	[●] to [●] both days inclusive
TRS	Transaction Registration Slip
Working Day(s)	Shall have the same meaning ascribed to it in the SEBI (SAST) Regulations

I. DISCLAIMER CLAUSE

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT THE FILING OF THE DRAFT 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 DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF KPIT TECHNOLOGIES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS, THE PACs OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRERS AND THE PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRERS AND THE PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER, KOTAK MAHINDRA CAPITAL COMPANY LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 6, 2019 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS AND THE PACs FROM THE REQUIREMENT OF OBTAINING SUCH A STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.”

II. DETAILS OF THE OFFER

A. Background to the Offer

1. PART A – Underlying Transaction

1. The Offer is being made by the Acquirers to the Public Shareholders of the Target Company in accordance with regulation 3(1) and regulation 4 of the SEBI (SAST) Regulations.
2. The Acquirers and the Sellers have entered into the KEL Investment Agreement, pursuant to which the Sellers have agreed, subject to the terms and conditions set out in the KEL Investment Agreement, to collectively sell, and the Acquirers have agreed to purchase 6,99,01,993 Equity Shares, for cash at a price of INR 43.95 per Equity Share ("**Underlying Transaction**"). The details of the Sale Shares being sold under the KEL Investment Agreement are set out below:

Seller	Number of Sale Shares	Percentage of Equity Share Capital
National Engineering Industries Limited / Seller 1		
Central India Industries Limited / Seller 2	6,99,01,993	25.50%
Total	6,99,01,993	25.50%

3. The Offer Price will be payable in cash by the Acquirers, in accordance with the provisions of regulation 9(1)(a) of the SEBI (SAST) Regulations, 2011.
4. The object and purpose of the Underlying Transaction is to increase the shareholding of the Acquirers in the Target Company.
5. All the Equity Shares tendered by the Public Shareholders in the Offer shall be acquired by Acquirer 1.
6. In addition to the details set out in this Part II Section A (*Background to the Offer*), and Part II Section B (*Details of the Offer*), the other salient features of the Underlying Transaction have been set out below

2. PART B – Additional Details

1. The Open Offer is being made to the Public Shareholders in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the substantial acquisition of shares, voting rights and control over the Target Company by Acquirers in accordance with and subject to the terms of the KEL Investment Agreement.
2. The respective boards of directors of erstwhile KPIT Technologies Limited, Birlasoft (India) Limited ("**Birlasoft**") and the Target Company, on January 29, 2018, approved a draft of the composite scheme ("**Composite Scheme**") which was approved by the shareholders on August 29, 2018 and was approved by the NCLT vide its order dated November 29, 2018 and effective January 15, 2019. Accordingly, Birlasoft merged and amalgamated with KPIT Technologies Limited ("**Merger**"); and the engineering business of erstwhile KPIT Technologies Limited was, on a going concern basis, demerged and transferred to the Target Company ("**Demerger**"). The combined entity resulting from the Merger and the Demerger is referred to as "Birlasoft Limited". In consideration for the Merger, the erstwhile KPIT Technologies Limited issued 22 (twenty two) shares for every 9 (nine) shares held by the shareholders of Birlasoft (India) Limited on January 18, 2019 ("**Merger Allotment Date**"), and in consideration for the Demerger, the Target Company has issued 1 (one) share for every 1 (one) share held by the shareholders of Birlasoft Limited who hold shares in Birlasoft Limited as on the record date January 25, 2019, on January 29, 2019 ("**Demerger Allotment Date**"). The Target Company has been renamed as 'KPIT Technologies Limited' w.e.f. March 13, 2019.

3. The Acquirers, PACs and Sellers entered into the KEL Investment Agreement, which records the terms and conditions in relation to: (i) the sale by the Sellers to the Acquirers of all Equity Shares held by the Sellers in the Target Company as on the Demerger Allotment Date, except for such number of the Target Company's shares held by the Sellers which constitute 3.00% of the Target Company's share capital as on the Demerger Allotment Date ("**Residual KEL Shares**"); (ii) a simultaneous put-call arrangement between the Acquirers and the Sellers in relation to the Residual KEL Shares, on and from an agreed date; and (iii) the inter-se rights and obligations among the KPIT Promoter Group on one hand and the Sellers on the other hand in relation to the Target Company. The key terms of the KEL Investment Agreement are set out below:
 - a. Until the shareholding of the Sellers falls below a certain threshold, the following rights have been agreed amongst the Acquirers, the PACs and the Sellers:
 - i. The Sellers shall collectively have the right to nominate and designate for election 1 (one) director on the Board of the Company and be entitled to remove from office the Director so nominated by the Sellers.
 - ii. The Sellers shall have affirmative voting rights with respect to certain matters relating to the Target Company including approval of the business plan and appointment and termination of the employment of any key managerial personnel of the Target Company.
 - b. The Sellers have agreed to co-operate with the KPIT Promoter Group on various matters relating to the Target Company such as (i) nomination and appointment of directors on the board of the Target Company, (ii) infusion of funds/capital into the Target Company by KPIT Promoter Group at its discretion by way of preferential allotment or rights issue, (iii) to not willfully or intentionally do or commit any act, which may adversely affect the reputation of the Target Company and/ or the KPIT Promoter Group, and (iv) matters relating to communication, etc.
4. After the Demerger, the Target Company has obtained listing and trading approvals from BSE and NSE in relation to its Equity Shares. The trading of the Equity Shares on the Stock Exchanges commenced from April 22, 2019.
5. Pursuant to the events mentioned in paragraph 3, under the KEL Investment Agreement, the Acquirers shall acquire 6,99,01,993 Equity Shares aggregating to 25.50% of the Voting Share Capital from the Sellers subject to compliance with the SEBI (SAST) Regulations.
6. There is no proposed change in the Board of Directors of the Target Company during the period of the Open Offer.
7. The Acquirers and the PACs are not prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued pursuant to section 11B of the SEBI Act or under any other regulations made pursuant to the SEBI Act.
8. In accordance with regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company will constitute a committee of independent directors to provide their written reasoned recommendation on the Offer to the Public Shareholders. Such recommendations shall be published by the Target at least 2 (two) Working Days before the commencement of the Tendering Period in the same newspapers where the DPS was published, in compliance with regulation 26(7) of the SEBI (SAST) Regulations. Simultaneously, a copy of such recommendations will be sent by the Target to SEBI, the Stock Exchanges and to the Manager to the offer.

B. Details of the Offer

1. The PA in connection with the Offer was made on April 22, 2019 to the Stock Exchanges and a copy thereof was also filed with SEBI, and the Target Company at its registered office on April 22, 2019.
2. In accordance with Regulation 14(3) of SEBI (SAST) Regulations, 2011, the DPS was published in the following newspapers on April 26, 2019:

Newspaper	Language	Edition
The Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition
Loksatta	Marathi	Pune Edition

3. The PA and the DPS are also available on the website of SEBI at (<http://www.sebi.gov.in>)
4. The Offer is a mandatory offer in compliance with regulation 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the substantial acquisition of shares, of the Target Company by the Acquirers in accordance with and subject to the terms of the KEL Investment agreement.
5. This Offer is being made by the Acquirers along with the PACs to all the Public Shareholders of the Target Company to acquire up 7,12,77,391 (Seven Crore Twelve Lakh Seventy Seven Thousand Three Hundred and Ninety One only) Equity Shares representing 26.00% (twenty six percent) of the Voting Share Capital of the Target Company, at an offer price of INR 66.50 (Indian Rupees Sixty Six and Paise Fifty only) per Equity Share aggregating to a total consideration of INR 473,99,46,501.50 (Indian Rupees Four Hundred Seventy Three Crore Ninety Nine Lakh Forty Six Thousand Five Hundred and One and Paise Fifty only). The Offer Price will be payable in cash by the Acquirers, in accordance with the provisions of regulation 9(1)(a) of the SEBI (SAST) Regulations. If the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the Offer Size, the Acquirers shall accept the Equity Shares received from the Public Shareholders on a proportionate basis in consultation with the Manager.
6. As on the date of the DLoF, the total equity share capital of the Target Company (“**Equity Share Capital**”) is as follows:

Particulars	Number of shares	% of Equity Share Capital
Fully paid up Equity Shares as on the DLoF date	27,41,43,808	100.00%
Partly paid up Equity Shares as on the DLoF date	Nil	Nil
Equity Share Capital	27,41,43,808	100.00%

Source: Target Company

7. As on the date of this DLoF, there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company which are convertible into Equity Shares of the Target Company. The equity share capital of the Target Company as on the 10th Working Day (as defined under the SEBI (SAST) Regulations) from the date of closure of the Tendering Period (as defined below) on a fully diluted basis (“Voting Share Capital”) will be same as that of the Equity Share Capital.
8. There is no differential pricing for this Offer.
9. This Offer is subject to the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the Tendering Period in order to allow the Offer to be made without breaching certain applicable rules under the U.S. Securities Exchange Act of 1934 (as amended).
10. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the Reserve Bank of India (“**RBI**”) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity

Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Offer Shares.

11. As on the date of the DLoF, to the best of the knowledge of the Acquirers and the PACs, there are no other statutory approvals required to acquire the Offer Shares that are validly tendered pursuant to this Offer and to complete the Underlying Transaction. If, however, any statutory or other approval becomes applicable prior to the completion of the Offer, the Offer would also be subject to such statutory or other approval(s) and the Acquirers and the PACs shall make necessary applications for such approvals.
12. The Offer is not conditional on any minimum level of acceptance by the Public Shareholders in terms of regulation 19 of the SEBI (SAST) Regulations.
13. The Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
14. In the event of a withdrawal of the Offer, the Acquirers and the PACs (through the Manager) shall, within two Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds and reasons for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.
15. The Equity Shares will be acquired by the Acquirers as fully paid-up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof, and the tendering Public Shareholder shall have obtained all necessary consents for it to sell the Equity Shares on the foregoing basis.
16. In terms of regulation 25(2) of the SEBI (SAST) Regulations, the Acquirers have no intention to restructure or alienate, whether by way of sale, lease, encumbrance or otherwise, any material assets of the Target Company or of its subsidiaries or of entities controlled by the Target Company during the period of two years following the completion of the Offer save and except:
 - i. in the ordinary course of business; or
 - ii. on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or
 - iii. as has already been disclosed by the Target Company in the public domain.
17. If the Acquirers and the PACs intend to alienate any material asset of the Target Company or any of its subsidiaries within a period of 2 years from the date of completion of the Open Offer, whether by way of sale, lease, encumbrance or otherwise outside the ordinary course of business, the Target Company and/or its subsidiaries, as applicable, shall obtain a special resolution passed by the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to regulation 25(2) of the SEBI (SAST) Regulations before undertaking any such alienation of any material asset.
18. The acquisition of the Offer Shares shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contract (Regulation) Rules, 1957.
19. The Manager does not hold any Equity Shares in the Target Company as on the date of this DLoF. The Manager to the Offer shall not deal, on their own account, in the Equity Shares of the Target Company during the Offer Period.

C. Object of the Acquisition / Offer

1. The Offer is being made to the Public Shareholders in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations pursuant to the substantial acquisition of shares, of the

Target Company by the Acquirers in accordance with and subject to the terms of the KEL Investment Agreement.

2. In terms of regulation 25(2) of the Regulations, the Acquirers and the PACs do not currently have any intention to alienate any material assets of the Target or any of its subsidiaries in the succeeding 2 (two) years from the completion of this Offer save and except:
 - i. in the ordinary course of business; or
 - ii. on account of regulatory approvals or conditions, or compliance with any law that is binding on or applicable to the operations of the Target Company; or
 - iii. as has already been disclosed by the Target Company in the public domain
3. If the Acquirers and the PACs intend to alienate any material asset of the Target Company or any of its subsidiaries within a period of 2 years from the date of completion of the open offer, whether by way of sale, lease, encumbrance or otherwise outside the ordinary course of business, the Target Company and/or its subsidiaries, as applicable, shall obtain a special resolution passed by the shareholders of the Target Company or any of its subsidiaries, as applicable, in accordance with proviso to regulation 25(2) of the SEBI (SAST) Regulations before undertaking any such alienation of any material asset.

