PUBLIC ANNOUNCEMENT TO THE SHAREHOLDERS OF RESIDENCY PROJECTS & INFRATECH LIMITED

(Formerly known as Residency Housing Finance Limited)

(Registered Office: 3rd Floor, Ranka Chambers, 31, Cunningham Road, Bangalore 560 052)

This Public Announcement (PA) is being issued by IFCI Financial Services Limited (hereinafter referred to as "Manager to the Offer"), for and on behalf of M/s Valuemart Retail (India) Ltd (hereinafter referred to as "Acquirer") pursuant to Regulation 10 & 12 and in compliance with the (SEBI) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto (hereinafter referred to as "Regulations").

1. The Offer

a) The Open offer is being made by **Valuemart Retail India Ltd** (Acquirer) to the Equity Shareholders of **RESIDENCY PROJECTS & INFRATECH LIMITED** (hereinafter referred to as "Target Company" or "RPIL").

b) The Acquirer had entered into Share Purchase Agreements ("Agreements") on November 18, 2010 with the Promoters & Others (hereinafter collectively referred to as "Sellers") to acquire 573950 fully paid-up Equity Shares of Rs.10/- each at a Price of Rs.22/- per share aggregating to 59.86% of the Subscribed and Voting Capital of the Target Company. The details are as under:

SL. No.	Names of the Seller	No. of Shares	% of Target Company's subscribed voting	Negotiated Price (Rs.)
A.	**Promoters**			
1.	Bhanwarlal H Ranka	93686	9.77	22.00
2.	Arun B Ranka	94806	9.89	22.00
3.	Kusum B Ranka	92420	9.64	22.00
4.	Pradeep B Ranka	94360	9.84	22.00
5.	Rachana Ranka	93690	9.77	22.00
6.	Sangeetha P Ranka	92370	9.63	22.00
7.	Kantilal G Bafna	9018	0.94	22.00
8.	Anjana B Ranka	3600	0.38	22.00
	Sub-Total (A)	**573950**	**59.86**	
B.	**Non-Promoters (Others)**			
1.	-	0	0	
	Sub-Total (B)	**0**	**0**	
	GRAND TOTAL	**573950**	**59.86**	

c) The Acquirer is now making this Open Offer (the "Offer") to the Shareholders of RPIL (other than the parties to the "Agreements") to acquire from them upto **191770** Fully Paid-up Equity Shares of Rs.10/- each at a price of Rs.22/- per share ("Offer Price") representing to 20.00% of its Subscribed and Voting Capital, payable in cash.

d) The Equity Shares of RPIL are listed at The Stock Exchange, Mumbai [BSE] and the Bangalore Stock Exchange (Bgse). Based on the information available, the shares of RPIL deemed to be infrequently traded on the Stock Exchange within the meaning of Regulation 20 of the Regulations and therefore, the Offer Price has been determined taking into account the following parameters:

a.	Negotiated Price under the Agreement	Rs.22/- per share	
b.	Highest Price paid by the acquirer for acquisitin, including by way of allotment in a public or rights or preferential issue	NIL	
c.	Other parameters	Based on Audited Accounts for the year-ended 31.03.2010	Based on figures for the period-ended 31.10.2010 (Un-audited)
	Earning per Share (EPS)	0.32	-0.23
	Return on Networth	0.02	-0.01
	Book Value	Rs.16.52	Rs.16.60
	Price Earning	68.75	N.A.

EPS = Profit after Tax / No. of equity shares, Return on NetWorth = Profit after Tax / NetWorth, Book Value per Share = NetWorth -Total Misc. Exp. not Written Off / No. of Equity Shares.

The Offer Price of Rs.22/- per Equity Share of RPIL is therefore justified in terms of Regulation 20 (11) of the Regulations.

e) The Acquirer holds no shares in RPIL as on this date of public Announcement.

f) For the purpose of this Offer, there is no Person Acting in Concert as per the provisions of the Regulation 2(1)(e) of the Regulations.

g) The Offer is unconditional and not subject to any minimum level of acceptance from Shareholders.

h) This is not a competitive bid.

i) Acquirer has not entered into any separate non-compete agreements with the Sellers.

j) The Acquirer has undertaken to comply with the Regulations and complete the Offer formalities irrespective of the compliance or fulfillment or outcome of the Agreement with the Sellers.

k) The Manager to the Offer does not hold any equity shares in the Target Company, as on date of this PA.

