# LETTER OF OFFER

**THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

This Letter of Offer is sent to you as Shareholders/beneficial owners of SSI Limited **("SSI"/Target Company)**.If you require any clarifications about the action to be taken; you should consult your stock-broker or investment consultant or the Manager/ Registrar to the Offer. In case you have recently sold your Shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance, Form of Withdrawal and Transfer Deed to the member of the Stock Exchange through whom the said sale was effected.

CASH OFFER OF Rs 208/- (Rupees two hundred and eight only) PER FULLY PAID UP EQUITY SHARE OF Rs. 10 EACH (the **"Offer Price"**)

Pursuant to Regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

TO ACQUIRE

Up to 1,15, 76,764 fully paid up Equity Shares of face value Rs 10/- each, representing 20% of the Voting

Capital **("Offer")**

**OF**

**SSI Limited**

*having its registered office at*

34 (New), Thirumalai Road, T.Nagar, Chennai 600 017, Tel: 044 2834 0016 Fax: 044 2834 0047

**BY**

**PVP Enterprises Private Limited ("PVP"/ "Acquirer")**

*having its registered office at* 8-2-609/K,Avenue 4,Street No 1,Road No 10,Banjara Hills, Hyderabad 500034, Tel: 040 2342 0888, Fax: 040 2332 0104

Along with

**PVP Ventures Private Limited ("PVP Ventures")**

*having its registered office at* 8-2-609/K,Avenue 4,Street No 1,Road No 10,Banjara Hills, Hyderabad 500034, Tel: 040 2342 0888, Fax: 040 2332 0104

And

**Platex Limited ("Platex")**

*having its registered office at 10 Frere Felix* de Valois Street, Port Louis, Mauritius Tel : +230 202 9932, Fax : +230 212 5265

And

**Mr. Prasad V. Potluri**

currently residing in India at Plot No. 1277, Road No.63A, Jubilee Hills, Hyderabad 500033. Tel: 040 2342 0800

collectively the "**Persons Acting in Concert**"/ "**PACs**"

The Acquirer and the PACs are hereinafter collectively referred to as the "**Acquirer Group**"

| MANAGER TO THE OFFER | ADVISOR TO THE TRANSACTION | REGISTRAR TO THE OFFER |
|---|---|---|
| JM FINANCIAL<br>**JM Financial Consultants Private Limited**<br>141,Maker Chamber III<br>Nariman Point, Mumbai 400 021<br>Tel: +91 22 6630 3030<br>Fax: +91 22 2204 7185<br>Email: ssi@jmfinancial.in<br>Contact Person: **Poonam Karande** | MAPE Advisory Group<br>ADVISORY FOR GROWTH<br>**MAPE Advisory Group Private Limited**<br>#7C, 7th Floor, PM Towers<br>37, Greams Road<br>Chennai 600 006<br>Tel: +91 44 2829 5377/8<br>Email: vikram@mapegroup.com<br>Contact Person: **Vikram Kankaria** | CAMEO<br>**Cameo Corporate Services Limited,**<br>Subramanian Building,<br>No 1, Club House Road,<br>Chennai 600 002, India.<br>Tel:+9144 28460390/91/92/93/94<br>Fax: +91 44 2846 0129<br>Email:pvpventures@cameoindia.com<br>Contact Person: **A. Sivasubramanian** |

| | |
|---|---|
| **OFFER OPENS ON : AUGUST 3, 2007** | **OFFER CLOSES ON : AUGUST 22, 2007** |

1 **ATTENTION:**

This is not a competitive bid

The Offer is subject to the receipt of approval from the Reserve Bank of India **("RBI")** for acquiring Shares from non-resident Indians who validly tender their Shares under this Offer. The Acquirer will make the necessary applications to and filings with the various authorities to obtain the statutory approvals described above.

There are no other statutory approvals required to implement the Offer other than that specified above. If any other statutory approvals become applicable prior to the completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirer will have the right not to proceed with the Offer in terms of Regulation 27 of the SEBI (SAST) Regulations in the event any of the statutory approvals that are required are refused.

In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirer for payment of consideration to the Shareholders, subject to Acquirer agreeing to pay interest for the delay period as directed by SEBI in terms of regulation 22(12) of the SEBI (SAST)Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by Acquirer in obtaining the requisite approvals, the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in the regulation 28(12) of the SEBI (SAST)Regulations.

The Acquirer Group does not require any approvals from financial institutions or banks for the Offer.

Shareholders who have accepted the Offer by tendering the requisite documents, in accordance with the terms of the Public Announcement and the Letter of Offer, shall have the option to withdraw acceptance tendered by them up to three (3) working days prior to the date of closing of the Offer, in terms of regulation 22(5)(a) of the SEBI (SAST) Regulations i.e. by August 16, 2007

The Acquirer can revise the Offer Price upwards up to seven (7) working days prior to the closing of the Offer (i.e. by August 9, 2007). If there is any upward revision in the Offer Price by the Acquirer until the last date of revision i.e., by August 9, 2007 the same will be informed by way of a public announcement in the same newspapers in which the Public Announcement has appeared. Acquirer would pay such revised price for all the Shares validly tendered anytime during the Offer and accepted under the Offer.

There was no competitive Bid

Form of Acceptance and Form of Withdrawal are also enclosed with this letter of Offer

This Offer is not subject to any minimum level of acceptance by the Shareholders .

The Public Announcement and this Letter of Offer, Form of Acceptance and Form of Withdrawal would also be available on SEBI's Website (www.sebi.gov.in) from the offer opening date viz. **August 3, 2007**

A schedule of the activities pertaining to the Offer is given below:-

| **Activity** | **Original Date & Day** | **Revised Date & Day** |
|---|---|---|
| Public Announcement | February 27, 2007 (Tuesday) | Unchanged |
| Specified Date* | March 9, 2007 (Friday) | Unchanged |
| Last date for a competitive bid | March 20, 2007 (Tuesday) | Unchanged |
| Date by which Letter of Offer to be dispatched to shareholders | April 13, 2007 (Friday) | July 30, 2007 (Monday) |
| Date of opening of offer | April 20, 2007 (Friday) | August 3, 2007 (Friday) |
| Last date for upward revision of the Offer Price | April 27, 2007 (Friday) | August 9, 2007 (Thursday) |
| Last Date for withdrawing acceptance of the Offer | May 3, 2007 (Thursday) | August 16, 2007 (Thursday) |
| Date of closing of the Offer | May 9, 2007 (Wednesday) | August 22, 2007, (Wednesday) |
| Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the un accepted equity shares/share certificates will be dispatched/credited | May 24, 2007 (Thursday) | September 6, 2007 (Thursday) |

* *Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent. All owners (registered or unregistered) of the Shares (except Acquirer Group, and Seller) are eligible to participate in the Offer anytime before the closing of the Offer.*