III. BACKGROUND OF THE ACQUIRER

1. Acquirer 1

- 1.1. Proficient Finstock LLP, was incorporated on November 18, 2011 under the provisions of the Limited Liability Partnership Act, 2008 (Reg No: AAA - 6945). Its registered office is situated at 35 & 36, Rajiv Gandhi Infotech Park, Phase I, MIDC, Hinjawadi, Pune – 411057. There has been no change in the name of Acquirer 1 since inception.
- 1.2. Acquirer 1 is engaged in the business of investing, providing financial services and financial advisory services, other than services and activities which are classified as NBFC services or activities.
- 1.3. Acquirer 1 is not a part of any group.
- 1.4. Acquirer 1 is a limited liability partnership and is not listed.
- 1.5. The contribution of Acquirer 1 as on December 31, 2018 is INR 1,16,131. The details of the contribution of the Partners of Acquirer 1 are provided below:

Partners	Contribution (INR)	% Contribution
Promoters / Person in Control		
Mr. Shashishekhar Pandit / PAC 1	83,076	71.54%
Mr. Kishor Patil / Acquirer 2	21,497	18.51%
Mr. Shriharsh Ghate	4,274	3.68%
Mr. Shrikrishna Patwardhan / PAC 6	6,427	5.53%
Mr. Sachin Tikekar / PAC 9	857	0.74%
Total	1,16,131	100.00%

- 1.6. The details of the Partners of Acquirer 1 are given below:

Partners	DIN	Designation	Appointment Date
Mr. Shashishekhar Pandit / PAC 1	75861	Designated Partner	18/11/11
Mr. Kishor Patil / Acquirer 2	76190	Designated Partner	18/11/11
Mr. Shriharsh Ghate	1623616	Partner	18/11/11
Mr. Shrikrishna Patwardhan / PAC 6	173386	Designated Partner	18/11/11
Mr. Sachin Tikekar / PAC 9	2918460	Partner	18/11/11

Mr. Shashishekhar Pandit / PAC 1

Mr. Shashishekhar Pandit is the Co-founder, Chairman and Group CEO of KPIT Technologies Limited. His vision as the founder of KPIT has steered the Company toward achieving leadership position as product engineering and IT consulting solutions and services provider. He currently focuses on development of new technology & practices within KPIT. He is the founder trustee of Janwani, a NGO which is focused on improvements in urban India, and a founder trustee of the Pune International Centre, a National level think tank working on policy issues. He is a member of the board of management of Bhartiya Vidya Bhavan (a charitable public trust) and is a director of the Aga Khan Rural Support Program (India). He also serves on the board of Thermax Limited. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost and Works Accountants of India, and holds masters from Sloan School of Management, MIT, Cambridge, USA. In 2014, Tilak Maharashtra University decorated him with an honorary D.Litt.

Mr. Kishor Patil / Acquirer 2

Kishor Patil is the Co-founder, Managing Director and CEO of KPIT. He has set a high standard of excellence in the areas of running high growth international operations, effecting successful mergers & acquisitions and executing profitable integration. His exceptional people skills and sincerity have been instrumental in building an innovative enterprise. Kishor is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost and Works Accountants of India. In 2014 Kishor was honored with the CA Business Leader Award - Corporate award, by the Institute of Chartered Accountants of India (ICAI). In 2013, Kishor was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine.

Mr. Shriharsh Ghate

Mr. Shriharsh Ghate is a fellow member of the Institute of Chartered Accountants of India (FCA) and a licentiate member of the Institute of Company Secretaries of India. He is a Commerce graduate from Pune University. He is a member of SEBI's committee on ESOPs and has co-authored the Guidance Note on Expensing of ESOPs for the Institute of Chartered Accountants of India. He has more than 27 years of post-qualification experience in the area of Corporate Finance, Accounting and Financial management.

Mr. Shrikrishna Patwardhan / PAC 6

Mr. Shrikrishna Patwardhan has 29 years of experience in creating technology, products and solutions for Global and local customers. He has previously worked with companies such as TCS, Oracle Inc. and SAP America. He has taken on various roles such as Technology leader, architect for products and solutions and CIO for KPIT. He has expertise in Enterprise architecture, Cloud, AI and Machine learning, Networks, Security, IoT etc. Mr. Shrikrishna Patwardhan has a B. Tech & M. Tech from IIT Mumbai with a specialization in Control Systems and Instrumentation.

Mr. Sachin Tikekar / PAC 9

Mr. Sachin Tikekar is the co-founder and President of KPIT. In his current role, Sachin is the Executive Sponsor responsible for driving sustainable business growth across all of Asia, and he leads KPIT's initiatives to launch innovative products and platforms. Sachin has served the company in a number of capacities like Executive Sponsor for Europe geography, Chief Operating Officer in the US & Chief of People Operations for KPIT. He established the KPIT's US operations and sales presence. Earlier, Sachin worked with US Sprint and Strategic Positioning Group. He has a Masters in Strategic Management and International Finance from Temple University's Fox School of Business and Management, Pennsylvania.

- 1.7. As on the date of this DLoF, Acquirer 1 holds 2,71,30,949 Equity Shares representing 9.90% of the Equity Share Capital (as defined below) in the Target Company. Acquirer 1 is a part of the existing promoter and promoter group of the Target Company. The interest of the partners of Acquirer 1 in the Target Company is mentioned in the table below:

Name of Partners	Pre-transaction shareholding		Any other interest in the Target Company
	Number	% of total Voting Share Capital	
Mr. Shashishekhar Pandit / PAC 1	4,30,500	0.16%	PAC 1 is the Chairman & Group CEO of the Target Company. PAC 1 is a part of existing promoter and promoter group of the Target Company
Mr. Kishor Patil / Acquirer 2	29,89,080	1.09%	Acquirer 2 is the CEO & Managing Director of the Target Company. Acquirer 2 is a part of existing promoter and promoter group of the Target Company
Mr. Shriharsh Ghate*	49,999	0.02%	Mr. Shriharsh Ghate is a Trustee of the KPIT Technologies Employee Welfare Trust
Mr. Shrikrishna Patwardhan / PAC 6	11,00,000	0.40%	PAC 6 is Senior Vice President (Chief Technology Officer team) of the Target Company. PAC 6 is a part of existing promoter and promoter group of the Target Company
Mr. Sachin Tikekar / PAC 9	8,40,800	0.31%	PAC 9 is a Whole-Time Director of the Target Company. PAC 9 is a part of existing promoter and promoter group of the Target Company

*Mr. Shriharsh Ghate holds these shares jointly with his wife

- 1.8. Acquirer 1 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act.
- 1.9. Key financial information of Acquirer 1 based on its audited financial statements as on and for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018 and the certified financial statements as on and for the nine months ended December 31, 2018, is as below:

Income Statement

Particulars	(in INR crore)			
	For financial year ended March 2016	For financial year ended March, 2017	For financial year ended March, 2018	As on and for nine months ended Dec 31, 2018
Income from operations	5.33	2.67	6.70	7.12
Other Income ¹	0.05	0.09	0.57	8.29
Total Income	5.38	2.76	7.27	15.41
Total Expenditure	0.00	0.00	0.02	0.02
EBITDA	5.38	2.75	7.25	15.39
Depreciation	-	-	0.00	0.00
Interest	1.17	1.47	8.33	10.25
Other Expenses / (Extraordinary Income)	-	-	-	8.54
Profit/(Loss) Before Tax	4.21	1.29	(1.08)	(3.39)
Provision for Tax	-	(0.00)	1.09	0.75
Profit/(Loss) After Tax	4.21	1.29	(2.17)	(4.14)

1. Other income includes interest income

Balance Sheet Statement

(in INR crore)

Particulars	As at March 31, 2016	As at March 31, 2017	As at March 31, 2018	As at December 31, 2018
Sources of funds				
Paid up share capital	4.22	5.50	0.33	(3.81)
Reserves and Surplus (excluding revaluation reserves)	0.07	0.07	0.06	0.06
Networth / Partners Funds	4.28	5.57	0.40	(3.74)
Minority Interest	-	-	-	-
Loans	13.85	79.75	132.75	108.50
Other Non-current Liabilities	-	-	-	-
Total	18.13	85.32	133.15	104.76
Uses of funds				
Net fixed assets	-	-	-	-
Non Current Investments	14.39	73.54	81.61	76.84
Other Non-current Assets	-	-	-	-
Net current assets	3.74	11.77	51.54	27.93
Total	18.13	85.32	133.15	104.76

Other Financial Data

(in INR for Earnings Per Share)

Particulars	For financial year ended March 31, 2016	For financial year ended March 31, 2017	For financial year ended March 31, 2018	For 9 months ended Dec 31, 2018
Dividend (%)	NA	NA	NA	NA
Earnings/(Loss) per share- diluted	NA	NA	NA	NA

(Source: The financial information set forth above has been extracted from Acquirer 1's respective audited financial statements as on and for the financial years ended March 31, 2016, March 31, 2017, March 31, 2018 audited by the Statutory Auditors of Acquirer 1 and limited review financial statements by the Statutory Auditors of Acquirer 1 as on and for nine months ended December 31, 2018)

2. Acquirer 2

- 2.1. Mr. Kishor Patil is an individual aged 58 and residing at Dwarka, Plot 15, Tejas Society, Kothrud Pune - 411 038.
- 2.2. Mr. Kishor Patil is the Co-founder, Managing Director and CEO of KPIT. He has set a high standard of excellence in the areas of running high growth international operations, effecting successful mergers & acquisitions and executing profitable integration. His exceptional people skills and sincerity have been instrumental in building an innovative enterprise. Kishor is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost and Works Accountants of India. In 2014 Kishor was honored with the CA Business Leader Award - Corporate award, by the Institute of Chartered Accountants of India (ICAI). In 2013, Kishor was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine.
- 2.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN:103507W) has certified (Certificate No. 7741) that the net worth of Acquirer 2 as on December 31, 2018 is INR 2,39,73,97,722 (Indian Rupees Two Hundred Thirty Nine Crore Seventy Three Lakh Ninety Seven Thousand Seven Hundred and Twenty Two only).
- 2.4. As on the date of this DLoF, Mr. Kishor Patil holds 29,89,080 shares representing 1.09% of the Voting Share Capital. Acquirer 2 is the CEO & Managing Director of the Target Company. Acquirer 2 is a part of existing promoter and promoter group of the Target Company.

- 2.5. As on the date of this DLoF, Mr. Kishor Patil's contribution in Acquirer 1 is INR 21,497 representing 18.51% interest in Acquirer 1 and Mr. Kishor Patil holds 10,000 shares representing 13.33% in PAC 10.
- 2.6. Acquirer 2 is not a Whole time Director of any other company.
- 2.7. Acquirer 2 does not hold any positions on the Board of Directors of any other Listed Companies.
- 2.8. Acquirer 2 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 2.9. Acquirer 2 has confirmed that he is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

3. PAC 1

- 3.1. Mr. Shashishekhar Pandit is an individual aged 69 and residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021.
- 3.2. Mr. Shashishekhar Pandit is the Co-founder, Chairman and Group CEO of KPIT Technologies Limited. His vision as the founder of KPIT has steered the Company toward achieving leadership position as product engineering and IT consulting solutions and services provider. He currently focuses on development of new technology & practices within KPIT. He is the founder trustee of Janwani, a NGO which is focused on improvements in urban India, and a founder trustee of the Pune International Centre, a National level think tank working on policy issues. He is a member of the board of management of Bhartiya Vidya Bhavan (a charitable public trust) and is a director of the Aga Khan Rural Support Program (India). He also serves on the board of Thermax Limited. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost and Works Accountants of India, and holds masters from Sloan School of Management, MIT, Cambridge, USA. In 2014, Tilak Maharashtra University decorated him with an honorary D.Litt.
- 3.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) (Certificate No. 7737) has certified that the net worth of PAC 1 as on December 31, 2018 is INR 4,86,02,78,825 (Indian Rupees Four Hundred Eighty Six Crore Two Lakh Seventy Eight Thousand Eight Hundred and Twenty Five only).
- 3.4. As on the date of this DLoF, PAC 1 holds 4,30,500 shares representing 0.16% of the Voting Share Capital. PAC 1 is the Chairman & Group CEO of the Target Company. PAC 1 is a part of existing promoter and promoter group of the Target Company.
- 3.5. As on the date of this DLoF, PAC 1's contribution in Acquirer 1 is INR 83,076 representing 71.54% in Acquirer 1 and PAC 1 holds 50,000 shares representing 66.67% in PAC 10.
- 3.6. PAC 1 is a Whole-time Director of the Target Company.
- 3.7. PAC 1 is on the Board of Directors of Thermax Limited as an Independent Director.
- 3.8. Mr. Shashishekhar Pandit has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 3.9. PAC 1 has confirmed that he is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

4. PAC 2

- 4.1. Ms. Nirmala Pandit is an individual aged 63 and residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021.
- 4.2. Ms. Nirmala Pandit has a Ph. D in Human rights from the University of Pune. She taught Human Rights and International Law in the post-graduate department of Law in the University of Pune. She has been the Executive Director of the National Centre for Advocacy Studies, Pune. She also served as a Legal Officer for Asia Pacific in the International Commission of Jurist, Geneva. She was the Special Advisor to the High Commissioner of Human Rights on Trafficking while she was working at the UNHCHR in Switzerland.
- 4.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified, (Certificate No. 7738) that the net worth of PAC 2 as on December 31, 2018 is INR 11,93,69,681 (Indian Rupees Eleven Crore Ninety Three Lakh Sixty Nine Thousand Six Hundred and Eighty One only).
- 4.4. As on the date of this DLoF, PAC 2 holds 2,39,000 shares representing 0.09% of the Voting Share Capital. PAC 2 is a part of existing promoter and promoter group of the Target Company.
- 4.5. Ms. Nirmala Pandit is a relative of Mr. Shashishekhar Pandit.
- 4.6. PAC 2 does not hold any positions on the board of directors of any Listed Companies
- 4.7. PAC 2 is not a Whole Time Director of any Company
- 4.8. Ms. Nirmala Pandit has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 4.9. PAC 2 has confirmed that she is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