2. Information about the Acquirer:

a) M/s Valuemart Retail (India) Limited, a Company incorporated and registered under the provisions of Companies Act, 1956 having its Registered Office at No.2, 2nd Floor, RR Chamber, 11th Main Road, Vasanthnagar, Bangalore-560052.

b) The share holding structure of the acquirer is as follows:

SL. No.	Names of the Promoter	No. of Shares	% of Target Company's subscribed voting
A.	**Promoters:**		
1.	C K Vasudevan	11499000	30.34
	Sub-Total (A)	**11499000**	**30.34**
B.	**Non-Promoters (Others):**		
1.	P K Pande	1000	0.00
2.	Bindu Vasudevan	10000	0.03
3.	C K Prabhakaran	10000	0.03
4.	Mahesh Ramachandran	10000	0.03
5.	Suresh Shah	10000	0.03
6.	Rajendra K Surana	10000	0.03
7.	Shiv Kumar Damani	200000	0.53
8.	Valuemart Info Technologies Ltd	5200000	13.72
9.	V Murali	200000	0.53
10.	Kusuma Murali	200000	0.53
11.	Sunil D Surana	100000	0.26
12.	Sreenivas Babu P	180000	0.47
13.	Sanjay M Dhariwal	220000	0.58
14.	Rajendra K Surana	20000	0.05
15.	G Lokesh Babu	30000	0.08
16.	Rinku Deshpande	20000000	52.77
	Sub-Total (B)	**26401000**	**69.66**
	GRANDTOTAL(A+B)	**37900000**	**100.00**

c) The Acquirer is in the business of providing B2C solutions, RFID solutions, Smartcards and Web based solutions for Retail & Financial Services Sectors.

d) The main promoter of the Acquirer is Cheruvallipady Krishnan Vasudevan. He holds 30.43% of shares in the Acquiring company as on this date of PA. He has over 25 years of experience in Banking, Investment Advisory & Wealth Management. He is an expert in Corporate Finance & Structuring.

e) The balance sheet of the Acquirer is as follows:

SL. No.	Particulars	Based on the Audited Accounts for the year-ended 31.03.2010	Based on the Figures for the period-ended 31.10.2010 (un-audited)
1.	Equity Share Capital	1300000	37900000
2.	Preference Share Capital	0	10000
3.	Resreves and Surplus	0	0
4.	Loan Funds	67000	1091587
		1367000	**39001587**
5.	Fixed Assets	600000	10188878
6.	Net Current Assets	406338	25814218
7.	Misc. Expenditure	360662	2998491
		1367000	**39001587**

f) The Profit & Loss Account of the Acquirer is as follows:

SL. No.	Particulars	Based on the Audited Accounts for the year-ended 31.03.2010	Based on the Figures for the period-ended 31.10.2010 (un-audited)
1.	Income	0	124223
2.	Expenditure	266929	2762052
3.	Depreciation	0	0
4.	Profit / Loss Before Tax	-266929	-2637829
5.	Provision for Tax	0	0
6.	Profit / Loss After Tax	-266929	-2637829

3. Information about the Target Company:

a) Residency Projects & Infratech Ltd was originally incorporated on 16/10/1985 under the Companies Act, 1956 in the name and style of "Residency Housing Finance Ltd " and Certificate for Commencement of Business was obtained on 31/10/1985 . The Name of the Company was subsequently changed to "Residency Projects & Infratech Limited" and a fresh certificate of incorporation was obtained consequent to Change of Name from Registrar of Companies (ROC), Karnataka on 21/07/2008. At present, the Registered Office of the Company is situated at 3rd Floor, Ranka Chambers, 31, Cunningham Road, Bangalore 560052

b) As on date of this Public Announcement, the Authorised Share Capital of the Company is Rs.300.00 Lakhs (Rupees Three Crores only) consisting of 30,00,000 Equity Shares of Rs.10/- each and Issued, Subscribed & Paid-up Share Capital of the Company is Rs.95,88,470 (Rupees Ninety Five Lakhs Eighty Eight Thousand Four Hundred Seventy only) consisting of 958847 Equity Shares of Rs.10/- each. There are no partly paid-up Shares.