## RISK FACTORS

### Risk relating to the Offer

- The Offer is subject to the receipt of the approval of the RBI under FEMA and the rules and regulations made there under for acquiring Shares from Non-Resident Indians who validly tender their Shares under this Offer.
- In the event of regulatory approvals not being received in a timely manner or litigation leading to a stay on the Offer, or SEBI instructing that the Offer should not proceed, the Offer process may be delayed beyond the schedule indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Shares have been accepted in the Offer as well as the return of the Shares not accepted by the Acquirer may be delayed.
- The Acquirer makes no assurance with respect to the market price of the Shares during / after the Offer.
- The Offer is for substantial acquisition of Shares and control of the Target Company, and it is made in accordance with Regulation 10 and 12 of the SEBI (SAST) Regulations. There is no assurance with respect to the continuation of the past trend in the financial performance of the Target Company.
- The Shares tendered in the Offer will be held in trust by the Registrar to the Offer till the completion of the Offer formalities, and the Shareholders will not be able to trade such Shares. During such period there may be fluctuations in the market price of the Shares. Accordingly, the Acquirer makes no assurance with respect to the market price of the Shares both during the Offer period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- In the event of oversubscription in the Offer, the acceptance of the Shares tendered will be on a proportionate basis and will be contingent on the level of subscription.

### Risks related to associating with the Acquirer

- The Acquirer does not have any revenue generating operations and is dependent on the PACs for financial resources.

### Risks related to the Transaction

- The Acquirer has executed a Share Purchase Agreement on February 25, 2007 to acquire .the Purchase Shares from the Sellers, being 2,17,06,432 equity shares of Rs. 10 each which constitutes 37.5% of the Voting Capital of the Target Company, at a price of Rs.208 per Share for a total consideration of Rs 451,49,37,856 in cash **("Negotiated Price").** This Offer is being made pursuant to and in terms of Regulation 10 and 12 of the SEBI (SAST) Regulations for substantial acquisition of shares and control over the Target Company. In the event of non purchase of the Shares as contemplated in the SPA, the existing promoter group may continue to retain management control of SSI Limited and the Acquirer could be treated as a public shareholder. Further the Acquirer may stand to lose the advance payment of Rs. 44.1 crores made to the existing promoter on non completion of the acquisition as contemplated in the SPA.

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**DEFINITIONS**

| | |
|---|---|
| **Acquirer** | PVP Enterprises Private Limited |
| **Acquirer Group** | Acquirer and PACs collectively |
| **Act** | The Companies Act, 1956 as amended from time to time. |
| **BSE** | Bombay Stock Exchange Limited |
| **CDSL** | Central Depositories Services Limited |
| **DP** | Depository Participant |
| **Existing Holding** | 78,14,315 Shares of the Target Company acquired by the Acquirer on February 23, 2007 at an average price of Rs. 208 per Share (the highest price paid was Rs 208 per Share) from K.S.Aghoram, one of the promoters of the Target Company, through an off market trade constituting 13.5% of the Voting Capital as on the date of the Public Announcement. |
| **FEMA** | Foreign Exchange Management Act |
| **FIPB** | Foreign Investment Promotion Board |
| **Form of Acceptance** | Form of Acceptance cum Acknowledgement |
| **INR or Rs** | Indian Rupees |
| **MSE** | Madras Stock Exchange Limited |
| **Manager/Manager to the Offer/JM Financial** | JM Financial Consultants Private Limited |
| **NSE** | National Stock Exchange Limited |
| **NSDL** | National Securities Depositories Limited |
| **OCB** | Overseas corporate bodies |
| **Offer** | Open Offer to acquire 1,15,76,764 equity shares being 20% of the Voting Capital pursuant to Regulations 10 and 12 of the SEBI (SAST) Regulations, at a price of Rs 208 per fully paid up equity share |
| **Offer Price** | Rs 208 per fully paid up equity share of face value Rs 10 each |
| **PAC/Persons Acting in Concert** | Platex, PVP Ventures Private Limited and Mr. Prasad V. Potluri collectively. |
| **Platex** | Platex Limited |
| **PVP / Acquirer** | PVP Enterprises Private Limited |
| **PVP Ventures** | PVP Ventures Private Limited |
| **Person(s) eligible to participate in the Offer** | All owners (registered and unregistered) of Shares of SSI Limited anytime before the closure of the Offer except the parties to the Share Purchase Agreement. Promoter other than the Parties to the Share Purchase Agreement is eligible to participate in the Offer |
| **Public Announcement** | Announcement of the Offer made by the Acquirer and the PACs on February 27, 2007 |
| **Purchase Shares** | 2,17,06,432 Shares of the Target Company constituting 37.5% of the Voting Capital |
| **RBI** | Reserve Bank of India |
| **Registrar to the Offer** | Cameo Corporate Services Limited |
| **SEBI** | Securities and Exchange Board of India |
| **SEBI (SAST) Regulations** | Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers), 1997 and subsequent amendments thereto. |
| **Share(s)** | Fully paid up equity share of face value Rs 10 each of SSI Limited |
| **Shareholders** | All owners (registered and unregistered) of Shares |
| **Share Purchase Agreement** | Agreement dated February 25, 2007 executed by the Acquirer with the Sellers to acquire the Purchase Shares |
| **Specified Date** | March 9, 2007 |
| **Sellers** | Mr. K.S.Suresh, Mr. K.S.Aghoram and Mr. K.S.Ganesh |
| **SSI / Target Company** | SSI Limited |
| **TEL** | Telephoto Entertainments Limited |
| **Voting Capital** | 5,78,83,820 outstanding Shares of a face value of Rs.10 each as on September 6, 2007 i.e. 15 days post closure of the Offer |
| **USD** | United States Dollar |

2 **"IT IS TO BE DISTINCTLY UNDERSTOOD THAT 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 SEBI (SAST) REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF SSI TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER/PACs OR THE COMPANY WHOSE SHARES/CONTROL ARE 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT LETTER OF OFFER. THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER-JM MORGAN STANLEY PRIVATE LIMITED HAS SUBMITTED A DUE-DILIGENCE CERTIFICATE DATED MARCH 12, 2007 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER**