5. PAC 3

- 5.1. Mr. Chinmay Pandit is an individual aged 40 and residing at "Pracheeti", S-42/4, Behind Hotel Surabhi, Bavdhan Khurd, Pune – 411021.
- 5.2. Mr. Chinmay Pandit is the Associate Vice President at KPIT Technologies Limited where he is responsible for the Alternate Fuel Vehicle Products Line. He is working on bringing indigenous smart electric buses to the Indian market. He has business experience of over 14 years. He has worked in India as well as the United States. By profession, he is a Chartered Accountant (CA) and holds a Masters of Business Administration from J. L. Kellogg School of Business at the Northwestern University, Illinois, USA.
- 5.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified (Certificate No. 7739) that the net worth of PAC 3 as on December 31, 2018 is INR 1,08,22,042 (Indian Rupees One Crore Eight Lakh Twenty Two Thousand and Forty Two only).
- 5.4. As on the date of this DLoF, Mr. Chinmay Pandit holds 38,620 shares representing 0.01% of the Voting Share Capital. PAC 3 is a part of existing promoter and promoter group of the Target Company. PAC 3 is an employee of the Target Company.
- 5.5. Mr. Chinmay Pandit is a relative of Mr. Shashishekhar Pandit.
- 5.6. PAC 3 does not hold any positions on the Board of Directors of any Listed Companies

- 5.7. PAC 3 is not a Whole time Director of any Company.
- 5.8. PAC 3 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 5.9. PAC 3 has confirmed that he is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

6. PAC 4

- 6.1. Ms. Hemlata Shende is an individual aged 73 and residing at 101, Old Oak Ln, Santa Rosa, CA 95409.
- 6.2. Mrs. Hemlata Shende has M. A. in Sociology from Pune University and M.S. in Counseling Psychology from George Williams College in U.S. She worked in the capacity of counselor in a number of social organizations in Chicago area. She also taught Sociology in College of Du Page as an adjunct professor. Her specialization as a counselor was the issues of elderly clients. She also is an accomplished North Indian classical singer.
- 6.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified (Certificate No. 7740) that the net worth of PAC 4 as on December 31, 2018 is INR 89,99,000 (Indian Rupees Eighty Nine Lakh Ninety Nine Thousand only).
- 6.4. As on the date of this DLoF, PAC 4 holds 40,000 shares representing 0.01% of the Voting Share Capital. PAC 4 is a part of existing promoter and promoter group of the Target Company.
- 6.5. Ms. Hemlata Shende is a relative of Mr. Shashishekhar Pandit.
- 6.6. PAC 4 does not hold any positions on the Board of Directors of any Listed Companies
- 6.7. PAC 4 is not a Whole time Director of any Company.
- 6.8. Ms. Hemlata Shende has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 6.9. PAC 4 has confirmed that she is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

7. PAC 5

- 7.1. Ms. Anupama Patil is an individual aged 56 and residing at Dwarka, Plot 15, Tejas Society, Kothrud, Pune – 411038.
- 7.2. Chartered Accountant by qualification, Ms. Anupama Patil is the Director of a private limited company namely Krayon Pictures Private Limited which is engaged in producing Animation Movies.
- 7.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified (Certificate No. 7742) that the net worth of PAC 5 as on December 31, 2018 is INR 20,93,52,263 (Indian Rupees Twenty Crore Ninety Three Lakh Fifty Two Thousand Two Hundred and Sixty Three only).
- 7.4. As on the date of this DLoF, PAC 5 holds 1,22,330 shares representing 0.04% of the Voting Share Capital. PAC 5 is a part of existing promoter and promoter group of the Target Company.

- 7.5. Ms. Anupama Patil is a relative of Mr. Kishor Patil.
- 7.6. PAC 5 does not hold any positions on the Board of Directors of any Listed Companies
- 7.7. PAC 5 is a Whole time Director of Krayon Pictures Private Limited.
- 7.8. Ms. Anupama Patil has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 7.9. PAC 5 has confirmed that she is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

8. PAC 6

- 8.1. Mr. Shrikrishna Patwardhan is an individual aged 57 and residing at Shree Chintamani D - 1, S. No. 135, Mayur Colony, Kothrud, Pune – 411038.
- 8.2. Mr. Shrikrishna Patwardhan has 29 years of experience in creating technology, products and solutions for Global and local customers. He has previously worked with companies such as TCS, Oracle Inc. and SAP America. He has taken on various roles such as Technology leader, architect for products and solutions and CIO for KPIT. He has expertise in Enterprise architecture, Cloud, AI and Machine learning, Networks, Security, IoT etc. He has a B. Tech & M. Tech from IIT Mumbai with a specialization in Control Systems and Instrumentation.
- 8.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) (Certificate No. 7745) has certified that the net worth of PAC 6 as on December 31, 2018 is INR 64,69,35,578 (Indian Rupees Sixty Four Crore Sixty Nine Lakh Thirty Five Thousand Five Hundred and Seventy Eight only).
- 8.4. As on the date of this DLoF, PAC 6 holds 11,00,000 shares representing 0.40% of the Voting Share Capital. PAC 6 is the Senior Vice President (Chief Technology Officer team) of the Target Company. PAC 6 is a part of existing promoter and promoter group of the Target Company.
- 8.5. As on the date of this DLoF, PAC 6’s contribution in Acquirer 1 is INR 6,427 representing 5.53% interest in Acquirer 1.
- 8.6. PAC 6 does not hold any positions on the Board of Directors of any Listed Companies
- 8.7. PAC 6 is not a Whole -time Director of any Company.
- 8.8. Mr. Shrikrishna Patwardhan has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 8.9. PAC 6 has confirmed that he is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

9. PAC 7

- 9.1. Mr. Ajay Bhagwat is an individual aged 55 and residing at A1001, Rohan Tapovan, Gokhale Nagar, Pune – 411016.
- 9.2. Mr. Ajay Bhagwat is the founder of Renu Electronics. He holds the degree Bachelor of Technology from the Indian Institute of Technology (IIT - Bombay) in Mumbai and has done his MS in Electrical and Computer Engineering from University of Iowa, USA. He has strong technical knowledge with specialization in the Industrial Automation area.

- 9.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified (Certificate No. 7743) that the net worth of PAC 7 as on December 31, 2018 is 112,65,51,150 (Indian Rupees One Hundred and Twelve Crore Sixty Five Lakh Fifty One Thousand One Hundred and Fifty only).
- 9.4. As on the date of this DLoF, PAC 7 holds 26,36,800 shares representing 0.96% of the Voting Share Capital. PAC 7 is a part of existing promoter and promoter group of the Target Company.
- 9.5. PAC 7 does not hold any positions on the Board of Directors of any Listed Companies
- 9.6. PAC 7 is a Whole-time Director for Renu Electronics Private Limited.
- 9.7. Mr. Ajay Bhagwat has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 9.8. PAC 7 has confirmed that he is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

10. PAC 8

- 10.1. Ms. Ashwini Bhagwat is an individual aged 48 and residing at A1001, Rohan Tapovan, Gokhale Nagar, Pune – 411016.
- 10.2. PAC 8 holds a Bachelor's degree in Electronics from Shivaji University. She has over 20 years of experience in running manufacturing operations in Electronics. She is currently the Chief Operations Officer and Director at Renu Electronics. She is responsible for the product delivery for the export market and in charge of the factory operations
- 10.3. M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) has certified (Certificate No. 7744) that the net worth of PAC 8 as on December 31, 2018 is INR 2,92,86,466 (Indian Rupees Two Crore Ninety Two Lakh Eighty Six Thousand Four Hundred and Sixty Six only).
- 10.4. As on the date of this DLoF, PAC 8 holds 43,300 shares representing 0.02% of the Voting Share Capital. PAC 8 is a part of existing promoter and promoter group of the Target Company.
- 10.5. PAC 8 does not hold any positions on the board of directors of any listed Companies
- 10.6. PAC 8 is a Whole time Director of Renu Electronics Private Limited.
- 10.7. Ms. Ashwini Bhagwat has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 10.8. PAC 8 has confirmed that she is not categorized as “wilful defaulter” in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

11. PAC 9

- 11.1. Mr. Sachin Tikekar is an individual aged 50 and residing at 10 Erin Court, Kendall Park, New Jersey 08824-1939.
- 11.2. Mr. Sachin Tikekar is the co-founder and President of KPIT. In his current role, Sachin is the Executive Sponsor responsible for driving sustainable business growth across all of Asia, and he leads KPIT's initiatives to launch innovative products and platforms. Sachin has served the company in a number of capacities like Executive Sponsor for Europe geography, Chief Operating Officer in the US & Chief of People Operations for KPIT. He

established the KPIT's US operations and sales presence. Earlier, Sachin worked with US Sprint and Strategic Positioning Group. He has a Masters in Strategic Management and International Finance from Temple University's Fox School of Business and Management, Pennsylvania

- 11.3. M/s Chandorkar & Limaye Chartered Accountants (FRN: 101669W) has certified that the net worth of PAC 9 is INR 59,12,16,003 (Indian Rupees Fifty Nine Crore Twelve Lakh Sixteen Thousand and Three only)
- 11.4. As on the date of this DLoF, PAC 9 holds 8,40,800 shares representing 0.31% of the Voting Share Capital. PAC 9 is a part of existing promoter and promoter group of the Target Company.
- 11.5. Mr. Sachin Tikekar is a relative of Mr. Shashishekhar Pandit.
- 11.6. As on the date of this DLoF, PAC 9's contribution in Acquirer 1 is INR 857 representing 0.74% in Acquirer 1.
- 11.7. PAC 9 is a Whole Time Director of the Target Company.
- 11.8. PAC 9 is not a Whole Time Director of any other company.
- 11.9. Mr. Sachin Tikekar has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of the SEBI Act as amended or under any other regulations made under the SEBI Act.
- 11.10. PAC 9 has confirmed that he is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

12. PAC 10

- 12.1. K and P Management Services Private Limited, is a private company, incorporated on November 28, 1988 under the Companies Act, 1956 (CIN: U74120MH1988PTC099793). Its registered office is situated at Preetkamal, S. No. 256/254, Bunglow no. 2, Green Park Society, Baner, Pune - 411007. There has been no change in the name of PAC 10 since inception.
- 12.2. PAC 10 is in the business of providing consulting services.
- 12.3. PAC 10 does not belong to any group.
- 12.4. PAC 10 is a private company and securities of PAC 10 are not listed on any of the stock exchanges in India or outside India
- 12.5. The paid up share capital as on December 31, 2018 of PAC 10 is INR 7,50,000 comprising of 75,000 shares of INR 10 each. The details of the major shareholders of PAC 10 are provided below:

Shareholder	Number of shares	% of total issued shares
Mr. Shashishekhar Pandit / PAC 1	50,000	66.67%
Mr. Shriharsh Ghatge	15,000	20.00%
Mr. Kishor Patil / Acquirer 2	10,000	13.33%
Total	75,000	100.00%

- 12.6. The Directors of PAC 10 are:

Directors	DIN	Designation	Appointment Date
Mr. Shashishekhar Pandit / PAC 1	75861	Director	01/06/1994

Directors	DIN	Designation	Appointment Date
Mr. Kishor Patil / Acquirer 2	76190	Director	28/11/1988
Mr. Shriharsh Ghatе	1623616	Director	11/03/1991

Mr. Shashishekhar Pandit / PAC 1

Mr. Shashishekhar Pandit is the Co-founder, Chairman and Group CEO of KPIT Technologies Limited. His vision as the founder of KPIT has steered the Company toward achieving leadership position as product engineering and IT consulting solutions and services provider. He currently focuses on development of new technology & practices within KPIT. He is the founder trustee of Janwani, a NGO which is focused on improvements in urban India, and a founder trustee of the Pune International Centre, a National level think tank working on policy issues. He is a member of the board of management of Bhartiya Vidya Bhavan (a charitable public trust) and is a director of the Aga Khan Rural Support Program (India). He also serves on the board of Thermax Limited. He is a gold medalist and fellow member of the Institute of Chartered Accountants of India, an associate member of the Institute of Cost and Works Accountants of India, and holds masters from Sloan School of Management, MIT, Cambridge, USA. In 2014, Tilak Maharashtra University decorated him with an honorary D.Litt.

Mr. Kishor Patil / Acquirer 2

Mr. Kishor Patil is the Co-founder, Managing Director and CEO of KPIT. He has set a high standard of excellence in the areas of running high growth international operations, effecting successful mergers & acquisitions and executing profitable integration. His exceptional people skills and sincerity have been instrumental in building an innovative enterprise. Kishor is a fellow member of the Institute of Chartered Accountants of India, and a member of the Institute of Cost and Works Accountants of India. In 2014 Kishor was honored with the CA Business Leader Award - Corporate award, by the Institute of Chartered Accountants of India (ICAI). In 2013, Kishor was named among the top 16 entrepreneurs in India by Ernst and Young in its Entrepreneur of the Year award program. He was recognized among the Top 50 CEOs of 2013 by The Entrepreneur Magazine

Mr. Shriharsh Ghatе

Mr. Shriharsh Ghatе is a fellow member of the Institute of Chartered Accountants of India (FCA) and a licentiate member of the Institute of Company Secretaries of India. He is a Commerce graduate from Pune University. He is a member of SEBI's committee on ESOPs and has co-authored the Guidance Note on Expensing of ESOPs for the Institute of Chartered Accountants of India. He has more than 27 years of post-qualification experience in the area of Corporate Finance, Accounting and Financial management.