c) RPIL is presently engaged in in Housing Finance, Real Estate, Property and Infrastructure Development

d) The Equity Shares of RPIL are listed on The Stock Exchange, Mumbai (BSE). and Bangalore Stock exchange (BgSE). Presently, the Shares of the Company are under 'Z' Category. The equity shares are infrequently traded on the BSE in terms of explanation (i) to Regulation 20(5).

e) The balance sheet of the Target Company is as follows:

SL. No.	Particulars	Based on the Audited Accounts for the year-ended 31.03.2010	Based on the Figures for the period-ended 31.10.2010 (un-audited)
1.	Share Capital	9291970	9588470
2.	Reserves & Surplus	6550186	6331921
		15842156	**15920391**
3.	Fixed Assets	6760	6173
4.	Advanced for purchase of	8825000	8825000
5.	Investements	2600000	2600000
6.	Net Current Assets	4410396	4489218
		15842156	**15920391**

The Earning per Share is 0.32 and Return on Networth for the year ended 31.03.2010 are 0.02. The Book Value per share is Rs.16.52/-.

f) The Profit & Loss Account of the Target Company is as follows:

SL. No.	Particulars	Based on the Audited Accounts for the year-ended 31.03.2010	Based on the Figures for the period-ended 31.10.2010 (un-audited)
1.	Income	1056887	117088
2.	Expenditure	618094	334766
3.	Depreciation	1182	587
4.	Profit / Loss Before Tax	437611	-218265
5.	Provision for Tax	135203	0
6.	Profit / Loss After Tax	302408	-218265

4. Reasons for Acquisition and the Offer:

a) The Offer to the shareholders of RPIL has been made pursuant to Regulation10 &12 and incompliance with the Regulations.

b) The prime object of the Offer is substantial acquisition of shares/ voting rights accompanied with change in control and management of RPIL.

c) The Acquirer at present engaged in B2C Solutions, RFID, Smartcards & web based solutions for Retail & Financial Services sectors and by virtue of its Managerial and Administrative expertise, Acquirer intends to expand the activities of M/s Valuemart Retail India Ltd, by taking the confidence and support of the stakeholders of the Target company.

d) Through this acquisition, the Acquirer intends to expand the business and also derive benefits of a Listed Company and expand the existing business.

e) The Acquirer do not have any plans to sell, dispose of or otherwise encumber any significant assets of RPIL in the next two years, except in the ordinary course of business and except to the extent required for the purpose of restructuring and/or rationalization of assets, investments and liabilities or otherwise of RPIL. RPIL's future policy for disposal of its assets, if any, will be decided by it's Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders at a General Body Meeting of RPIL, if so required.

5. Statutory Approvals & Conditions to the Offer:

a) The Offer is subject to receiving necessary approval(s), if any, from Reserve Bank of India (RBI) under Foreign Exchange Management Act, 1999 (FEMA) and subsequent amendments there to for acquiring equity shares tendered by Non Resident Shareholders, if any.

b) As on date of this PA, to the best of the knowledge of the Acquirer, there are no other Statutory Approvals / or consents required. However, if any statutory approvals become applicable at a later date, the offer would be subject to such statutory approvals. In case, the statutory approvals are not obtained, the Acquirer will not proceed with the Offer.

c) In case of non-receipt of statutory approvals within time, SEBI has a power to grant extension of time to Acquirer for payment of consideration to the shareholders, who have accepted the Offer, subject to Acquirer agreeing to pay interest for the delayed period as directed by SEBI under Regulation 22 (12) of the Regulations. Further, if the delay occurs on account of willful default by the Acquirer in obtaining the approvals, Regulation 22 (13) of Regulations will become applicable.