## 3 DETAILS OF THE OFFER

### 3.1 Background of the Offer

3.1.1 The Acquirer is a company incorporated under the Act and having its registered office at 8-2-609/K, Avenue 4. Street No 1, Road No 10, Banjara Hills, Hyderabad 500034. On February 23, 2007, the Existing Holding was acquired by the Acquirer from K.S. Aghoram, one of the promoters of the Target Company, at a maximum price of Rs. 208 per share through an off market trade, as a result of which, the Acquirer holds 78,14,315 Shares constituting 13.5% of the Voting Capital of the Target Company as on the date of this Offer. Mr. K.S. Aghoram has not complied with the applicable provisions of regulation 7(1A) SEBI (SAST) Regulations regarding the disclosure of sale of 13.5% shares.The Acquirer has executed a Share Purchase Agreement on February 25, 2007 to acquire the Purchase Shares being 2,17,06,432 equity shares of Rs. 10 each which constitutes 37.5% of the Voting Capital of the Target Company, at a price of Rs.208 per Share for a total consideration of Rs 451,49,37,856 in cash **("Negotiated Price").** This Offer is being made pursuant to and in terms of Regulation 10 and 12 of the SEBI (SAST) Regulations for substantial acquisition of shares and control over the Target Company. In the event of non purchase of the Shares as contemplated in the SPA, the existing promoter group may continue to retain management control of SSI Limited and the Acquirer could be treated as a public shareholder. Further the Acquirer may stand to lose the advance payment of Rs. 44.1 crores made to the existing promoter on non completion of the acquisition as contemplated in the SPA. Of the total number of Purchase Shares, 37,17,776 Shares are subject to lock-in for a period of three years commencing from August 31, 2005 and 80,36,235 Shares are subject to lock-in for a period of three years and one month from September 27, 2006 ("**Lock-in Shares**"). The Lock-in Shares can be transferred to the Acquirer subject to the continuation of the residual lock in period in the hands of the Acquirer in terms of the SEBI (Disclosure and Investor Protection) Guidelines, 2000. In terms of the SPA and pending completion of the Offer formalities, the Purchase Shares and the Negotiated Price need to be kept in Escrow. The Sellers, the Acquirer and IDBI Trusteeship Services Limited ("the **Escrow Agent**") have also entered into an escrow agreement dated February 25, 2007 ("**Escrow Agreement**") which sets out the mechanism for completing the transfer of the Purchase Shares agreed to be acquired from the Seller by the Acquirer pursuant to the Share Purchase Agreement and the payment of the Negotiated Price for the Purchase Shares to the Seller upon completion of the Acquirer's obligations under the SEBI (SAST) Regulations.

3.1.2 Upon completion of the Offer, assuming full acceptances and taking into account the Purchase Shares and the Existing Holding, the Acquirer will hold 71% of the Voting Capital in the Target Company.

3.1.3 The Sellers under the SPA are Mr. Kalpathi S Aghoram residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 2834 3740, Mr. Kalpathi S Suresh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740, and Mr. Kalpathi S Suresh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740. Mr. Kalpathi S. Ganesh holds 1,36,20,461 shares being 23.53% of the total capital of SSI Limited, Mr. Kalpathi S. Suresh holds 1,36,13,298 shares being 23.52% of the total capital of SSI Limited and Mr. Kalpathi S. Aghoram holds 57,94,434 shares being 10.01% of the total capital of SSI Limited. Mr. D.V. Narasingarao residing at No. 12, Kannaiah Street, T. Nagar, Chennai 600 017, Tel No. 044 2834 2024, is a promoter of SSI Limited but is not a party to the Share Purchase Agreement dated February 25, 2007.

3.1.4 The Salient features of the Share Purchase Agreement are inter alia:

- Upon the Manager to the Offer certifying compliance by the Acquirer of its obligations under SEBI (SAST) Regulations in respect of this Offer, the Purchase shares shall be transferred to the Acquirer and the Negotiated Price for the Purchase Shares shall be released in favour of the Sellers in accordance with the terms of the Share Purchase Agreement and the Escrow Agreement.

- Upon the closing of the transactions contemplated by the Share Purchase Agreement, the Board of Directors of The Target Company shall be reconstituted by appointment of the Acquirer's nominees as directors of the Target Company either at a board meeting or, if necessary, at an extraordinary general meeting of the Shareholders. For the time being, the nominees of the Acquirer proposed to be appointed as directors of the Target Company are Mr. Prasad V. Potluri, Mrs. Jhansi Sureddi, Mr. R. Ramaraj and Mr. M. Ramprasad
- The Share Purchase Agreement provides that within 6 months from the date of completion under the Share Purchase Agreement being the date on which the Manager to the Offer certifies compliance by the Acquirer of its obligations under the SEBI (SAST) Regulations in respect of this Offer, the Acquirer shall procure that the Target Company ceases to use the names "Kalpathi"and "AGS"or any names similar thereto in any manner whatsoever including without limitation in respect of the project of the Target Company, as the Sellers may request to renounce and forswear all rights relating to the above mentioned names
- Post the Completion of this Offer the Acquirer shall ensure that the Sellers who have given their personal guarantees to secure the indebtedness and/or obligations of the Target Company are relieved of their personal guarantees and obligations.
- The Acquirer has paid a sum of Rs. 44,10,00,000 to the Sellers on the date of execution of the Share Purchase Agreement, as advance towards payment of the Negotiated price.
- The Acquirer shall become the promoter of the Target Company upon completion of this Offer and the Sellers shall thereupon cease to be the promoters of the Target Company.
- The Share Purchase Agreement further provides that in the event that the provisions of the SEBI (SAST) Regulations are not complied with or there is any default in complying with the provisions thereof, the Share Purchase Agreement shall not be acted upon by the Acquirer and the Sellers.
- The Share Purchase Agreement provides that the Sellers shall exercise their rights and powers available to them in order to endeavor that in the period from the date of signing this Share Purchase Agreement to the completion of the Offer;
    1. The Target Company and each of its subsidiaries manages or conducts its business or affairs in its ordinary course of business;
    2. The Target Company and each of its subsidiaries do not amend its memorandum and articles of association or certificate of incorporation;
    3. The Target Company and each of its subsidiaries do not authorize the issuance of, or issue any shares, warrants or other securities convertible into shares or stock options or bonus or enter into any contract with any person in respect of the same;
    4. The Target Company and each of its subsidiaries do not declare any dividend to their shareholders;
    5. The Target Company and each of its subsidiaries do not take any important or material decision having a material adverse effect on them and their business;
    6. Each of the subsidiaries of the Target Company shall maintain their shareholding as it is on the date of the Share Purchase Agreement;
    7. The Target Company and each of its Subsidiaries, other than in normal course of business, shall not incur any further indebtedness, liabilities or obligations or enter into contracts, leases ,licenses, instruments, commitments(oral or otherwise) for an amount in excess of INR 10,00,000(Rupees Ten Lakhs); and
    8. The Target Company and each of its subsidiaries, other than in normal course of business, shall not borrow in any form of loans, bonds or debentures or otherwise incur any obligation including giving/receiving guarantees, document or comfort or accommodation and/or agree to any negative lien or pledge and creating charge or any encumbrance over any of its assets or dispose its assets in excess of INR 10,00,000 (Rupees Ten Lakhs)

3.1.5 None of Acquirer Group, Sellers or the Target Company has been prohibited by the SEBI from dealing in securities, in terms of direction issued under section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1992 and subsequent amendments thereto.