- 12.7. As on the date of this DLoF, PAC 10 holds 3,00,910 shares representing 0.11% of the Voting Share Capital. PAC 10 is a part of existing promoter and promoter group of the Target Company. Further, none of the directors or key managerial personnel of PAC 10 have any interest in the Target Company except for the ones mentioned in the table below:

Name of Directors	Pre-transaction shareholding		Any other interest in the Target Company
	Number	% of total Voting Share Capital	
Mr. Shashishekhar Pandit / PAC 1	4,30,500	0.16%	PAC 1 is the Chairman & Group CEO of the Target Company. PAC 1 is a part of existing promoter and promoter group of the Target Company

Name of Directors	Pre-transaction shareholding		Any other interest in the Target Company
	Number	% of total Voting Share Capital	
Mr. Kishor Patil / Acquirer 2	29,89,080	1.09%	Acquirer 2 is the CEO & Managing Director of the Target Company. Acquirer 2 is a part of existing promoter and promoter group of the Target Company
Mr. Shriharsh Ghate*	49,999	0.02%	Mr. Shriharsh Ghate is a Trustee of the KPIT Technologies Employee Welfare Trust

*Mr. Shriharsh Ghate holds these shares jointly with his wife

- 12.8. Mr. Shashishekhar Pandit, Mr. Kishor Patil and Mr. Shriharsh Ghate, who are all directors of PAC 10, are also Partners in Acquirer 1
- 12.9. PAC 10 has not been prohibited by SEBI from dealing in securities pursuant to the terms of any directions issued under Section 11B of SEBI Act as amended or under any other regulations made under the SEBI Act.
- 12.10. Key financial information for PAC 10 based on its audited standalone financial statements as on and for the financial years ended March 31, 2016, March 31, 2017 and March 31, 2018 and limited review standalone financial statements as on and for the nine months ended December 31, 2018 is as below:

Income Statement

(in INR crore)

Particulars	For financial year ended March 31, 2016	For financial year ended March 31, 2017	For financial year ended March 31, 2018	For 9 months ended Dec 31, 2018
Income from operations				
Other Income ¹	0.33	0.07	0.41	0.07
Total Income	0.33	0.07	0.41	0.07
Total Expenditure	0.01	0.01	0.01	0.00
EBITDA	0.32	0.06	0.40	0.07
Depreciation	-	-	-	-
Interest	0.00	0.00	-	-
Other Expenses / (Extraordinary Income)	-	-	-	-
Profit/(Loss) Before Tax	0.32	0.06	0.40	0.07
Provision for Tax	-	-	-	-
Profit/(Loss) After Tax	0.32	0.06	0.40	0.07

1. Other income includes interest and dividend received

Balance Sheet Statement

(in INR crore)

Particulars	As at March 31, 2016	As at March 31, 2017	As at March 31, 2018	As at Dec 31, 2018
Sources of funds				
Paid up share capital	0.08	0.08	0.08	0.08
Reserves and Surplus (excluding revaluation reserves)	0.88	0.89	0.93	0.93
Networth	0.96	0.97	1.00	1.00
Minority Interest	-	-	-	-
Loans	-	-	-	-
Other Non-current Liabilities	-	-	-	-
Total	0.96	0.97	1.00	1.00

Particulars	As at March 31, 2016	As at March 31, 2017	As at March 31, 2018	As at Dec 31, 2018
Uses of funds				
Net fixed assets	-	-	-	-
Non Current Investments	0.86	0.96	0.99	0.99
Other Non-current Assets	-	-	-	-
Net current assets	0.10	0.01	0.01	0.01
Total	0.96	0.97	1.00	1.00

Other Financial Data

(in INR for Earnings Per Share)

Particulars	For financial year ended March 31, 2016	For financial year ended March 31, 2017	For financial year ended March 31, 2018	For 9 months ended Dec 31, 2018
Dividend (%) ¹	302%	67%	480%	NA
Earnings/(Loss) per share- diluted	42.54	7.66	52.67	NA

1. Dividend as a percentage of face value for respective financial years

2. Non annualized

(Source: The financial information set forth above has been extracted from PAC 10's respective audited standalone financial statements as on and for the financial years ended March 31, 2016, March 31, 2017, March 31, 2018 audited by the Statutory Auditors of the PAC 10 and limited review standalone financial statements by the Statutory Auditors of PAC 10 as on and for the nine months ended December 31, 2018)

12.11. PAC 10 does not have any major contingent liabilities

12.12. PAC 10 has confirmed that it is not categorized as "wilful defaulter" in terms of regulation 2(1)(ze) of the SEBI (SAST) Regulations.

IV. BACKGROUND OF THE TARGET COMPANY

- The Target Company is a public limited company incorporated under the provisions of the Companies Act, 2013 on January 8, 2018. The name of the Target Company was changed from KPIT Engineering Limited to KPIT Technologies Limited on March 13, 2019.
- The registered office of the Target Company is situated at Plot-17, Rajiv Gandhi Infotech Park, MIDC-SEZ, Phase-III, Maan, Hinjawadi, Pune – 411057. The Corporate Identity Number of the Target Company is U74999PN2018PLC174192.
- KPIT is engaged in the business of providing engineering solutions, specialized in embedded software, artificial intelligence (AI) & digital solutions in automobile industry and mobility.
- The Equity Shares are presently listed on BSE (Scrip Code: 542651) and NSE (Scrip ID: KPITTECH). The ISIN of the Equity Shares of the Target Company is INE04I401011.
- Since the Equity Shares were not listed and were not traded on the Stock Exchanges during the 12 (Twelve) calendar months preceding the calendar month in which the PA was made, the Equity Shares are not considered to be frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The Equity Shares of the Target Company were listed on both the Stock Exchanges on April 22, 2019.
- As on the date of the DLoF, the authorized share capital of the Target Company is INR 3,00,00,00,000 comprising of 30,00,00,000 equity shares of INR 10 each. The issued, subscribed and fully paid-up equity share capital of the Target Company is INR 2,74,14,38,080 comprising of 27,41,43,808 equity shares of INR 10 each. The Target Company does not have partly paid-up equity shares.

Particulars	Number of shares	% of Equity Share Capital
Fully paid up Equity Shares as on the DLoF date	27,41,43,808	100.00%
Partly paid up Equity Shares as on the DLoF date	Nil	Nil
Equity Share Capital	27,41,43,808	100.00%

Source: Target Company

7. As on the date of the Draft Letter of Offer there are no partly paid up Equity Shares in the share capital of the Target Company and there are no outstanding convertible securities, depository receipts, warrants or instruments, issued by the Target Company, convertible into Equity Shares of the Target Company. The Target Company does not have any locked-in shares.
8. The details of the board of directors of the Target Company as of the date of the Draft Letter of Offer are provided below:

Name of Director	DIN	Current Designation	Date of Appointment
Mr. Shashishekhar Pandit	00075861	Chairman & Group CEO	January 8, 2018*
Mr. Kishor Patil	00076190	CEO & Managing Director	January 8, 2018*
Mr. Sachin Tikekar	02918460	President & Board Member	January 8, 2018*
Prof. Alberto Sangiovanni Vincentelli	05260121	Additional and Independent Director	January 16, 2019
Mr. Anant J. Talaulicar	00031051	Additional and Independent Director	January 16, 2019
Mr. B V R Subbu	00289721	Additional and Independent Director	January 16, 2019
Dr. Klaus Hermann Blickle	07958326	Additional Director	January 16, 2019
Mr. Nickhil Jakatdar	05139034	Additional and Independent Director	January 16, 2019
Ms. Subhalakshmi Panse	02599310	Additional and Independent Director	January 16, 2019
Mr. Rohit Saboo	00086846	Nominee Director	January 16, 2019

*Mr. Shashishekhar Pandit, Mr. Kishor Patil and Mr. Sachin Tikekar were appointed as Directors on January 8, 2018 and were appointed to Chairman & Group CEO, CEO & MD and President & Board Member respectively on January 16, 2019

9. The Target Company had the following mergers/de-mergers, spin-offs during the last three years:
 - The respective boards of directors of erstwhile KPIT Technologies Limited, Birlasoft and the Target Company, on January 29, 2018, approved the Composite Scheme which was approved by the shareholders on August 29, 2018 and was approved by the NCLT vide its order dated November 29, 2018 and effective from January 15, 2019. Accordingly, Birlasoft was amalgamated into the erstwhile KPIT Technologies Limited and the engineering business of the erstwhile KPIT Technologies Limited was demerged into the Target Company on a going concern basis.
 - The combined entity resulting from the amalgamation of Birlasoft into the erstwhile KPIT Technologies Limited has been named as "Birlasoft Limited". As consideration for the Demerger, the Target Company has issued 1 (one) share for every 1 (one) share held by the shareholders of Birlasoft Limited who hold shares in Birlasoft Limited. The Target Company has been renamed as 'KPIT Technologies Limited' w.e.f. March 13, 2019.
10. The Target's key financial information based on its audited consolidated financial statements as on and for the financial year ended March 31, 2018 and the period April 1, 2018 – January 1, 2019* is as below:

Income Statement

(in INR crore)

Particulars	As on and for the year ended March 31, 2018	As on and for the period April 1, 2018 – January 1, 2019*
Income from operations	-	139.99
Other Income ¹	-	-
Total Income	-	139.99
Total Expenditure	0.27	109.88
Profit before Depreciation, Interest & Other/Extraordinary Income/Expenses	(0.27)	30.11
Depreciation	-	0.09
Interest	-	2.13
Other Expenses / (Extraordinary Income) ⁴	-	-
Profit/(Loss) Before Tax	(0.27)	27.89
Provision for Tax	-	3.85
Non-controlling interest	-	-
Profit/(Loss) After Tax	(0.27)	24.04

1. Other income includes interest and finance income

Balance Sheet Statement

(in INR crore)

Particulars	As on and for the year ended March 31, 2018	As on and for the period April 1, 2018 – January 1, 2019*
Sources of funds		
Paid up share capital	0.10	268.50
Reserves and Surplus (excluding revaluation reserves) ¹	(0.27)	674.00
Networth	(0.17)	942.50
Minority Interest	-	3.19
Loans	-	54.89
Other Non-current Liabilities	-	35.67
Total	(0.17)	1,036.25
Uses of funds		
Net fixed assets	-	433.94
Non Current Investments	-	1.04
Other Non-current Assets	-	36.72
Net current assets	(0.17)	564.55
Total	(0.17)	1,036.25

Other Financial Data

(in INR for Earnings Per Share)

Particulars	As on and for the year ended March 31, 2018	As on and for the period April 1, 2018 – January 1, 2019*
Dividend (%)	NA	NA
Earnings/(Loss) per share- diluted [^]	(26.60)	224.05
Return on Net Worth [^]	NM	2.55%
Book Value Per Share [#]	(16.60)	35.10

[^] Not annualised

[#] Computed as closing networth divided by closing total number of equity shares outstanding as on the financial year / period

11. Details of the contingent liabilities in the Target Company (as disclosed in the financial statements of the Target Company):

(in INR crore)

Sr. No	Contingent Liability	As on and for the year ended March 31, 2018	As on and for the period April 1, 2018 – January 1, 2019*
1	Contingent liabilities	-	-

(Source: The financial information set forth above has been extracted from the Information Memorandum filed by the Target Company on April 12, 2019 which gives the respective audited consolidated financial statements as on and for the financial year ended March 31, 2018, and the period April 1, 2018 – January 1, 2019. Since the Target company was incorporated on January 8, 2018, financial information prior to the that is not available.)

*January 1, 2019 was the appointed date ("Appointed Date") for the Composite Scheme (as defined below). The Composite Scheme has accordingly been given effect to in the financial statements as on the Appointed Date.