6. Option to the Acquirer interms of Regulation 21:

Pursuant to the Agreement(s) and this Offer, if the public shareholding in the Company fall below the limit specified in Listing Agreement with Stock Exchange for the purpose of listing on continuous basis, the Acquirer undertakes to acquire only such number of shares under Share Purchase Agreement(s) so as to maintain the minimum specified public shareholding in the Company.

7. Financial Arrangements:

a) The Acquirer have adequate financial resources and have made firm financial arrangements for implementation of the Offer in full out of its own sources / Networth and no borrowings from any bank and/or Financial Institutions is envisaged. M/s Dandkar Capital, having office at 244, Angappa Naicken Street, 2nd Floor, George Town, Chennai - 600001 has certified vide letter dated 15/11/2010 that sufficient resources are available with the Acquirer for fulfilling the obligations under this "Offer" in full.

b) In accordance with Regulation 28 of the Regulations, the Acquirer has opened an Escrow Account with State Bank of India, Jayanagar II Block Branch, Bangalore and made a Cash deposit of Rs.42,18,940/- (Rupees Forty Two lakhs eighteen thousand and nine hundred and forty Only) in the account being 100% of the total consideration payable in accordance with the "Regulations".

c) The Manager to the Offer, i.e., IFCI Financial Services Limited has been solely authorised by the Acquirer to operate and realize the value of Escrow Account in terms of the Regulations.

d) The Manager to the Offer confirms that the firm arrangement for the funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

8. Other Terms of the Offer:

a) The Letter of Offer along with Form of Acceptance cum Acknowledgement will be mailed to all those shareholders of RPIL (except the Acquirer and Parties to the Agreement) whose name appear on the Register of Members of RPIL, at the close of business hours on 16/12/2010 (the "Specified Date").

b) Shareholders who wish to accept the offer and tender their shares will be required to send their duly signed Form of Acceptance cum Acknowledgement, Original Share Certificate(s) and duly signed and executed Transfer Deed(s) to the Registrar to the Offer or Manager to the Offer, either by hand delivery on weekdays between (10.00a.m. to 1.00p.m. and 2.00p.m. to 4.00p.m.) or by Registered Post so as to reach on or before the Closing of the Offer, i.e., 24/01/2011, in accordance with the instructions specified in the Letter of Offer and Form of Acceptance cum Acknowledgement.

c) All owners of the shares, Registered or Unregistered (except the Acquirer and Parties to the Agreements) who own the shares any time prior to the Closing of the Offer are eligible to participate in the Offer. Unregistered owners can send their application in writing to the Registrar to the Offer or Manager to the Offer, on a plain paper stating the Name &Address of the First Holder, Name(s) & Address(es) of Joint Holder(s) if any, Number of Shares held, Number of Shares offered, Distinctive Numbers, Folio Number, together with the Original Share Certificate(s), valid Share Transfer Deeds and the original Contract Note(s) issued by the Broker through whom they acquired their shares. No indemnity is required from unregistered owners.

d) In case of non-receipt of the Letter of Offer, the eligible persons may send their consent to the Registrar to the Offer or Manager to the Offer, on a plain paper stating the Name, Address, Number of Shares held, Distinctive Number, Folio Number and Number of Shares offered ,along with documents as mentioned iin point 'c' above, so as to reach the Registrar to the Offer or Manager to the Offer on or before the Closing of the Offer, i.e., 24/01/2011.

e) The Registrar to the Offer will hold in trust the Share Certificates, Form of Acceptance cum Acknowledgement, if any, and the Transfer Form(s) on behalf of the shareholders of RPIL who have accepted the Offer, till the Cheques / Drafts for the consideration and / or the unaccepted shares/ share certificates are dispatched / returned.

f) Share Certificates, Transfer Forms and other documents in respect of shares not accepted under the Offer, if any, will be returned by Registered Post at the Shareholders / Unregistered Owners sole risk to the sole / first shareholder.

g) In case the shares tendered in the Offer by the shareholders of RPIL are more than the shares to be acquired under the Offer, the acquisition of the shares from each shareholder will be as per the provision of Regulation 21(6) of the Regulations on a proportionate basis. The rejected Applications / Documents will be sent by Registered Post.