3.1.6 A Facility Agreement dated December 22, 2006 ("Closing Date") has been entered into between Platex, Deutsche Bank AG, Singapore Branch, DB International (Asia) Limited ("Lender"), Deutsche Bank AG, Hong Kong Brach ("Facility Agent") and DB Trustees (Hong Kong) Limited. Under the Facility Agreement, the Lender has provided a term loan facility of USD 200 million with an option with the Borrower to increase it by an additional USD 25 million.

3.1.7 <u>Salient Features of the Facility Agreement entered into by Platex are as follows:</u>

1) The use of proceeds under the Facility Agreement, subject to certain conditions precedent, is as under:
    a. Platex would utilize the term loan towards acquisition of equity linked securities of PVP Ventures;

b. PVP Ventures would utilize the proceeds for the acquisition of fully convertible debentures of PVP enterprises and towards acquisition of non convertible debentures of Cyberabad City Projects Private Limited;

c. PVP Enterprises would utilize an amount of upto USD 175 million (assuming exercise of UDS 25 million option) for the acquisition of the Shares of the Target Company.

2) The said facility is secured by the following

a. A fixed and floating charge over the assets of Platex which comprises, inter-alia 80% shareholding in PVP Ventures;

b. Mr. Prasad V. Potlouri has also pledged his shareholding in Platex and has provided a personal guarantee in respect of the above facility.

3) Platex has also, subject to applicable laws, agreed to integrate the Target Company's operations with the Acquirer or its holding company, including a possible merger or consolidation, for commercial reasons and operational efficiencies.

4) The said facility is to be repaid in the following manner:

a. In a way that the total outstanding immediately after the repayment remains USD 120 million on the third anniversary of the Closing Date.

b. The balance loan amount is to be repaid on the final maturity date (48 months from the Closing Date)

c. The Borrower also has an option, subject to the terms of the Facility Agreement, to prepay provided the total outstanding is not reduced to less than USD 120 million

5) The interest on the said facility is payable in June and December. The interest rate applicable to be paid by Platex for a particular interest period is as follows:

a. LIBOR + 750 basis points, till the Borrower is required to mandatory prepay the facility amount.

b. Beyond that period the interest rate is reset to LIBOR + 900 basis point

6) Platex or any of its subsidiaries shall not without the prior written consent of the Facility Agent, either in a single transaction or in a series of transactions, sell, transfer, lease or otherwise dispose of any shares held by it in any of its subsidiaries.

7) Platex shall at all times maintain a minimum shareholding in PVP Ventures of 80% of the total issued share capital.

8) Platex has issued 1,200,000 warrants aggregating USD 120 million to the Lender. The pre-payment would get accelerated in the event and to the extent of conversion of warrants.

9) Platex, its subsidiaries and the Target Company (following the acquisition of shares by the Acquirer), without the prior written consent of the Facility Agent shall not:

a. Incur, create or permit any type of financial indebtedness other than under the provisions of the Facility Agreement.

b. Declare or pay any dividend, repay or distribute any dividend or share premium reserve, issue any warrants, notes or bonds which are convertible into shares, issue or alter its share capital and repay a part of any shareholder's loan.

c. Make any change or cease any part of its business, including enter into any joint venture or similar arrangements, make any acquisitions and any type of investments.

3.1.8 No action has been taken by SEBI against the Acquirer, its promoters, its directors or the Target Company, its promoters and directors under the SEBI Act or any regulations framed thereunder.

**3.2 Details of the proposed offer**

3.2.1 The Public Announcement was made in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations.

| **Publications** | **Editions** |
|---|---|
| Financial Express | All |
| Jansatta | All |
| Makkal Kural | Chennai |

*(The Public Announcement is also available at SEBI website: www.sebi.gov.in)*

3.2.2 As of the date of the Public Announcement, the Voting Capital is Rs. 57,88,38,200 divided into 5,78,83,820 outstanding Shares. There are no partly paid up shares or any other instruments convertible into Shares at a future date

3.2.3 The Offer is not conditional on any minimum level of acceptance by the shareholders and there is no differential pricing and the Acquirer will acquire all Shares tendered in valid form in terms of this Offer upto a maximum of 1,15,76,764 Shares (representing 20% of the Voting Capital as on September 6, 2007 which is the date which is 15 days from the date of closure of the Offer).

3.2.4 This is not a competitive bid and there has not been any competitive bid till the date of this Letter of Offer.

3.2.5 The Offer is not conditional on any minimum level of acceptance by the shareholders

3.2.6 Save as disclosed in this Letter of Offer the Acquirer Group has not made any further acquisitions in the Target Company after the date of the PA and upto the date of this Letter of Offer.

**3.3 Objects of the acquisition/Offer and future plans**

3.3.1 The Offer is being made by reason of the execution of the Share Purchase Agreement between Acquirer and Seller and is being made in accordance with Regulations 10, Regulation 12 and other applicable provisions of the SEBI (SAST) Regulations as the proposed acquisition of the Purchase Shares will result in substantial acquisition of shares and voting rights in the Target Company and also a change in control and Board of Directors of the Target Company.

The main reason for the acquisition of Shares and voting rights in SSI by Acquirer Group is:-

The Acquirer is a Hyderabad based real estate company. The Target Company owns real estate assets in Chennai and is also engaged in hospitality business in Ooty. The acquisition would therefore also give the Acquirer an opportunity to synergize the business of the two companies. As on the date hereof of the Public Announcement the Acquirer does not have any plans to make any major change to the existing lines of business of the Target Company. The Acquirer does not propose to dispose of or otherwise encumber any assets of the Target Company in the next 24 months, except in the ordinary course of business of the Target Company and its subsidiaries

The Acquirer undertakes that it shall not sell or dispose of, or encumber any substantial asset of the Target Company except with the prior approval of the shareholders. The Target Company may enter into joint ventures with developers for development of its real estate assets. The Target Company may also undertake specific development projects through special purpose vehicles in which the Target Company has significant equity participation, including majority holding. These projects will be implemented by engaging the services of competent developers. It will be for the Board of Directors of the Target Company to take appropriate decisions in these matters as per the requirements of the business and in line with opportunities from time to time. Such steps shall be in compliance with applicable provisions of regulations, Companies Act, 1956, and/or other applicable laws at the relevant time and will be subject to prior approval of Shareholders, wherever required.

The Acquirer would evaluate, based on various factors, the possibility of integrating the Target Company's operations with itself or its holding company, including a possible merger or consolidation, for commercial reasons and operational efficiencies, subject to applicable laws

Subject to the provisions of applicable law, Acquirer intends to have its nominee directors appointed to the Board of Directors of the Target Company upon completion of the sale of the Purchase Shares under the Share Purchase Agreement.