12. Shareholding pattern of the Target Company as on April 26, 2019, pre and post Offer is provided below:

Shareholders' category	Shareholding prior to agreement / acquisition and Offer (A)		Shareholding to be acquired which triggered the SEBI (SAST) Regulations (B)		Shares to be acquired / (sold) in the Offer (assuming full acceptance) (C)		Shareholding after the acquisition and Offer	
	No.	% ⁽²⁾	No.	% ⁽²⁾	No.	% ⁽²⁾	No.	% ⁽²⁾
(I) Promoter group⁽¹⁾								
Parties to the agreement if any								
National Engineering Industries Limited	7,29,56,796	26.61%	Nil	Nil	(6,99,01,993)	(25.50%)	82,24,314	3.00%
Central India Industries Limited	51,69,511	1.89%	Nil	Nil				
(II) Acquirers / Promoter group								
Main Acquirers								
Proficient Finstock LLP / Acquirer 1	2,71,30,949	9.90%	Nil	Nil	141,179,384	51.50%	17,12,99,413	62.49%
Mr. Kishor Patil / Acquirer 2	29,89,080	1.09%	Nil	Nil				
PACs								
Mr. Shashishekhar Pandit / PAC 1	4,30,500	0.16%	Nil	Nil	Nil	Nil	4,30,500	0.16%
Ms. Nirmala Pandit / PAC 2	2,39,000	0.09%	Nil	Nil	Nil	Nil	2,39,000	0.09%
Mr. Chinmay Pandit / PAC 3	38,620	0.01%	Nil	Nil	Nil	Nil	38,620	0.01%
Ms. Hemlata Shende / PAC 4	40,000	0.01%	Nil	Nil	Nil	Nil	40,000	0.01%
Ms. Anupama Patil / PAC 5	1,22,330	0.04%	Nil	Nil	Nil	Nil	1,22,330	0.04%
Mr. Shrikrishna Patwardhan / PAC 6	11,00,000	0.40%	Nil	Nil	Nil	Nil	11,00,000	0.40%
Mr. Ajay Bhagwat / PAC 7	26,36,800	0.96%	Nil	Nil	Nil	Nil	26,36,800	0.96%
Ms. Ashwini Bhagwat / PAC 8	43,300	0.02%	Nil	Nil	Nil	Nil	43,300	0.02%
Mr. Sachin Tikekar /	8,40,800	0.31%	Nil	Nil	Nil	Nil	8,40,800	0.31%

Shareholders' category	Shareholding prior to agreement / acquisition and Offer (A)		Shareholding to be acquired which triggered the SEBI (SAST) Regulations (B)		Shares to be acquired / (sold) in the Offer (assuming full acceptance) (C)		Shareholding after the acquisition and Offer	
	No.	% ⁽²⁾	No.	% ⁽²⁾	No.	% ⁽²⁾	No.	% ⁽²⁾
PAC 9								
K and P Management Services Private Limited / PAC 10	3,00,910	0.11%	Nil	Nil	Nil	Nil	3,00,910	0.11%
Total (I & II)	11,40,38,596	41.60%	Nil	Nil	7,12,77,391	26.00%	18,53,15,987	67.60%
(III) Public (other than parties to agreement, Acquirers & PACs)								
Institutions	9,92,55,194	36.21%	Nil	Nil	(7,12,77,391)	(26.00%)	8,31,86,448	30.34%
Others	5,52,08,645	20.14%	Nil	Nil				
Total (III)	15,44,63,839	56.34%	Nil	Nil	(7,12,77,391)	(26.00%)	8,31,86,448	30.34%
(IV) Other (Non-Promoter Non-Public)								
Shares held by Employee Trust	56,41,373	2.06%	Nil	Nil	Nil	Nil	56,41,373	2.06%
Total (IV)	56,41,373	2.06%	Nil	Nil	Nil	Nil	56,41,373	2.06%
Grand total (I+II+III)	27,41,43,808	100.00%	Nil	Nil	Nil	Nil	27,41,43,808	100.00%

Notes:

(1) Promoter Group is a part of the Acquirers and the PACs

(2) All % are taken as a percentage of Equity Share Capital

(3) All the Equity Shares under the Open Offer will be acquired by Acquirer 1

(4) In terms of the KEL Investment Agreement, Acquirer 1 and Acquirer 2 will acquire an aggregate of 6,99,01,993 (25.50%) of the Equity Shares from the Sellers and the split between them will be decided closer to the completion of the KEL Investment Agreement

(5) In terms of the KEL Investment Agreement, Seller 1 and Seller 2 have agreed to sell an aggregate of 6,99,01,993 (25.50%) of the Equity Shares to the Acquirers and PACs and the split between them will be decided closer to the completion of the KEL Investment Agreement.

- The acquisition of the Offer Shares shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Regulation 38 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rule 19A of the Securities Contract (Regulation) Rules, 1957.

V. OFFER PRICE AND FINANCIAL ARRANGEMENTS

A. Justification of Offer Price

- The Equity Shares are listed on the NSE and the BSE.
- Pursuant to the Composite Scheme, the Equity Shares of the Target Company were allotted on January 29, 2019 and the Target Company has obtained listing and trading approvals from the Stock Exchanges in relation to its Equity Shares. The Equity Shares started trading on BSE and NSE on April 22, 2019. Since the Equity Shares were not listed and did not trade on the Stock Exchanges during the 12 (Twelve) calendar months preceding the calendar month in which the PA was made, the Equity Shares are not considered to be frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations. The offer price is calculated in terms of Regulation 8(2) of the SEBI (SAST) Regulations.
- The Offer Price of INR 66.50 (Indian Rupees Sixty Six and Paise Fifty only) per Equity Share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, being higher than the highest of the following parameters:

SL. No.	Details	
(a)	The highest negotiated price per Equity Share of the Target Company for any acquisition under the agreement attracting the obligation to make a public announcement of an open offer i.e. the price per Equity Share under the KEL Investment agreement	INR 43.95
(b)	The volume-weighted average price paid or payable per Equity Share for acquisitions, whether by the Acquirer or PAC, during the fifty-two weeks immediately preceding the date of the public announcement	Not Applicable
(c)	The highest price paid or payable per Equity Share for any acquisition, whether by the Acquirer or PAC, during the twenty-six weeks immediately preceding the date of the public announcement	Not Applicable
(d)	the volume-weighted average market price per Equity Share for a period of sixty trading days immediately preceding the date of the public announcement as traded on the Stock Exchange where the maximum volume of trading in the Equity Shares of the Target Company is recorded during such period and such shares being frequently traded	Not Applicable
(e)	Given the Equity Shares are not frequently traded in terms of Regulation 2(1)(j) of the SEBI (SAST) Regulations, the Acquirers and PACs appointed Ernst and Young Merchant Banking Services LLP to undertake a valuation exercise under the provisions of Regulation 8(2) (e) of the SEBI (SAST) Regulations	INR 66.20*

* As per the valuation report dated April 18, 2019 issued by Ernst and Young Merchant Banking Services LLP

Source: CA Certificate issued by S.V. Shah & Associates, Chartered Accountants (FRN: 139517W) dated April 22, 2019

4. There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under regulation 8(9) of the SEBI (SAST) Regulations. The Offer Price may be revised in the event of any corporate actions like bonus, rights, split etc. where the record date for effecting such corporate actions falls within 3 Working Days prior to the commencement of tendering period of the Offer.
5. As on date there is no revision in Offer Price or Offer Size. The Offer Price is subject to upward revision, if any, pursuant to the SEBI (SAST) Regulations or at the discretion of the Acquirers and/or PACs at any time prior to the commencement of the last one Working Day before the commencement of the Tendering Period in accordance with regulation 18(4) of the SEBI (SAST) Regulations. In the event of such revision, the Acquirers and/or the PACs shall make corresponding increases to the escrow amounts in accordance with regulation 18(5) of the SEBI (SAST) Regulations and the Acquirers and the PACs shall (i) make a public announcement in the same newspapers in which the DPS was published; and (ii) simultaneously with the issue of such announcement, inform SEBI, the Stock Exchanges and the Target Company at its registered office of such revision.
6. If the Acquirers or the PACs acquire Equity Shares of the Target Company during the period of twenty-six weeks after the tendering period at a price higher than the Offer Price, then the Acquirers and the PACs shall pay the difference between the highest acquisition price and the Offer Price, to all the Public Shareholders whose shares have been accepted in the Offer within sixty days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, 2011, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges, not being negotiated acquisition of shares of the Target Company in any form

B. Financial Arrangements

1. The total consideration for the Offer Size, assuming full acceptance of the Offer is INR 473,99,46,501.50 (Indian Rupees Four Hundred Seventy Three Crore Ninety Nine Lakh Forty Six Thousand Five Hundred and One and Paise Fifty only)
2. The Acquirers have confirmed that they have adequate financial resources to meet the obligations under the Open Offer and by way of security for performance by the Acquirers of their obligations under the SEBI (SAST) Regulations, the Acquirers have created an escrow account named PROFICIENT ESCROW ACCOUNT” (the “**Open Offer Escrow Account**”) with Kotak Mahindra Bank Limited (acting through its office at 5 C / II, Mittal

Court, 224, Nariman Point, Mumbai – 400 021, the “Escrow Bank”). The Acquirers have made a cash deposit of a sum of INR 120,00,00,000 (Rupees One Hundred and Twenty Crore only) in the Open Offer Escrow Account (“**Cash Escrow**”) which is more than the amount required to be deposited in cash computed in accordance with regulation 17(1) of the SEBI (SAST) Regulations.

3. The Acquirers have been sanctioned unconditional and irrevocable lines of credit of up to INR 420,00,00,000 (Indian Rupees Four Hundred and Twenty Crore only) (“**Lines of Credit**”) from which they have drawn down INR 50,00,00,000 (Indian Rupees Fifty Crore only) drawn down from Lines of Credit (“**Draw Down Amount**”) part amount to fund the Open Offer Escrow Account proportionate to the Equity Shares envisaged to be acquired by them in the Open Offer. The available Lines of Credit stand reduced by the Draw Down Amount to INR 370,00,00,000 (Indian Rupees Three Hundred and Seventy Crore only) (“**Available Lines of Credit**”). The Available Lines of Credit and Cash Escrow aggregating to INR 490,00,00,000 (Indian Rupees Four Hundred and Ninety Crore only) (“**Firm Financing**”) are exclusively earmarked to fulfill the obligations of the Acquirers under the Offer and to acquire the Offer Shares tendered in the Offer. The Firm Financing is higher than the Maximum Open Offer Consideration.
4. S.V. Shah & Associates, Chartered Accountants, (FRN: 139517W) has vide its certificate dated April 22, 2019, certified that the Acquirers have adequate and firm financial resources through verifiable means to fulfill their obligations under this Offer.
5. The Manager has entered into an agreement with the Acquirers and the Escrow Bank (the “**Escrow Agreement**”) pursuant to which the Acquirers have solely authorized the Manager to the Open Offer to realize the monies lying to the credit of the Open Offer Escrow Account as per the provisions of the SEBI (SAST) Regulations.
6. Based on the above, the Manager is satisfied that firm arrangements have been put in place by the Acquirers to fulfill their obligations in relation to this Open Offer through verifiable means in accordance with the SEBI (SAST) Regulations.

VI. TERMS AND CONDITIONS OF THE OFFER

A. Operational Terms and Conditions

1. In terms of the schedule of activities, the Tendering Period for the Offer shall commence on [●] and close on [●].
2. The Equity Shares tendered under this Offer shall be fully paid-up, free from all liens, charges, equitable interests and encumbrances and shall be tendered together with all rights attached thereto, including all rights to dividends, bonuses and rights offers, if any, declared hereafter, and the tendering Public Shareholder shall have obtained any necessary consents for it to sell the Equity Shares on the foregoing basis.
3. This is not a conditional Offer and there is no stipulation on any minimum level of acceptance.
4. The Identified Date for this Offer as per the schedule of activities is [●].
5. The marketable lot for the Equity Shares for the purpose of this Offer shall be 1 (one).
6. In terms of regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tender their Equity Shares in acceptance of this Offer shall not be entitled to withdraw such acceptance during the Tendering Period.

B. Eligibility for accepting the Offer

1. The Letter of Offer shall be sent to all Public Shareholders holding Equity Shares in dematerialized form whose names appear in the register of members of the Target Company on the Identified Date.
2. All Public Shareholders, registered or unregistered, who own Equity Shares and are able to tender such Equity Shares in this Offer at any time before the closure of the Tendering Period are eligible (subject to section C of part VI (*Statutory and other Approvals*) below) to participate in this Offer.
3. The Public Announcement, the Detailed Public Statement, the Draft Letter of Offer, the Letter of Offer and the Form of Acceptance will also be available on SEBI's website (www.sebi.gov.in). In case of non-receipt of the Letter of Offer, Public Shareholders, including those who have acquired Equity Shares after the Identified Date, if they so desire, may download the Letter of Offer or the Form of Acceptance from SEBI's website.
4. The acceptance of this Offer by Public Shareholders must be absolute and unqualified. Any acceptance of this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.
5. The acceptance of this Offer is entirely at the discretion of the Public Shareholder(s) of the Target Company.
6. By accepting this offer, the Public Shareholder(s) confirm that they are not persons acting in concert with the Acquirers for the purpose of this Offer.
7. None of the Acquirers and the PACs, the Manager or the Registrar to the Offer accepts any responsibility for any loss of equity share certificates, Offer Acceptance Forms, share transfer forms etc. during transit and Public Shareholders are advised to adequately safeguard their interest in this regard.
8. The acceptance of Equity Shares tendered in the Offer will be made by the Acquirers in consultation with the Manager.
9. The Acquirers reserve the right to revise the Offer Price and/or the Offer Size upwards prior to the commencement of the last 1 (one) Working Day prior to the commencement of the Tendering Period, i.e., up to [●], in accordance with the SEBI (SAST) Regulations and the revision, if any, in the Offer Price and/or the Offer Size would be announced in the same newspapers where the DPS was published. The Acquirers would pay such revised price for all the Shares validly tendered at any time during the Offer and accepted under the Offer in accordance with the terms of the Letter of Offer.
10. The instructions, authorizations and provisions contained in the Form of Acceptance constitute part of the terms of the Offer.
11. **Locked in Equity Shares:** The locked-in Equity Shares, if any acquired pursuant to the agreement or offer can be transferred to the Acquirers, subject to the continuation of the residual lock-in period in the hands of the Acquirers. The Manager to the Offer ensures that there shall be no discrimination in the acceptance of locked-in and non-locked-in Equity Shares.

