

Public Announcement under Regulations 3(1) and 4 read with Regulation 15(1) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the “SEBI (SAST) Regulations”)

FOR THE ATTENTION OF THE PUBLIC SHAREHOLDERS OF POLARIS CONSULTING AND SERVICES LIMITED

Open Offer for the acquisition of up to 26,719,942 (Twenty Six Million Seven Hundred and Nineteen Thousand Nine Hundred and Forty Two) fully paid-up equity shares of the face value of Rs. 5 (Indian Rupees Five) each (“Equity Shares”), constituting 26% (Twenty Six per cent) of the Voting Share Capital (as defined below) (“Open Offer” or “Offer”) of Polaris Consulting & Services Limited (the “Target Company”), to the Public Shareholders of the Target Company by Virtusa Consulting Services Private Limited (“We”, or the “Acquirer”) along with Virtusa Corporation (“PAC 1 / Virtusa US”) and Virtusa International B.V, (“PAC 2” / “Virtusa NL”), as persons acting in concert with the Acquirer (“PACs”) under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (the “SEBI (SAST) Regulations”), as amended (the “Open Offer”).

This Public Announcement (“**Public Announcement**”) is being issued by J.P Morgan India Private Limited (the “**Manager to the Offer**”) for and on behalf of the Acquirer and the PACs to the Public Shareholders of the Target Company pursuant to and in compliance with Regulations 3(1) and 4 of the SEBI (SAST) Regulations.

For the purpose of this Public Announcement, “**Voting Share Capital**” shall mean Rs. 513,845,045 (Indian Rupees Five Hundred and Thirteen Million Eight Hundred and Forty Five Thousand and Forty Five) comprising of 102,769,009 equity shares of Rs. 5 each, being the total share capital of the Target Company, assuming exercise of 2,520,885 employee stock options of the Target Company that have vested or will vest by the tenth (10th) Working Day from the closure of the tendering period of the Offer.

For the purpose of this Public Announcement, “**Public Shareholders**” shall mean all equity shareholders of the Target Company other than members of the Promoter and Promoter Group of the Target Company, Orbitech Private Limited, Orbitech Employees Welfare Trust, Rakesh Radheshyam Jhunjhunwala, Arun Sekhar Aran, Amit Goela, and the Konark Trust (the “**Sellers**”), who are parties to the Share Purchase Agreement dated November 5, 2015 entered into between the Acquirer, the Sellers and the Target Company (the “**SPA**”).

1. OFFER DETAILS

- 1.1 **Offer Size:** The Acquirer hereby makes this open offer for the acquisition of up to 26,719,942 (Twenty Six Million Seven Hundred and Nineteen Thousand Nine Hundred and Forty Two) fully paid-up equity shares of the face value of Rs. 5 (Indian Rupees Five) each (“Equity Shares”), constituting 26% (Twenty Six Percent) of the Voting Share Capital of the Target Company from the Public Shareholders, subject to the terms and conditions mentioned in this Public Announcement, the detailed public statement that will be published in connection with the Offer (the “**Detailed Public Statement**”) and the letter of offer that will be sent to the Public Shareholders in accordance with the SEBI (SAST) Regulations. Save and except for the PACs, no other person is acting in concert with the Acquirer for the purpose of this Offer.
- 1.2 **Offer Price/Consideration:** The offer price is Rs. 220.73 (Indian Rupees Two Hundred and Twenty and Seventy Three Paise) per Equity Share (“**Offer Price**”) calculated in accordance with Regulations 8(1) & 8(2) of the SEBI (SAST) Regulations. Assuming full acceptance of the Offer, the total consideration payable by the Acquirer in accordance with the SEBI (SAST) Regulations will be Rs. 5897,892,797.66 (Indian Rupees Five Thousand Eight Hundred and Ninety Seven Million Eight Hundred and Ninety Two Thousand Seven Hundred and Ninety Seven and Sixty Six Paise).
- 1.3 **Mode of Payment:** The Offer Price will be payable in cash by the Acquirer, in accordance with the provisions of Regulation 9(1)(a) of the SEBI (SAST) Regulations.

1.4 **Type of Offer:** This Offer is a mandatory offer made by the Acquirer along with the PACs in compliance with Regulations 3(1) and 4 of SEBI (SAST) Regulations. This Offer is not subject to any minimum level of acceptance.