**4 BACKGROUND OF THE ACQUIRER (INCLUDING PACs)**

**4.1 PVP Enterprises Private Limited ("PVP") – Acquirer**

4.1.1 The Acquirer is a company incorporated under the Companies Act, 1956 of India and having its registered and corporate office at 8-2-609/K, Avenue 4, Street No 1, Road No 10, Banjara Hills, Hyderabad 500034. Tel No: 040 2342 0888; Fax No: 040 2332 0104. The Acquirer has filed a Petition for shifting of its registered office from Hyderabad to Chennai. The Petition is pending with the Company Law Board, Southern Region Bench, Chennai.

4.1.2 The Acquirer is a 100% subsidiary of PVP Ventures Private Limited, one of the PACs which is also the promoter / person in control of the Acquirer. The paid up capital of the Acquirer is Rs. 1,01,00,000 consisting of 10,10,000 equity shares each of face value Rs. 10 per Share. Since PVP was incorporated only on November 20th, 2006, no annual accounts have been prepared for the Acquirer

4.1.3 The Acquirer and the PACs have not entered into any agreement amongst them with regards to the Offer/ acquisition of equity shares

4.1.4 Major areas of operations of the Acquirer include purchasing, acquiring and leasing of land, buildings, structures and properties to develop the same into townships, markets, residential, industrial or commercial complexes. The Acquirer is engaged in the business of planning and evaluating all steps, processes and techniques for setting up, managing, operating, and transferring various types of infrastructure projects. The Acquirer also deals in various kinds of construction materials, equipments and machinery. Acquirer was incorporated to avail of business opportunities in these areas of operations which include acquisition of SSI Limited which would give the Acquirer the opportunity to synergize the business of the two companies. There are no major contingent liabilities and litigations against the Acquirer

4.1.5 PVP has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations.

4.1.6 The paid up capital of the Acquirer is Rs. 1,01,00,000 consisting of 10,10,000 equity shares each of face value Rs. 10 per Share. The shareholding pattern of PVP as on February 27, 2007 is as follows:

| No | Shareholder's Category | No of Equity Shares hares Held / Voting Rights | % of Shareholding |
|---|---|---|---|
| 1 | Promoters / Person in Control. i.e. PVP Ventures Private Limited | 10,10,000 | 100% |
| **2** | **Total** | **10,10,000** | **100%** |

4.1.7 Find below the names, addresses, experience and qualifications of the Board of Directors of the Acquirer. As on the date hereof no such director is on the Board of Directors of the Target Company

| Name of the Director | Designation & Appointment Date | Experience | Qualification | Residential Address |
|---|---|---|---|---|
| Mr. Prasad V. Potluri | Director 20.11.2006 | 15 years of Entrepreneur-ship experience | BME, MES | Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033 |
| Mrs. Jhansi Sureddi | Director 20.11.2006 | 5 years of experience in Corporate Affairs | B.A History | Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033 |
| Mr. Tarun Gandhi | Nominee Director 05.01.2007 | 22 years of Financial controls, Business development and Fund Management experience | B. Com, FCA | 28, Leonie Hills 12-04, Horizon Towers West, Singapore 239228 |
| Mr. M. Ramprasad | Director 20.02.2007 | 18 years experience in Mergers & Acquisitions and Capital Markets | MBA | New No. 7, Karpagam Gardens, 3rd Cross Street, Adyar, Chennai-600020 |

4.1.8 The equity shares of the Acquirer are not listed on any Stock Exchange.

4.1.9 The Acquirer was incorporated under the Act on November 20, 2006, and is yet to close its first annual accounts, hence information on its accounting policies are not available,

4.1.10 There has been no merger / de-merger / spin off / change in name of the Acquirer for the last three years.

4.1.11 The Acquirer has not promoted any company since inception

**4.2 PVP Ventures Private Limited ("PVP Ventures") – Persons Acting in Concert**

4.2.1 PVP Ventures was incorporated on 4th September 2006 under the Act, and has its registered and corporate office at 8-2-609/K, Avenue 4, Street No 1, Road No 10, Banjara Hills, Hyderabad 500034. Tel No: 040 2342 0888; Fax No: 2332 0104. PVP Ventures Private Limited has filed a Petition for shifting of its registered office from Hyderabad to Chennai. The Petition is pending with the Company law Board, Southern Region Bench, Chennai.

4.2.2 The paid up capital of PVP Ventures Pvt. Ltd is Rs. 30,04,60,310 consisting of 3,00,46,031 equity shares each of face value Rs. 10 per share. Since PVP Ventures was incorporated only on September 4th, 2006, no annual accounts have been prepared for PVP Ventures.

4.2.3 The Acquirer and PVP Ventures have not entered into any agreement amongst them with regard to the Offer/ acquisition of Shares.

4.2.4 Major areas of operations of PVP Ventures include purchasing, acquiring and leasing of land, buildings, structures and properties to develop the same into townships, markets, residential, industrial or commercial complexes. PVP Ventures is engaged in the business of planning and evaluating all steps, processes and techniques for setting up, managing, operating, and transferring various types of infrastructure projects. PVP Ventures also deals in various kinds of construction materials, equipments and machinery. PVP Ventures was incorporated to avail of business opportunities in these areas of operations. There are no major contingent liabilities and litigations against PVP Ventures Limited.

4.2.5 Promoter/Persons in Control of PVP Ventures is Platex Limited, one of the PACs which holds 80% shareholding in PVP Ventures.

The shareholding pattern of PVP Ventures prior to the investment by Platex Limited.

| Shareholder's Category | No of Equity Shares Held / Voting Rights | % of Shareholding* |
|---|---|---|
| **Promoters / Person in Control** | | |
| Mrs. Jhansi Sureddi | 10,000 | 0.29% |
| **Private Corporate Bodies** | | |
| M/s. S.R.T. Investments Private Limited | 66,599 | 1.94% |
| M/s. Compar Investments Private Limited | 3,14,815 | 9.15% |
| **NRIs** | | |
| Mr. Vinay Chilakapati | 3,32,996 | 9.68% |
| Mr. Anjan Malik | 1,92,688 | 5.60% |
| Other NRIs | 57,085 | 1.65% |
| **Resident Individuals** | | |
| Ms. P. Rajashree | 95,141 | 2.76% |
| Adhiraj Parthasarathy | 4,42,222 | 12.86% |
| C. Parthasarathy | 9,28,889 | 27.00% |
| Dr. C. R. R. Rajagopalan | 5,51,667 | 16.04% |
| Kokila Parthasarathy | 1,09,259 | 3.18% |
| Rajat Parthasarathy | 3,38,333 | 9.84% |
| **TOTAL** | **34,39,694** | **100.00%** |

**The percentage is calculated on the total shareholding before January 25, 2007.*

*Note: Please note that Platex Limited was allotted 2,40,35,862 Equity Shares of Rs. 10 each (amounting to 80% of the paid up share capital of PVP Ventures Private Limited) on January 25, 2007 together with certain other individual/body corporate.*