C. Statutory and Other approvals

1. To the best of the knowledge of the Acquirers and PACs, there are no statutory or other approvals required to complete the acquisition under the KEL Investment Agreement and the Offer as on the date of this DLoF other than the grant of certain exemptions and no action relief by the staff of the U.S. Securities and Exchange Commission prior to the commencement of the Tendering Period in order to allow the Offer to be made without

breaching certain applicable rules under the U.S. Securities Exchange Act of 1934 (as amended). In case of any other statutory approvals being required by the Acquirers and/or the PACs prior to the completion of the Offer and for the completion of the Underlying Transaction pursuant to the KEL Investment Agreement, this Offer shall also be subject to such other approvals and the Acquirers and/or the PACs shall make the necessary applications for such other approvals. In the event the statutory approvals set out in this paragraph (the grant or satisfaction of which are considered to be outside the reasonable control of the Acquirers and PACs) are not granted or satisfied, the Acquirers and/or the PACs shall have the right to withdraw this Offer in terms of Regulation 23 of the SEBI (SAST) Regulations.

2. All Public Shareholders, including non-residents holders of Equity Shares, must obtain all requisite approvals required, if any, to tender the Offer Shares (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Equity Shares tendered in this Offer. Further, if the holders of the Equity Shares who are not persons resident in India had required any approvals (including from the RBI, or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals, that they would have obtained for holding the Equity Shares, to tender the Offer Shares, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirers and the PACs reserve the right to reject such Offer Shares.
3. In case of delay in receipt of any statutory approval to be obtained by the Acquirers and/or the PACs, SEBI may, if satisfied that such delay in receipt of the requisite statutory approval(s) was not attributable to any willful default, failure or neglect on the part of the Acquirers and/or the PACs to diligently pursue such approval, and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirers and/or the PACs to delay the commencement of the tendering period for the Offer pending receipt of such statutory approval(s) or grant an extension of time to the Acquirers to make the payment of the consideration to the Public Shareholders whose Offer Shares have been accepted in the Offer. Where any statutory extends to some but not all of the Public Shareholders, the Acquirers and/or the PACs shall have the option to make payment to such Public Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
4. In terms of regulation 23(1) of the SEBI (SAST) Regulations, in the event that the approvals, whether relating to the acquisition under the KEL Investment Agreement or the acquisition of the Offer Shares, specified in this DLoF or those which become applicable prior to completion of the Offer are not received, the Acquirers and/or the PACs shall have the right to withdraw the Offer. In the event of such a withdrawal of the Offer, the Acquirers and the PACs (through the Manager) shall, within two Working Days of such withdrawal, make an announcement of such withdrawal stating the grounds for the withdrawal in accordance with regulation 23(2) of the SEBI (SAST) Regulations.

VII. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THE OFFER

1. The Open Offer will be implemented by the Acquirers and the PACs through stock exchange mechanism made available by BSE in the form of separate window (“**Acquisition Window**”) as provided under the SEBI (SAST) Regulations and SEBI circular CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015 issued by SEBI as amended via SEBI circular CFD/DCR2/CIR/P/2016/131 dated December 9, 2016.
2. BSE shall be the Designated Stock Exchange for the purpose of tendering Shares in the Open Offer.

3. The facility for acquisition of shares through stock exchange mechanism pursuant to Offer shall be available on BSE in the form of a separate window.
4. The Acquirers have appointed Kotak Securities Limited ("**Buying Broker**") for the Open Offer through whom the purchases and settlement of Open Offer shall be made during the tendering period.

The Contact details of the Buying Broker are as mentioned below:



Kotak Securities Limited

27 BKC, C 27, G Block, Bandra Kurla Complex,
Bandra (East), Mumbai- 400051

Contact Person: Mr. Ankush Singh, Tel: +91-22-42858455

Email: ankushr.singh@kotak.com;

Website: www.kotaksecurities.com;

SEBI Registration No.: INZ000200137

CIN: U99999MH1994PLC134051

5. All Public Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective stock brokers ("**Selling Broker(s)**"), during the normal trading hours of the secondary market during the Tendering Period.
6. Separate Acquisition Window will be provided by BSE to facilitate placing of sell orders. The Selling Brokers can enter orders for demat Shares.
7. The cumulative quantity tendered shall be displayed on the exchange website throughout the trading session at specific intervals by BSE during the Tendering Period
8. Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
9. Shareholders can tender their shares only through a broker with whom the shareholder is registered as client (KYC Compliant).

In the event Seller Broker(s) are not registered with BSE or if the Shareholder does not have any stock broker then that Shareholder can approach any BSE registered stock broker and can make a bid by using quick unique client code ("**UCC**") facility through that BSE registered stock broker after submitting the details as may be required by the stock broker to be in compliance with applicable law and regulations. In case Shareholder is not able to bid using quick UCC facility through any other BSE registered stock broker then the Shareholder may approach Company's Broker viz. Kotak Securities Limited, to bid by using quick UCC facility. The Shareholder approaching BSE registered stock broker (with whom he does not have an account) may have to submit following details:

In case of Shareholder being an individual

If Shareholder is registered with KYC Registration Agency ("**KRA**"): Forms required:

- Central Know Your Client (CKYC) form including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Shareholder is not registered with KRA: Forms required:

- CKYC form including FATCA, IPV, OSV if applicable
- KRA form
- KYC form Documents required (all documents self-attested):
 - PAN card copy
 - Address proof

- Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder is HUF:

If Shareholder is registered with KYC Registration Agency ("KRA"): Forms required:

- Central Know Your Client (CKYC) form of KARTA including FATCA, IPV, OSV if applicable
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)

If Shareholder is not registered with KRA: Forms required:

- CKYC form of KARTA including FATCA, IPV, OSV if applicable
- KRA form
- Know Your Client (KYC) form Documents required (all documents self-attested):
 - PAN card copy of HUF & KARTA
 - Address proof of HUF & KARTA
 - HUF declaration
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)

It may be noted that other than submission of above forms and documents in person verification may be required.

In case of Shareholder other than Individual and HUF:

If Shareholder is KRA registered: Form required

- Know Your Client (KYC) form Documents required (all documents certified true copy)
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories/partners/trustees
- Latest shareholding pattern
- Board resolution
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements

If Shareholder is not KRA registered: Forms required:

- KRA form
- Know Your Client (KYC) form Documents required (all documents certified true copy):
 - PAN card copy of company/ firm/trust
 - Address proof of company/ firm/trust
 - Bank details (cancelled cheque)
- Demat details only if Equity Shares are in demat mode (Demat Master /Latest Demat statement)
- FATCA, IPV, OSV if applicable
- Latest list of directors/authorised signatories /partners/trustees
- PAN card copies & address proof of directors/authorised signatories/partners/trustees

- Latest shareholding pattern
- Board resolution/partnership declaration
- Details of ultimate beneficial owner along with PAN card and address proof
- Last 2 years financial statements
- MOA/Partnership deed /trust deed

It may be noted that above mentioned list of documents is an indicative list. The requirement of documents and procedures may vary from broker to broker.

10. Procedure for tendering Equity Shares held in Dematerialised Form:

- Public Shareholders who desire to tender their Equity Shares in the electronic/dematerialized form under the Open Offer would have to do so through their respective Selling Broker by giving the details of Equity Shares they intend to tender under the Open Offer.
- The Selling Broker would be required to place an order/bid on behalf of the Public Shareholders who wish to tender Equity Shares in the Open Offer using the Acquisition Window of the BSE. Before placing the order/bid, the Shareholder would be required to transfer the tendered Equity Shares to the Clearing Corporation, by using the early pay in mechanism as prescribed by the BSE or the Clearing Corporation, prior to placing the order/bid by the Selling Broker.
- Upon placing the order, the Selling Broker shall provide TRS generated by the stock exchange bidding system to the Equity Shareholder. TRS will contain details of order submitted like bid ID No., DP ID, Client ID, no. of Equity Shares tendered, etc.
- Modification/cancellation of orders will not be allowed during the tendering period of the Open Offer.
- For custodian participant, orders for demat equity shares early pay-in is mandatory prior to confirmation of order by the custodian. The custodians shall either confirm or reject orders not later than time provided by the Stock Exchange on the last day of the offer period. Thereafter, all unconfirmed orders shall be deemed to be rejected.
- The details of settlement number for early pay-in of equity shares shall be informed in the issue opening circular that will be issued by the Stock Exchanges / Clearing Corporation, before the opening of the Offer.
- The Shareholders will have to ensure that they keep the DP account active and unblocked to receive credit in case of return of the Equity Shares due to rejection or due to prorated Open Offer.
- The cumulative quantity tendered shall be made available on the website of the BSE (www.bseindia.com) throughout the trading sessions and will be updated at specific intervals during the Tendering Period.

11. Procedure for tendering the Equity Shares held in physical form:

- As per the provisions of Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI PR 51/2018 dated December 3, 2018, requests for transfer of securities shall not be processed unless the securities are held in dematerialised form with a depository w.e.f. April 1, 2019
- Accordingly, the Public Shareholders who are holding equity shares in physical form and are desirous of tendering their equity shares in the Offer can do so only after the equity shares are dematerialised. Such Public Shareholders are advised to approach any depository participant to have their equity shares dematerialised.

12. Acceptance of Shares

Registrar to the Offer shall provide details of order acceptance to Clearing Corporation within specified timelines.

In the event that the number of Equity Shares validly tendered by the Public Shareholders under this Offer is more than the number of Offer Shares, the Acquirers shall accept those Equity Shares validly tendered by the Public Shareholders on a proportionate basis in consultation with the Manager, taking care to ensure that the basis of acceptance is

decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of Equity Shares from a Public Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.

13. Procedure for tendering the shares in case of non-receipt of Letter of Offer:

- a. Persons who have acquired the Equity Shares but whose names do not appear in the register of members of the Target Company on the Identified Date, or unregistered owners or those who have acquired the Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.
- b. A Shareholder may participate in the Offer by approaching their broker / Selling Broker and tender the Equity Shares in the Open Offer as per the procedure mentioned in this Letter of Offer or in the relevant Acceptance Form.
- c. The Letter of Offer along with Form of Acceptance will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares of the Target Company
- d. The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
- e. Alternatively, in case of non-receipt of the Letter of Offer, shareholders holding the Equity Shares may participate in the Offer by providing their application in plain paper in writing signed by all shareholder(s), stating name, address, number of shares held, client ID number, DP name, DP ID number, number of shares tendered and other relevant documents as mentioned in paragraphs 9 and 10 or 11. Such Public Shareholders have to ensure that their order is entered in the electronic platform to be made available by BSE before the closure of the Offer.

14. Settlement Process

On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager and the Registrar to the Offer and the final list shall be provided to the Stock Exchanges to facilitate settlement on the basis of the shares transferred to the Clearing Corporation.

The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.

For Equity Shares accepted under the Open Offer, the Clearing Corporation will make direct funds payout to respective eligible Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

In case of certain client types viz. NRI, Foreign Clients etc. (where there are specific RBI and other regulatory requirements pertaining to funds pay-out) who do not opt to settle through custodians, the funds pay-out would be given to their respective Selling Broker's settlement accounts for releasing the same to their respective Shareholder's account onwards. For this purpose, the client type details would be collected from the Registrar to the Open Offer.

The Public Shareholders will have to ensure that they keep the depository participant ("DP") account active and unblocked to receive credit in case of return of Equity Shares, due to rejection or due to non –acceptance of the shares under the Offer.

Excess demat Equity Shares or unaccepted demat Equity Shares, if any, tendered by the Public Shareholders would be returned to them by the Clearing Corporation.

Company's Broker would also issue a contract note to the Company for the Equity Shares accepted under the Open Offer. If Public Shareholders bank account details are not available or if the fund transfer instruction is rejected by Reserve Bank of India or bank, due to any reasons, then the amount payable to Public Shareholders will be transferred to the Selling Broker for onward transfer to the Equity Shareholder.

Public Shareholders who intend to participate in the Open Offer should consult their respective Selling Broker for any cost, applicable taxes, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Open Offer (secondary market transaction). The Open Offer consideration received by the Public Shareholders, in respect of accepted Equity Shares, could be net of such costs, applicable taxes, charges and expenses (including brokerage) and the Company accepts no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the Public Shareholders.

Once the basis of acceptance is finalised, the Clearing Corporation would facilitate clearing and settlement of trades by transferring the required number of shares to the escrow account which will be opened by the Acquirer.

15. Settlement of Funds / Payment Consideration

The Buying Broker will transfer the funds pertaining to the Offer to the Clearing Corporation's bank account as per the prescribed schedule.

For Equity Shares accepted under the Open Offer, Clearing Corporation will make direct funds payout to respective Public Shareholders. If shareholders' bank account details are not available or if the funds transfer instruction is rejected by RBI/Bank, due to any reason, then such funds will be transferred to the concerned Selling Broker settlement bank account for onward transfer to their respective shareholders.

The payment will be made to the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Equity Shareholder / Selling Broker / custodian participant will receive funds payout in their settlement bank account.