2. TRANSACTION WHICH HAS TRIGGERED THE OPEN OFFER OBLIGATIONS (UNDERLYING TRANSACTION)

2.1 The Acquirer has entered into the SPA, wherein it is proposed that the Acquirer shall purchase from the Sellers 53,133,127 Equity Shares of face value Rs. 5/- each of the Target Company, which constitutes 53.00% of the current total equity share capital and 51.70% of the Voting Share Capital. The said sale is proposed to be executed at a price of Rs. 220.73 (Indian Rupees Two Hundred and Twenty and Seventy Three Paise) per fully paid up equity share (“**Negotiated Price**”) aggregating to Rs. 11,728,075,123/- (Indian Rupees Eleven Thousand Seven Hundred Twenty Eight Million Seventy Five Thousand One Hundred and Twenty Three) payable in cash, as set out in the table below. This mandatory Open Offer is being made by the Acquirer pursuant to the execution of the SPA by the Acquirer.

Details of underlying transaction						
Type of Transaction (direct/indirect)	Mode of Transaction (Agreement/ Allotment/ market purchase)	Shares / Voting rights acquired /proposed to be acquired		Total Consideration for shares/voting rights (VR) acquired (In. Rs. million)	Mode of Payment (Cash/ securities)	Regulation which has triggered
		Number	% vis a vis current total equity capital / Voting Share Capital			
Direct Acquisition	Direct acquisition of Equity Shares and change in management control through SPA dated November 5, 2015, entered into between the Acquirer, the Sellers and the Target Company	53,133,127	53.00% of the current paid up capital. 51.70% of the Voting Share Capital	11,728.08 million	Cash	3(1) and 4 of the SEBI (SAST) Regulations

Note 1: If, on the date on which the underlying transaction is being completed, the unrestricted funds balance and net working capital of the Target Company is less than the Indian Rupee equivalent of USD 50 Million (provided that if the Target Company fails to obtain and pay certain other settlement amounts agreed under the SPA, then such amount shall be increased by the Indian Rupee equivalent of such settlement amount) based upon an exchange rate of 1 USD = INR 65, subject to the limitations set out in the SPA, the consideration payable to the Promoter Sellers shall stand reduced to the extent of such shortfall.

Note 2: Subject to terms of the SPA, out of the consideration payable to the Promoter Sellers, Rs. 130 Million shall be placed in an escrow account, which will be paid/adjusted in a manner agreed in the SPA.

Note 3: Out of the consideration payable to Arun Jain and Polaris Banyan Holding Private Limited (formerly known as Polaris Holdings Private Limited), which is under a scheme of amalgamation with Aaum Holdings (India) Private Limited before the Honourable Madras High Court, vide C.P. No. 399/ 2015 and C.P. No. 400/ 2015, having been sanctioned vide its order and its successors and assigns, Rs. 325 Million shall be placed in an escrow account, which will be paid/adjusted in a manner agreed in the SPA.

Note 4: The aforesaid adjustments will not result in an increase in the Negotiated Price and, accordingly, there will be no change in the Offer Price.

3. DETAILS OF THE ACQUIRER AND PACs

Details	Acquirer	PAC 1	PAC 2	Total
Name of the Acquirer / PACs	Virtusa Consulting Services Private Limited	Virtusa Corporation	Virtusa International B.V.	-
Address	Survey No. 115/Part, Plot No.10, Nanakramguda Village, Serilingampally	2000 West Park Drive, Westborough, MA 01581	Schiphol Boulevard 231, 1118 BH Amsterdam Schiphol, The Netherlands	-
Name(s) of persons in control /promoters of Acquirer/PACs where Acquirer/PACs are companies	Virtusa Corporation	Krishan A. Canekaratne	Virtusa Corporation	-
Name of the Group, if any, to which the Acquirer belongs to	Virtusa Group	Virtusa Group	Virtusa Group	-
Pre Transaction shareholding - Number - % of total share capital	NIL	NIL	NIL	NIL
Proposed shareholding after the acquisition of shares which triggered the Open Offer (excluding shares acquired in the open offer)	53,133,127 Equity Shares constituting 53.00% of the current total equity share capital and 51.70% of the Voting Share Capital.	NIL	NIL	53,133,127 Equity Shares constituting 53.00% of the current total equity share capital and 51.70% of the Voting Share Capital
Any other interest in the Target Company	None	None	None	-

4. DETAILS OF THE SELLING SHAREHOLDERS

No.	Name	Part of Promoter group (Yes/No)	Details of shares/voting rights held by the Selling Shareholders				
			Pre Transaction			Post Transaction	
			Number of Shares	% of current equity capital	% of Voting Share Capital	Number of Shares	% vis a vis total Voting Share Capital
1.	Polaris Banyan Holding Private Limited	Yes	20,020,938	19.97%	19.48%	Nil	Nil
2.	Arun Jain	Yes	4,322,365	4.31%	4.21%	Nil	Nil
3.	Yogesh Andlay	Yes	2,077,447	2.07%	2.02%	Nil	Nil
4.	Manju Jain	Yes	1,052,460	1.05%	1.02%	Nil	Nil
5.	Arun Jain (Huf)	Yes	789,000	0.79%	0.77%	Nil	Nil
6.	Uday Jain	Yes	619,500	0.62%	0.60%	Nil	Nil