4.2.6 The Provisions of Chapter II of the SEBI (SAST) Regulations are not applicable to PVP Ventures as it does not directly hold any Shares in the Target Company

4.2.7 The paid up capital of PVP Ventures Pvt. Ltd is Rs. 30,04,60,310 consisting of 3,00,46,031 equity shares each of face value Rs. 10 per share. The shareholding pattern of PVP Ventures as on February 27, 2007 is as follows:

| No | Shareholder's Category | No of Equity Shares Held / Voting Rights | % of Shareholding |
|---|---|---|---|
| 1 | Promoters / Person in Control. i.e. Platex Limited | 2,40,35,862 | 80% |
| 2 | Private Corporate Bodies | 10,81,414 | 3.60% |
| 3 | NRIs | 20,63,244 | 6.87% |
| 4 | Resident Individuals | 28,65,511 | 9.53% |
| | **Total** | **3,00,46,031** | **100%** |

4.2.8 Please find below the names, addresses, experience and qualifications of Board of Directors of PVP Ventures. As on the date hereof no such director is on the Board of Directors of the Target Company.

| Name of the Director | Designation & Appointment Date | Experience | Qualification | Residential Address |
|---|---|---|---|---|
| Mr. Prasad V. Potluri * | Director 04.09.2006 | 15 years of Entrepreneurship experience | BME, MES | Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033 |
| Mrs. Jhansi Sureddi | Director 04.09.2006 | 5 years of experience in Corporate Affairs | B.A. History | Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033 |

| Name of the Director | Designation & Appointment Date | Experience | Qualification | Residential Address |
|---|---|---|---|---|
| Mr. Tarun Gandhi | Nominee Director 05.01.2007 | 22 Years of Financial controls, Business development and Fund Management experience | B. Com, FCA | 28, Leonie Hills 12-04, Horizon Towers West, Singapore 239228 |
| Mr. R. Ramaraj | Director 20.02.2007 | 34 years of Sales, Marketing and General Management experience | B.Tech (Chemicals), PGM (IIMC) | 1-D, Aum Apartments 26, Kothari Road Nungambakkam Chennai-600034 |
| Mr. M. Ramprasad | Director 20.02.2007 | 18 years experience in Mergers & Acquisitions and Capital Markets | MBA | New No. 7, Karpagam Gardens, 3rd Cross Street, Adyar, Chennai-600020 |

* - Mr. Prasad V. Potluri, one of the PAC, has been appointed as the Managing Director and Chief Executive Officer of PVP Ventures Private Limited w.e.f. April 20, 2007.

4.2.9 The equity shares of PVP Ventures are not listed on any Stock Exchange

4.2.10 The paid up capital of PVP Ventures is Rs. 30,04,60,310 consisting of 3,00,46,031 equity shares each of face value Rs. 10 per equity share. Since its incorporation was on 4th September 2006, no annual accounts have been prepared for PVP Ventures.

4.2.11 PVP Ventures has the following two subsidiaries besides the Acquirer

| | |
|---|---|
| Name of the company | Cyberabad City Projects Private Limited |
| Date of incorporation | July 24, 2006 |
| Nature of business | Real estate business |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,01,00,000 divided into 10,10,000 equity shares of Rs. 10 each |

Since Cyberabad City Projects Private Limited was incorporated only on July 24, 2006 and is yet to close its first annual accounts, information on Total Income, PAT, EPS, Net Asset Value is not available. Cyberabad City Projects Private Limited is not a sick industrial company

| | |
|---|---|
| Name of the company | Maven Infraprojects Private Limited |
| Date of incorporation | August 8, 2006 |
| Nature of business | Real estate business |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity hares of Rs. 10 each. |

Since Maven Infraprojects Private Limited was incorporated only on August 8, 2006 and is yet to close its first annual accounts, information on Total Income, PAT, EPS and Net Asset Value is not applicable. Maven Infraprojects Private Limited is not a sick industrial company

**4.3 Platex Limited ("Platex") – Persons Acting in Concert**

4.3.1 Platex Limited was incorporated on October 26, 2006 under the laws of Mauritius, with its registered and corporate office located at 10 Frere Felix de Valois Street, Port Louis, Mauritius. Tel No: +230 202 9932; Fax No: 230 212 5265

4.3.2 Platex Limited is promoted by Mr. Prasad V. Potluri who is in control of Platex. The entire capital of Platex is held by Mr. Prasad V Potluri

4.3.3 The Acquirer and Platex have not entered into any agreement amongst them with regard to the Open Offer/acquisition of Shares

4.3.4 Platex is an investment holding company and besides PVP Ventures Private Limited, the Acquirer and the other subsidiaries of PVP Ventures Private Limited, Platex has no other subsidiaries or associate companies. There are no major contingent liabilities and litigations against Platex Limited. Details of PVP Ventures Private Limited, its subsidiaries and the Acquirer are give in Section 4.2 and 4.1 of this Letter of Offer.

4.3.5 The provisions of Chapter II of the SEBI (SAST) Regulations are not applicable to Platex Limited as it does not directly hold any Shares in the Target Company.

4.3.6 The paid up capital of Platex is US$ 54,15,000 (equivalent to Rs 23,90,26,400) (Exchange rate 1 US $ = 44.16INR, Source: Bloomberg as on March 9, 2007) consisting of 54,15,000 equity shares each of face value US$ 1 per equity share. The shareholding pattern of Platex as on February 27, 2007 is as follows:

| No | Shareholder's Category | No of Equity Shares Held / Voting Rights | % of Shareholding |
|---|---|---|---|
| 1 | Promoters / Person in Control. i.e. Mr. Prasad V. Potluri | 54,15,000 | 100% |
| **2** | **Total** | **54,15,000** | **100%** |

4.3.7 Find below the names, residential addresses, experience and qualifications of the Board of Directors of Platex. As on the date hereof no director is on the Board of Directors of the Target Company

| Name of the Director | Designation & Appointment Date | Experience | Qualification | Residential Address |
|---|---|---|---|---|
| Mr. Yuvraj Kumar Juwaheer | Director 08.12.2006 | 15 years of experience in Corporate Laws and Restructuring | Chartered Secretary | Morcellement Gujadhur, Forest Side Mauritius |
| Mr. Louis Emmanuel Ng Cheong Tin | Director 08.12.2006 | 33 years of experience in Offshore Taxation and Management advisory services | Chartered Accountant | Apartment 508, Orchard Tower St. Jean Street Quatre Bornes Mauritius |
| Mr. Prasad V. Potluri | Director 08.12.2006 | 15 years of Entrepreneur-ship experience. | BME, MES | Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033 |

4.3.8 The equity shares of Platex are not listed on any Stock Exchange. .

4.3.9 The paid up capital of Platex is USD 54,15,000 (equivalent to Rs 23,90,26,400) (Exchange rate 1 US $ = 44.16 INR, Source: Bloomberg as on March 9, 2007) consisting of 54,15,000 equity shares each of face value USD 1 per equity share.