The funds received from the Buyer Broker by the Clearing Corporation will be released to the Equity Shareholder / Selling Broker (s) as per secondary market pay out mechanism.

Shareholders who intend to participate in the Offer should consult their respective Selling Broker for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Selling Broker upon the selling shareholders for tendering Equity Shares in the Offer (secondary market transaction). The consideration received by the selling shareholders from their respective Selling Broker, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers accept no responsibility to bear or pay such additional cost, charges and expenses (including brokerage) incurred solely by the selling shareholder.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to Acquirers for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

16. Note on taxation

THE SUMMARY OF THE INCOME-TAX CONSIDERATIONS IN THIS SECTION ARE BASED ON THE CURRENT PROVISIONS OF THE INCOME-TAX ACT, 1961 AND THE REGULATIONS THEREUNDER. THE LEGISLATIONS, THEIR JUDICIAL INTERPRETATION AND THE POLICIES OF THE REGULATORY AUTHORITIES ARE SUBJECT TO CHANGE FROM TIME TO TIME, AND THESE MAY HAVE A BEARING ON THE IMPLICATIONS LISTED BELOW. ACCORDINGLY, ANY CHANGE OR

AMENDMENTS IN THE LAW OR RELEVANT REGULATIONS WOULD NECESSITATE A REVIEW OF THE BELOW.

THE JUDICIAL AND THE ADMINISTRATIVE INTERPRETATIONS THEREOF, ARE SUBJECT TO CHANGE OR MODIFICATION BY SUBSEQUENT LEGISLATIVE, REGULATORY, ADMINISTRATIVE OR JUDICIAL DECISIONS. ANY SUCH CHANGES COULD HAVE DIFFERENT INCOME-TAX IMPLICATIONS. THIS NOTE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES.

THE IMPLICATIONS ARE ALSO DEPENDENT ON THE SHAREHOLDERS FULFILLING THE CONDITIONS PRESCRIBED UNDER THE PROVISIONS OF THE RELEVANT SECTIONS UNDER THE RELEVANT TAX LAWS. IN VIEW OF THE PARTICULARISED NATURE OF INCOME-TAX CONSEQUENCES, SHAREHOLDERS ARE REQUIRED TO CONSULT THEIR TAX ADVISORS FOR THE APPLICABLE TAX PROVISIONS INCLUDING THE TREATMENT THAT MAY BE GIVEN BY THEIR RESPECTIVE TAX OFFICERS IN THEIR CASE, AND THE APPROPRIATE COURSE OF ACTION THAT THEY SHOULD TAKE.

THE ACQUIRERS AND THE PACS DO NOT ACCEPT ANY RESPONSIBILITY FOR THE ACCURACY OR OTHERWISE OF SUCH ADVICE. THEREFORE, SHAREHOLDERS CANNOT RELY ON THIS ADVICE AND THE SUMMARY INCOME-TAX IMPLICATIONS RELATING TO THE TREATMENT OF INCOME-TAX IN THE CASE OF TENDERING OF LISTED EQUITY SHARES IN OPEN OFFER ON THE RECOGNISED STOCK EXCHANGE IN INDIA SET OUT BELOW SHOULD BE TREATED AS INDICATIVE AND FOR GUIDANCE PURPOSES ONLY.

General: The basis of charge of Indian income-tax depends upon the residential status of the taxpayer during a tax year. The Indian tax year runs from April 1 until March 31. A person who is an Indian tax resident is liable to income-tax in India on his worldwide income, subject to certain tax exemptions, which are provided under the Income Tax Act, 1961 (the "IT Act").

A person who is treated as a non-resident for Indian income-tax purposes is generally subject to tax in India only on such person's India-sourced income (i.e. income which accrues or arises or deemed to accrue or arise in India) and income received by such persons in India. In case of shares of a company, the source of income from shares would depend on the "situs" of such shares. As per judicial precedents, generally the "situs" of the shares is where a company is "incorporated" and where its shares can be transferred.

Accordingly, since the Target Company is incorporated in India, the Target Company's shares should be deemed to be "situated" in India and any gains arising to a non-resident on transfer of such shares should be taxable in India under the IT Act.

Further, the non-resident shareholder can avail benefits of the Double Taxation Avoidance Agreement ("DTAA") between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions including non-applicability of General Anti-Avoidance Rule ("GAAR") and providing and maintaining necessary information and documents as prescribed under the IT Act.

The IT Act also provides for different income-tax regimes/ rates applicable to the gains arising from the tendering of shares under the Open Offer, based on the period of holding, residential status, classification of the shareholder and nature of the income earned, etc.

The summary of income-tax implications on tendering of listed equity shares on the Recognised Stock Exchange in India is set out below. All references to equity shares herein refer to listed equity shares unless stated otherwise.

Classification of Shareholders: Shareholders can be classified under the following categories:

Resident Shareholders being:

- Individuals, Hindu Undivided Family (HUF), Association of Persons (AOP) and Body of Individuals (BOI)
- Others

Non-Resident Shareholders being:

- Non-Resident Indians (NRIs)
- Foreign Institutional Investors (FIIs) / Foreign Portfolio Investors (FPIs)
- Others:
 - Foreign Company
 - Other than a Foreign company

Classification of Income: Shares can be classified under the following two categories:

- Shares held as investment (Income from transfer taxable under the heading “Capital Gains”)
- Shares held as stock-in-trade (Income from transfer taxable under the heading “Profits and Gains from Business or Profession”)

As per the current provisions of the IT Act, unless specifically exempted, gains arising from the transfer of shares may be treated either as “capital gains” or as “business income” for income-tax purposes, depending upon whether such shares were held as a capital asset or trading asset (i.e. stock-in-trade).

Shares held as investment: As per the provisions of the IT Act, where the shares are held as investments (i.e. capital asset), income arising from the transfer of such shares is taxable under the head “Capital Gains”. Capital gains in the hands of shareholders would be computed as per provisions of section 48 of the IT Act and the rate of income-tax would depend on the period of holding.

Period of holding: Depending on the period for which the shares are held, the gains would be taxable as “short-term capital gain” or “long-term capital gain”:

In respect of equity shares held for a period less than or equal to 12 months prior to the date of transfer, the same should be treated as a “short-term capital asset”, and accordingly the gains arising therefrom should be taxable as “short term capital gains” (“**STCG**”).

Similarly, where equity shares are held for a period more than 12 months prior to the date of transfer, the same should be treated as a “long-term capital asset”, and accordingly the gains arising therefrom should be taxable as “long-term capital gains” (“**LTCG**”).

Tendering of Shares in Open Offer through a Recognized Stock Exchange in India: Where a transaction for transfer of such equity shares (i.e. acceptance under the Open offer) is transacted through a Recognized Stock Exchange and is chargeable to Securities Transaction Tax (“**STT**”), then the taxability will be as under (for all categories of shareholders):

- As per the current provisions of the IT Act, under Section 112A of the IT Act, LTCG arising from transfer of equity shares exceeding one lakh rupees will be taxed at a rate of 10 percent provided the same has been subjected to STT, upon acquisition and sale. If no STT is paid on acquisition, then mode of such acquisition should be exempted under the notification issued by the Central Government under Section 112A of the IT Act in order to get benefit of taxation at 10% under Section 112A of the IT Act.

- LTCG that arise on shares purchased prior to February 1, 2018 shall be grandfathered for the notional gains earned on such shares till January 31, 2018. For computing capital gains under the grandfathering regime, the cost of acquisition for the long-term capital asset acquired on or before January 31, 2018 will be the actual cost. However, if the actual cost is less than the fair market value of such asset as on January 31, 2018, the fair market value will be deemed to be the cost of acquisition.
- Further, if the full value of consideration on transfer is less than the fair market value, then such full value of consideration or the actual cost, whichever is higher, will be deemed to be the cost of acquisition.
- Where provisions of section 112A of the IT Act are not applicable (for example where STT was not paid at the time of acquisition of the equity shares):
 - (i) LTCG will be chargeable to tax at rate of up to 20% (plus applicable surcharge and cess) in the case of a non-resident shareholder (other than a FPI/FII, or a NRI who is governed by the provisions of Chapter XII-A of the IT Act) under Section 112 of the IT Act.
 - (ii) In the case of FIIs/FPIs, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115AD of the IT Act.
 - (iii) For a NRI who is governed by the provisions of Chapter XII-A of the IT Act, LTCG would be taxable at 10% (plus applicable surcharge and cess) under Section 115E of the IT Act.
 - (iv) For a resident shareholder, an option is available to pay tax on such LTCG at either 20% (plus applicable surcharge and cess) with indexation or 10% (plus applicable surcharge and cess) without indexation as per the proviso to Section 112 of the IT Act.
- Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is to be considered while computing the income-tax on such LTCG taxable under section 112A of the IT Act.
- As per the current provisions of the IT Act, STCG arising from such transaction, which is subject to STT, would be subject to tax @ 15% under section 111A of the IT Act.
- Further, in case of resident Individual or HUF, the benefit of maximum amount which is not chargeable to income-tax is considered while computing the income-tax on such STCG taxable under section 111A of the IT Act.
- Taxability of capital gain arising to a non-resident in India from the sale of equity shares may be determined basis the provisions of the IT Act or the DTAA entered between India and the country of which the non-resident seller is resident, whichever is more beneficial, subject to satisfaction of certain prescribed conditions.

As per the current provisions of the IT Act, in addition to the above STCG and LTCG tax, surcharge and health and education cess are leviable.

Shares held as stock-in trade: If the shares are held as stock-in-trade by any of the shareholders of the Target Company, then the gains would be characterized as business income and taxable under the heading “Profits and Gains from Business or Profession”.

Resident Shareholders:

For individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.

For persons other than stated above, profits would be taxable @ 30% or 25% as applicable.

Non Resident Shareholders:

Non-resident shareholders can avail benefits of the applicable DTAA entered into between India and the respective country of which the said shareholder is tax resident subject to satisfying relevant conditions (including non-applicability of GAAR) and providing and maintaining necessary information and documents as prescribed under the IT Act.

Where DTAA provisions are not applicable:

For non-resident individuals, HUF, AOP, BOI, profits would be taxable at applicable slab rates.

For foreign companies, profits would be taxed in India @ 40%.

For other non-resident shareholders, such as foreign firms, profits would be taxed in India @ 30%.

As per the current provisions of the IT Act, in addition to the above, surcharge and health and education cess are leviable for resident and non-resident shareholders.

Tax Deduction at Source:

Resident Shareholders: In absence of any specific provision under the IT Act, the Acquirers and PACs are not required to deduct tax on the consideration payable to the shareholders pursuant to Tendering of the Shares under the Open Offer.

Non-Resident Shareholders:**In Case of FIIs:**

Section 196D of the IT Act provides for specific exemption from withholding tax in case of capital gains arising in hands of FIIs. Thus, no withholding of tax is required in case of consideration payable to FIIs.

In Case of non-resident tax payer (other than FIIs):

Section 195(1) of the IT Act provides that any person responsible for paying to a non-resident, any sum chargeable to tax is required to deduct tax at source (including applicable surcharge and cess). Subject to regulations in this regard, wherever applicable and it is required to do so, tax at source (including applicable surcharge and cess) shall be deducted at appropriate rates as per the IT Act. In doing this, the Acquirers and PACs will be guided by generally followed practices and make use of data available in its records except in cases where the non-resident shareholders provide a specific mandate in this regard.

Under section 195 of the Act, tax is required to be deducted on payments made to non-residents, at the rates prescribed in Part-II of the First Schedule to the Finance Act, 2018. In terms of the said provisions, tax at the applicable rates will be deducted from payment of long-term capital gains to a non-resident tax payer (other than a FII). The capital gains will be required to be computed in accordance with the provisions of the IT Act.

Since the Tendering of Shares under the Open Offer is through the Recognised Stock Exchanges in India, the responsibility of discharge of the tax due on the gains (if any) is primarily on the non-resident shareholder given that practically it is very difficult to withhold taxes. It is therefore important for the non-resident shareholders to suitably compute such gains (if any) on this transaction and immediately pay taxes in India in consultation with their custodians, authorized dealers and/or tax advisors, as appropriate.

In the event the Acquirers and PACs are held liable for the tax liability of an equity shareholder, the same shall be to the account of the equity shareholder and to that extent the Acquirers and PACs are entitled to be indemnified.

Rate of Surcharge and Cess: As per the current provisions of the IT Act, in addition to the basic tax rate, surcharge, health and education cess are leviable.

THE ABOVE DISCLOSURE ON TAXATION SETS OUT THE PROVISIONS OF LAW IN A SUMMARY MANNER ONLY AND IS NOT A COMPLETE ANALYSIS OR LISTING OF ALL POTENTIAL TAX CONSEQUENCES OF THE DISPOSAL OF EQUITY SHARES. THIS DISCLOSURE IS NEITHER BINDING ON ANY REGULATORS NOR CAN THERE BE ANY ASSURANCE THAT THEY WILL NOT TAKE A POSITION CONTRARY TO THE COMMENTS MENTIONED HEREIN. HENCE, SHAREHOLDERS SHOULD CONSULT WITH THEIR OWN TAX ADVISORS FOR THE TAX PROVISIONS APPLICABLE TO THEIR PARTICULAR CIRCUMSTANCES.