No.	Name	Part of Promoter group (Yes/No)	Details of shares/voting rights held by the Selling Shareholders				
			Pre Transaction			Post Transaction	
			Number of Shares	% of current equity capital	% of Voting Share Capital	Number of Shares	% vis a vis total Voting Share Capital
7.	Aarushi Jain	Yes	60,000	0.06%	0.06%	Nil	Nil
8.	Meena Agarwal	Yes	21,450	0.02%	0.02%	Nil	Nil
9.	Shashi Gupta	Yes	5,900	0.01%	0.01%	Nil	Nil
10.	Naveen Kumar	Yes	4,800	0.00%	0.00%	Nil	Nil
11.	Neeta Mathur	Yes	2,400	0.00%	0.00%	Nil	Nil
12.	Nita Jain	Yes	2,400	0.00%	0.00%	Nil	Nil
13.	Manju Verma	Yes	2,400	0.00%	0.00%	Nil	Nil
14.	Uma Gupta	Yes	2,400	0.00%	0.00%	Nil	Nil
15.	Suman Mathur	Yes	2,300	0.00%	0.00%	Nil	Nil
16.	Orbitech Private Limited	No	17,458,692	17.42%	16.99%	Nil	Nil
17.	Orbitech Employees Welfare Trust	No	1,119,529	1.12%	1.09 %	219,529	0.21%
18.	Rakesh Radheshyam Jhunjhunwala	No	5,000,000	4.99%	4.87%	Nil	Nil
19.	Arun Sekhar Aran	No	438,675	0.44%	0.43%	Nil	Nil
20.	Amit Goela	No	200,000	0.20%	0.19%	Nil	Nil
21.	Konark Trust	No	307,673	0.31%	0.30%	157,673	0.15%
	Total		53,510,329	53.38%	52.07%	377,202	0.37%

5. TARGET COMPANY

5.1 **Name** : Polaris Consulting & Services Limited

5.2 **CIN no.:** L65993TN1993PLC024142

5.3 **Registered office** : Polaris House, 244, Anna Salai, Chennai, Tamil Nadu, 600006

5.4 **Exchanges where listed** : The Equity Shares of the Target Company are listed on following stock exchanges:

- (i) BSE Limited: Scrip ID – **POLARIS**, Scrip Code – **532254**
- (ii) National Stock Exchange of India Limited: Symbol – **POLARIS**
- (iii) Metropolitan Stock Exchange of India Limited: Symbol – **POLARIS**

6. OTHER DETAILS

6.1 The Detailed Public Statement to be issued under the SEBI (SAST) Regulations, shall be published on or before November 16, 2015, as required by Regulations 13(4) of the SEBI (SAST) Regulations. The Detailed Public Statement shall contains further information pertaining to the Offer including, inter alia, detailed information of the Offer Price, Acquirer, the PACs, the Target Company and the Sellers; detailed reasons for the Offer; statutory approvals required for the completion of the Offer; details of financial arrangements; salient features of the SPA, and other terms and conditions of the Offer.

6.2 Subject to the provisions of the SEBI (SAST) Regulations and receipt of applicable regulatory approvals, the Acquirer and the PACs reserve the right to acquire further Equity Shares during the Offer period.

- 6.3 Completion of the Offer and the underlying transactions as envisaged under SPA are subject to receipt of statutory and regulatory approvals and satisfaction of the conditions precedent set out in the SPA. Subject to compliance with the SEBI (SAST) Regulations, the underlying transaction referred to herein above may be completed prior to completion of the Offer.
- 6.4 The Acquirer and the PACs undertakes that they are aware of and will comply with the obligations under the SEBI (SAST) Regulations. The Acquirer and the PACs have made firm financial arrangements for fulfilling the payment obligations under the Offer, in terms of Regulation 25(1) of SEBI (SAST) Regulations.
- 6.5 This Offer is not a competing offer in terms of Regulation 20 of the SEBI (SAST) Regulations.
- 6.6 This Offer is not conditional upon any minimum level of acceptance as per Regulation 19(1) of the SEBI (SAST) Regulations.

Issued by the Manager to the Offer

J.P.Morgan

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Place: Mumbai

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