4.3.10 Since Platex was incorporated only on October 26th, 2006 no annual accounts have been prepared.

4.3.11 Platex is an investment holding company and besides PVP Ventures Private Limited, Platex has no other direct subsidiaries or associate companies. Platex is not a sick industrial unit.

| | |
|---|---|
| Name of the company | PVP Ventures Private Limited |
| Date of incorporation | September 04, 2006 |
| Nature of business | Real estate business |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 30,04,60,310 divided into 3,00,46,031 equity shares of Rs. 10 each. |

Since PVP Ventures is yet to close its first annual accounts, information on Total Income, PAT, EPS and Net Asset Value is not available. PVP Ventures is not a sick industrial unit.

4.3.12 Platex was incorporated as an investment holding company for PVP Ventures Private Limited, the Acquirer and the other subsidiaries of PVP Ventures Private Limited.

**4.4 Mr. Prasad V. Potluri – Person Acting in Concert**

4.4.1 Mr. Prasad V Potluri normally resides at Plot No 1277, Road No 63A, Jubilee Hills, Hyderabad 500033. Tel No: 040 2342 0800 His passport number is Z1715018. Mr. Prasad V. Potluri's address in the United States is 26, Avenue at Port Imperial, Apartment No. 435, West New York, NJ – 07093, USA. Mr. Prasad V. Potluri has been appointed as the Managing Director and Chief Executive Officer of PVP Ventures Private Limited w.e.f. April 20, 2007.

4.4.2 100% of the paid up capital of Platex Limited is being held by Mr. Prasad V Potluri

4.4.3 The Acquirer and Mr. Prasad V. Potluri have not entered into any agreement amongst them with regard to the Open Offer/acquisition of Shares

4.4.4 Mr. Prasad V. Potluri has been a serial entrepreneur in the outsourcing services arena and has a track record of interfacing with both US and Indian Markets. His expertise lies in building successful organizations based on organic growth and inorganic consolidation. He has been a CEO/Founder of several companies such as Procon Inc (1996), Albion Orion Company LLC (2000), Irevna Limited UK (2001) and Maven Corp (2003) and also holds investments in other companies. Presently Mr. Prasad Potluri is not associated with any of the above companies and is not a CEO or Founder or any of these companies. There are no material contingent liabilities and litigations against Mr. Prasad V Potluri

4.4.5 As per the statement of affairs, relevant investment records, valuation report on lands held by companies and bank statements the networth of Mr. Prasad V Potluri as at February 20, 2007 is Rs 845.69 crores as certified by Lalith Prasad and Co, Chartered Accountants signing partner Mr. S Lalith Prasad having membership no. 23665, contact no 040 2339 9229/ 2332 7250, address: 402, Golden Green Apt., 6-3-542/1, Panjagutta, Hyderabad 500 082.

4.4.6 Provisions of Chapter II of the SEBI (SAST) Regulations are not applicable to Mr. Prasad V Potluri as he does not directly hold any Shares in the Target Company

4.4.7 As on date of the Public Announcement Mr. Prasad V Potluri is not on the Board of Directors of any listed company

4.4.8 Mr. Prasad V. Potluri has been appointed as the Managing Director and Chief Executive Officer of PVP Ventures Private Limited w.e.f. April 20, 2007. Mr. Prasad V Potluri is not a full time director in any other company and he, along with PACs, do not hold a controlling stake in any listed company.

4.4.9 As on date of the Public Announcement please find below the information for the last three years wherever applicable, based on audited financial statements in respect of all the companies promoted by Mr. Prasad V. Potluri

| | |
|---|---|
| Name of the company | Platex Limited |
| Date of incorporation | October 26, 2006 |
| Nature of business | Investment Holding Company |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is USD 54,15,000 (INR 23,90,26,400) divided into 54,15,000 equity shares of USD 1 each. |

Since Platex Limited is yet to close its first annual accounts, the information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. Platex Limited is not a sick industrial company

| | |
|---|---|
| Name of the company | Maven BPO Services Private Limited |
| Date of incorporation | February 17, 2000 |
| Nature of business | BPO services |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. |

Financial Information for Maven BPO Services Private Limited for the last three years based on Audited Statements (Amounts in Rs Lakhs, except per share data)

| | **FY 2004** | **FY 2005** | **FY 2006** |
|---|---|---|---|
| Total Income | 192.00 | 194.00 | 276.00 |
| Profit After Tax | 53.98 | 13.82 | -17.48 |
| Earnings Per Share in Rs. (Net Profit / No of Shares) | 539.80 | 138.20 | -174.80 |
| Net Asset Value in Rs. (Networth / No of Shares) | 20.75 | 20.79 | 28.53 |

Maven BPO Services Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | PVP IT Parks Private Limited |
| Date of incorporation | December 5, 2006 |
| Nature of business | Real Estate |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. |

Since PVP IT Parks Private Limited is yet to close its first annual accounts, information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. PVP IT Parks Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | Maven Infraprojects Private Limited |
| Date of incorporation | August 8, 2006 |
| Nature of business | Real Estate |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. |

Since Maven Infraprojects Private Limited is yet to close its first annual accounts, information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. Maven Infraprojects Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | Waltair Port Services Private Limited |
| Date of incorporation | December 5, 2006 |
| Nature of business | Port Services |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. |

Since Waltair Port Services Private Limited is yet to close its first annual accounts, information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. Waltair Port Services Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | PKP Infraprojects Private Limited |
| Date of incorporation | February 28, 2007 |
| Nature of business | Real Estate |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 equity shares of Rs. 10 each. |

Since PKP Infraprojects Private Limited is yet to close its first annual accounts, information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. PKP Infraprojects Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | Godavari Port Services Private Limited |
| Date of incorporation | February 01, 2007 |
| Nature of business | Port Services |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 Shares of Rs. 10 each. |

Since Godavari Port Services Private Limited is yet to close its first annual accounts, information on Total Income, Profit After Tax, Earnings Per Share, Net Asset Value is not available. Godavari Port Services Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | PVP Resorts Private Limited |
| Date of incorporation | February 20, 2007 |
| Nature of business | Hotels and Resorts |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 Equity Shares of Rs. 10 each. |

Since PVP Resorts Private Limited is yet to close its first annual accounts, information on Total Income, Profit after Tax, Earnings per Share, Net Asset Value is not available. PVP Resorts Private Limited is not a sick industrial company.

| | |
|---|---|
| Name of the company | PVP Business Ventures Private Limited |
| Date of incorporation | March 15, 2007 |
| Nature of business | Real Estate |
| Equity capital, reserves (excluding revaluation of reserves) | Issued, Subscribed and Paid-up Capital is Rs. 1,00,000 divided into 10,000 Shares of Rs. 10 each. |

Since PVP Business Ventures Private Limited is yet to close its first annual accounts, information on Total Income, Profit After Tax, Earnings Per Share, Net Asset Value is not available. PVP Business Ventures Private Limited is not a sick industrial company.