THE TAX RATE AND OTHER PROVISIONS MAY UNDERGO CHANGES

VIII. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection by the Public Shareholders at the office of the Manager at Kotak Mahindra Capital Company Limited, 27BKC, 1st floor, Plot no. C-27, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, between 10:30 a.m. and 3:00 p.m. on any Working Day (except Saturdays and Sundays) during the period from the date of commencement of the Tendering Period ([●]) until the date of closure of the Tendering Period ([●]).

1. Certified copies of the Memorandum and Articles of Association and certificate of incorporation of Acquirer 1, PAC 10.
2. Certificates by M/s Harish K. Lalwani & Associates Chartered Accountants (FRN: 103507W) stating the net worth of Acquirer 2, PAC 1, PAC 2, PAC 3, PAC 4, PAC 5, PAC 6, PAC 7, PAC 8 and by M/s Chandorkar & Limaye Chartered Accountants (FRN: 101669W) stating the net worth of PAC 9.
3. Certificate dated April 22, 2019 from S.V. Shah & Associates, Chartered Accountants, (FRN: 139517W) certified that the Acquirers have adequate and firm financial resources through verifiable means to fulfill their obligations under this Offer.
4. Certified copies of the annual reports and financial statements of Acquirer 1, PAC 10 for the three financial years ending on March 31, 2016, 2017 and 2018 and certified financial results for the 9 month period ended Dec 31, 2018 for Acquirer 1 and limited review financial results for the 9 month period ended Dec 31, 2018 for PAC 10.
5. Certified copy of the audited financial statements for the year ending on March 31, 2018 and for the nine month period ended Dec 31, 2018
6. Letter dated April 18, 2019 from the Open Offer Escrow Agent confirming the receipt of the cash deposit in the Open Offer Escrow Account.
7. Certified true copy of the KEL Investment Agreement;
8. Valuation report dated April 18, 2019 issued by Ernst and Young Merchant Banking Services LLP
9. Copy of the Public Announcement submitted to the Stock Exchanges and SEBI on April 22, 2019.
10. Copy of the Detailed Public Statement published by the Manager on behalf of the Acquirers and the PACs on April 26, 2019.

11. Copy of the Offer Opening Public Announcement to be published by the Manager on behalf of the Acquirers and the PACs on [●].
12. Published copy of the recommendation to be made by the committee of the independent directors of the Target Company in relation to the Offer.
13. SEBI observation letter no. [●] dated [●] on the Draft Letter of Offer; and
14. The Open Offer Escrow Agreement between the Acquirers, the Manager and the Open Offer Escrow Agent.

IX. DECLARATION BY THE ACQUIRERS AND THE PACs

1. The Acquirers and the PACs and their Board of Directors (if applicable) or Partners (if applicable) accept full responsibility for the information contained in the Draft Letter of Offer (other than such information as has been obtained from public sources).
2. The Acquirers and the PACs also accept full responsibility for their obligations under the Offer and shall be severally and jointly liable for ensuring compliance with the SEBI (SAST) Regulations.
3. The persons signing this Draft Letter of Offer are duly and legally authorized by the Acquirers or the PACs, as applicable, to sign the Draft Letter of Offer.

For and on behalf of the Acquirers and the PACs

Proficient Finstock LLP	Mr. Kishor Patil	Mr. Shashishekhar Pandit
Sd/-	Sd/-	Sd/-
Ms. Nirmala Pandit	Mr. Chinmay Pandit	Ms. Hemlata Shende
Sd/-	Sd/-	Sd/-
Ms. Anupama Patil	Mr. Shrikrishna Patwardhan	Mr. Ajay Bhagwat
Sd/-	Sd/-	Sd/-
Ms. Ashwini Bhagwat	Mr. Sachin Tikekar	K and P Management Services Private Limited
Sd/-	Sd/-	Sd/-

Place: Pune

Date: May 6, 2019

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

KPIT TECHNOLOGIES LIMITED

(All non-resident Public Shareholders (holding demat shares) are mandatorily required to fill this form of acceptance-cum-acknowledgement ("Form"). The non-resident Public Shareholders holding demat shares are required to send this form with enclosures to the Registrar to the Offer at their address stated overleaf/in the LoF.)

(Capitalized terms and expressions used herein but not defined shall have the same meaning as ascribed to them in the Letter of Offer)

(Please send this Form with TRS generated by broker/Seller Member and enclosures to the Registrar to the Offer - Karvy Fintech Private Limited, at their registered office address provided in the Letter of Offer)

To,

The Acquirers and PACs

C/o Karvy Fintech Private Limited
(Formerly known as KCPL Advisory Services Private Ltd)
Karvy Selenium Tower B, Plot no.31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad – 500032
Tel No. +91 40 6716 2222

TENDERING PERIOD FOR THIS OFFER

OFFER OPENS ON	[●]
OFFER CLOSES ON	[●]

Dear Sir,

Sub: Open Offer for acquisition of up to 7,12,77,391 (Seven Crore Twelve Lakh Seventy Seven Thousand Three Hundred and Ninety One only) fully paid-up equity shares of face value of INR 10 (Indian Rupees Ten only) each ("Equity Share") representing 26% (twenty six percent) of the fully diluted voting equity share capital ("Voting Share Capital") of KPIT Technologies Limited ("KPIT" or "Target Company") from the Public Shareholders by the Acquirers (as defined below), along with PACs (as defined below) in their capacity as the persons acting in concert with the Acquirers. Proficient Finstock LLP ("Acquirer 1") and Mr. Kishor Patil ("Acquirer 2") are collectively referred to as "Acquirers". Mr. Shashishekhar Pandit ("PAC 1"), Ms. Nirmala Pandit ("PAC 2"), Mr. Chinmay Pandit ("PAC 3"), Ms. Hemlata Shende ("PAC 4"), Ms. Anupama Patil ("PAC 5"), Mr. Shrikrishna Patwardhan ("PAC 6"), Mr. Ajay Bhagwat ("PAC 7"), Ms. Ashwini Bhagwat ("PAC 8"), Mr. Sachin Tikekar ("PAC 9") and K and P Management Services Private Limited ("PAC 10") are collectively referred to as "PACs".

I / We refer to the Letter of Offer dated [●] for acquiring the Equity Shares held by me / us in KPIT Technologies Limited.

I/We acknowledge and confirm that all the particulars/statements given herein are true and correct.

Name (in BLOCK LETTERS)	Holder	Name of the Shareholder(s)	Permanent Account Number (PAN)
(Please write names of the joint holders in the same order as appearing in the Equity Share certificate(s) / demat account)	Sole / First		
	Second		
	Third		
Contact Number(s) of the First Holder	Tel No. (With STD Code):		Mobile No.:
	Fax No. (with STD Code):		
Full Address of the First Holder (with pin code)			
Email address of First Holder			
Date and Place of incorporation (if applicable)			

I / We, the undersigned, have read the Public Announcement, the Detailed Public Statement and this Letter of Offer and understood its contents, terms and conditions, and unconditionally accept it.

FOR NRIs/ OCBs/ FIIs AND SUB-ACCOUNTS/ OTHER NON-RESIDENT SHAREHOLDERSI/We confirm that my/ our residential status is (☐ whichever is applicable):

- | | | | | |
|---|--|--|--|---|
| ☐ Individual | ☐ Foreign Company | ☐ FII/FPI - Corporate | ☐ FII/FPI - Others | ☐ FVCI |
| ☐ Foreign Trust | ☐ Private Equity Fund | ☐ Pension/Provident Fund | ☐ Sovereign Wealth Fund | ☐ Partnership/ Proprietorship firm |
| ☐ Financial Institution | ☐ NRIs/PIOs - repatriable | ☐ NRIs/PIOs - non-repatriable | ☐ OCB | ☐ QFI |
| ☐ Others – please specify: _____ | | | | |

I/We confirm that my/our investment status is (and ☐ whichever is applicable):

- ☐ FDI Route
- ☐ PIS Route
- ☐ Any other – please specify _____

I/We confirm that the Equity Shares tendered by me/us are held on (☐ whichever is applicable):

- ☐ Repatriable basis
- ☐ Non-repatriable basis

I/We confirm that (☐ whichever is applicable):

- ☐ No RBI, FIPB or other regulatory approval was required by me for holding Equity Shares that have been tendered in this Offer and the Equity Shares are held under general permission of the RBI
- ☐ Copies of all approvals required by me for holding Equity Shares that have been tendered in this Offer are enclosed herewith
- ☐ Copy of RBI Registration letter taking on record the allotment of shares to me/us is enclosed herewith

I/We confirm that (☐ whichever is applicable):

- ☐ No RBI, FIPB or other regulatory approval is required by me for tendering the Equity Shares in this Offer
- ☐ Copies of all approvals required by me for tendering Equity Shares in this Offer are enclosed herewith

In case of interest payments, if any, by the Acquirers and the PACs for delay in payment of Offer consideration or a part thereof, the Acquirers and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act. For details please refer to instruction no. 19 given overleaf.

Yours faithfully,

Signed and Delivered:	Full Name	PAN	Signature
First / Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all must sign. In case of body corporate, the common seal should be affixed and necessary board resolutions should be attached.

Place: _____

Date: _____

INSTRUCTIONS

PLEASE NOTE THAT NO EQUITY SHARES / FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRERS, PACs, THE TARGET COMPANY OR THE MANAGER TO THE OFFER

1. This Form should be filled in English.
2. All queries pertaining to this Offer may be directed to the Registrar to the Offer.
3. In case of Equity Shares held in joint names, names should be filled in the same order in this Form and in the share transfer deed(s), as the order in which they hold the Equity Shares, and should be duly witnessed. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer.
4. If the Equity Shares are rejected for any reason, the Equity Shares will be returned to the sole/first named Public Shareholder(s) along with all the documents received at the time of submission.
5. All Public Shareholders should provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
6. All documents/remittances sent by or to the Public Shareholders will be at their own risk. Public Shareholders are advised to adequately safeguard their interests in this regard.
7. The Seller Member shall deliver the requested documentation along with the TRS to the Registrar do as to reach them within 2 days of bidding by the Seller Member. On receipt of the confirmation from RTA the bid will be accepted or else rejected (as applicable) and accordingly the same will be depicted on the exchange platform.
8. In case any person has submitted Equity Shares in physical mode for dematerialisation, such Public Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before close of Tendering Period.
9. Procedure for tendering the Equity Shares in case of non-receipt of Letter of Offer:
Public Shareholders may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, the DPS and this Letter of Offer. They can participate by submitting an application on plain paper giving details regarding their shareholding and relevant documents mentioned in paragraph 7 above. Public Shareholders must ensure that the Acceptance Form, along with the TRS and requisite documents (as mentioned in paragraph 7 above) should reach the Registrar of the Company within 2 days of the close of Tendering Period. If the signature(s) of the of the Public Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the Registrar of the Target or are not in the same order (although attested), such applications are liable to be rejected under this Offer. Alternatively, such holders of Equity Shares may also apply on the form of acceptance- cum-acknowledgement in relation to this Offer, which may be obtained from the SEBI website (www.sebi.gov.in) or from Registrar to the Offer.
10. The Acceptance of Shares, Settlement Process, Settlement of Funds / Payment Consideration and the Note on Taxation have been mentioned in the Letter of Offer under Section VIII.
The Letter of Offer along with the Form of Acceptance would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
The Letter of Offer along with Form of Acceptance will be dispatched to all the Public Shareholders as on the Identified Date. In case of non-receipt of the Letter of Offer, such shareholders of the Target Company may download the same from the SEBI website (www.sebi.gov.in) or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the Equity Shares.
11. Interest payment, if any: In case of interest payments by the Acquirers and the PACs for delay in payment of Offer consideration or a part thereof, the Acquirers and the PACs will deduct taxes at source at the applicable rates as per the Income Tax Act.
12. If the resident and non-resident Public Shareholders require that no tax is to be deducted on the interest component or tax is to be deducted at a rate lower than the prescribed rate, in such cases the following documents are required to be submitted to the Registrar to the Offer.

For resident Public Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable, in relation to payment of interest, if any, for delay in payment of Offer Price (certificate for deduction of tax at lower rate)
- ☐ Self-declaration in Form 15G / Form 15H (in duplicate), if applicable
- ☐ For specified entities under Section 194A(3)(iii) of the Income Tax Act, self-attested copy of relevant registration or notification (applicable only for interest payment, if any)

For non-resident Public Shareholders:

- ☐ Self-attested copy of PAN card
- ☐ Certificate under Section 195(3) or Section 197 of the Income Tax Act, wherever applicable (certificate for deduction of tax at lower rate) from the income tax authorities under the Income Tax Act, indicating the amount of tax to be deducted by the Acquirers and the PACs before remitting the amount of interest)
- ☐ Tax Residency Certificate and a no 'permanent establishment' / business connection declaration

In an event of non-submission of NOC or certificate for deduction of tax at nil/lower rate, tax will be deducted at the maximum marginal rate as may be applicable to the relevant category, to which the Public Shareholder belongs, by the Acquirers and the PACs.

FOR DETAILED PROCEDURE IN RESPECT OF TENDERING EQUITY SHARES IN THIS OFFER, PLEASE REFER TO THE LETTER OF OFFER