h) The payment of acquisition of shares will be made by the Acquirer in Cash through a crossed Demand Draft / Pay Order to the equity Share holders of RPIL whose equity share certificates and other documents are found in order and accepted,within15 Days from the date of closing of the Offer.

i) In terms of Regulation 22 (5A) of the Regulations, shareholders shall have the option to withdraw acceptance tendered up to three working days prior to the date of Closing of the Offer by submitting the required documents, to the Registrar to the Offer. The withdrawal option can be exercised by submitting the Form of Withdrawal enclosed with Letter of Offer. In case of non-receipt of Form of Withdrawal, the withdrawal can be exercised by making it on plain paper along with the details as mentioned in the point 'c' above.

j) The shares withdrawn by the Shareholders, if any, would be returned by Registered Post.

k) A Schedule of some of the major activities in respect of the Offer is given below:

Activities	Date	Date
Date of PA	22/11/2010	Monday
Specified Date (for the purpose of determining the name of shareholders to whom the Letter of Offer will be sent)	16/12/2010	Thursday
Last Date for a Competitive Bid, if any	21/12/2010	Tuesday
Date by which the Letter of Offer to be despatched	27/12/2010	Monday
Date of Opening of the Offer	04/01/2011	Tuesday
Last date for revising the Offer Price / Number of Shares	12/01/2011	Wednesday
Last date for Withdrawal of Acceptance by Shareholders	20/01/2011	Thursday
Date of Closing of the Offer	24/01/2011	Monday
Date by which communicating rejection / acceptance and despatch of Cheques / Demand Drafts towards payment of consideration to be completed	07/02/2011	Monday

9. General:

a) Shareholders who have accepted the Offer by tendering the requisite documents in terms of the Public Announcement / Letter of Offer, can Withdraw the same up to three working days prior to the date of Closing of the Offer i.e. on or before 20/01/2011.

b) If there is any upward revision in the Offer Price upto seven working days prior to the date of Closing of the Offer i.e. on or before14/01/2011 or withdrawal of the Offer, the same would be informed by way of PA in the same Newspapers where this original PA appeared and such revised Offer Price would be payable to all the shareholders who have tendered their shares any time during the Offer and accepted under the Offer.

c) If there is a Competitive Bid:

i. The Public offers under all the subsisting bids shall close on the same date.

ii. As the offer price cannot be revised during 7 working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of the shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.

d) The Acquirer, the Sellers and RPIL have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any other Regulations made under the SEB IAct.

e) Pursuant to Regulation 13 of the Regulations, the Acquirer has appointed IFCI Financial Services Ltd, as Manager to the Offer.

f) Integrated Enterprises (India) Limited, having office at II Floor, "Kences Towers", No.1, Ramakrishna Street, North Usman Road, T Nagar, Chennai - 600 017. E-mail: corpserv@iepindia.com has been appointed as the Registrar to the Offer. The name of the Contact Person is Mr. Sriram S.

g) The Acquirer accepts full responsibility for the information contained in this Public Announcement and also for the obligations of Acquirer laid down in the Regulations.

h) For further details, please refer to the Letter of Offer and Form of Acceptance cum Acknowledgement.

i) This PA would also be made available on the SEBI's website www.sebi.gov.in Eligible persons to the Offer may also download a copy of Letter of Offer along with Form of Acceptance cum Acknowledgement and Form of Withdrawal, which will also be available on SEBI's website from the Offer opening date, i.e., 04/01/2011 and apply in the same.

IFIN
IFCI Financial Services Ltd
(Subsidiary of IFCI Ltd)

Issued by Manager to the Offer on behalf of the Acquirer:

IFCI Financial Services Ltd., [IFIN]
3rd Floor, 142, Mahatma Gandhi Road,
Nungambakkam,Chennai 600034.
Telephone: +91-44-28306672.
Fax: + 91-44-28306609.
Email: sudheendra@ifinltd.in
Contact Person: Sudheendra Kumar CS

Place: Chennai
Date: 22/11/2010