**4.5** Lalith Prasad and Co, is the Statutory Auditor of the Acquirer, singing partner, Mr S Lalith Prasad having its membership number as 23665, has vide their letter dated February 24, 2007 confirmed on the basis of funds available with Acquirer/ unutilized credit line, that Acquirer and the PACs have sufficient means and capability for meeting its obligations under the SEBI (SAST) Regulations.

As per the Bank Statement of Platex Limited for June 2007 the available balance in the Bank Account is US$ 68 million (equivalent to Rs 274,17,60,000) (Exchange rate 1 US $ = 40.32 INR, Source: Bloomberg as on July 20, 2007) and the unutilized credit line in terms of the Facility Agreement is US$ 25 million (equivalent to Rs. 100,80,00,000) (Exchange rate 1 US $ = 40.32 INR, Source: Bloomberg as on July 20, 2007)

**4.6** The Acquirer is a Hyderabad based real estate company. The Target Company owns real estate assets in Chennai and is also engaged in hospitality business in Ooty. The acquisition would therefore also give the Acquirer an opportunity to synergize the business of the two companies. As on the date of this Public Announcement, the Acquirer does not have any plans to make any major change to the existing lines of business of the Target Company. The Acquirer does not propose to dispose of or otherwise encumber any assets of the Target Company in the next 24 months, except in the ordinary course of business of the Target Company and its subsidiaries.

The Acquirer undertakes that it shall not sell or dispose of, or encumber any substantial asset of the Target Company except with the prior approval of the shareholders. The Target Company may enter into joint ventures with developers for development of its real estate assets. The Target Company may also undertake specific development projects through special purpose vehicles in which the Target Company has significant equity participation, including majority holding. These projects will be implemented by engaging the services of competent developers. It will be for the Board of Directors of the Target Company to take appropriate decisions in these matters as per the requirements of the business and in line with opportunities from time to time. Such steps shall be in compliance with applicable provisions of regulations, Companies Act, 1956, and/or other applicable laws at the relevant time and will be subject to prior approval of shareholders of the Target Company, wherever required. The Acquirer would evaluate, based on various factors, the possibility of integrating the Target Company's operations with itself or its holding company, including a possible merger or consolidation, for commercial reasons and operational efficiencies, subject to applicable laws

Subject to the provisions of applicable law, Acquirer intends to have its nominee directors appointed to the Board of Directors of the Target Company upon completion of the sale of the Purchase Shares under the Share Purchase Agreement.

## 5 DISCLOSURE IN TERMS OF REGULATION 21(2)

As per the listing agreement with the Stock Exchanges, the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis.

Upon closure of the Offer (assuming full acceptance) the shareholding of the non-promoters in the Target Company will not fall below the requirements of continuous listing of the Stock Exchanges as applicable to the Target Company.

## 6 BACKGROUND OF THE TARGET COMPANY

**6.1** The Target Company was incorporated as "Software Solution Integrated Private Limited" on 1 January, 1991. It was converted into a Public Limited Company, "Software Solutions Integrated Limited" with effect from 10 May, 1994 and was subsequently renamed as "SSI Limited" with effect from 6 January, 1999. Its Registered Office is at 34 (New), Thirumalai Road, T. Nagar, Chennai 600 017. Tel: 044 28340016, Fax: 044 28340047.

**6.2** The Target Company had started its business by offering IT training in emerging software technologies and established itself as a leading player in India. In 1999, an IT services division was started to offer software services mainly in financial services and government services. In the year 2003, it acquired a controlling stake in Aptech Limited. Further, it entered into a Business Purchase Agreement with Aptech Limited for transferring its IT Education and Training business. It then sold majority of its stake in Aptech Limited and as on date, the holding is insignificant. In 2004, the IT services business of the Target Company was transferred to Scandent Solutions Corporation Limited (Now Cambridge Solutions Limited). The Target Company has now positioned itself as a company engaged in the business of entertainment, hospitality and property development.

**6.3** The Target Company and its subsidiaries own real estate assets in Chennai and is engaged in the hospitality business in Ooty. The Target Company through its subsidiaries is also engaged in the entertainment business.

**6.4** Share capital structure of the Target Company as on February 27, 2007 is as follows:

| Paid Up Equity Shares of the Target Company | No of Shares | | Voting Rights | |
|---|---|---|---|---|
| | No of Shares | % | Voting Rights | % |
| Fully Paid Up Equity Shares | 5,78,83,820 | 100% | 5,78,83,820 | 100% |
| Partly Paid Up Equity Shares | Nil | Nil | Nil | Nil |
| **Total Paid Up Equity Shares** | **5,78,83,820** | **100%** | **5,78,83,820** | **100%** |

**6.5** Find below the build up of the current capital structure of the Target Company since inception and till the date of the Public Announcement. Also find below the status of compliance with the applicable provisions of the SEBI (SAST) Regulations/ other applicable provisions under the SEBI Act, 1992 and other applicable statutory requirements

| Date of Allotment | No. of shares issued | Cumulative paid-up capital | In % | Mode of allotment | Identity of Allotees (promoters / ex-promoters / others) | Status of Compliance |
|---|---|---|---|---|---|---|
| 02-12-1991 | 60,000 | 6,00,000 | 10 | Initial paid-up capital – for cash at par | Promoters | Complied |
| 03-12-1993 | 62,500 | 12,25,000 | 5.100 | Rights Issue for cash at par | Promoters | Complied |
| 10-05-1994 | 100 | 12,26,000 | 0.008 | Cash at par | Promoters | Complied |
| 15-09-1994 | 1,83,900 | 30,65,000 | 6.000 | Bonus issue | Promoters | Complied |
| 29-09-1994 | 4,00,000 | 70,65,000 | 5.660 | Cash at par | Others | Complied |
| 30-09-1994 | 4,05,875 | 1,11,23,750 | 3.650 | Cash at par | Promoters | Complied |
| 30-09-1994 | 1,34,125 | 1,24,65,000 | 1.076 | Cash at par | Promoters | Complied |
| 13-02-1995 | 10,50,000 | 2,29,65,000 | 4.572 | Public Issue | Promoters | Complied |
| 13-02-1995 | 24,40,000 | 4,73,65,000 | 5.151 | Public Issue | Others | Complied |
| 19-05-1998 | 3,90,000 | 5,12,65,000 | 0.760 | Preferential allotment at a premium of Rs.310/- per share) | Others | Complied |
| 20-05-1998 | 60,000 | 5,18,65,000 | 0.116 | | | |
| 12-02-1999 | 4,19,000 | 5,60,55,000 | 0.747 | Preferential allotment at a premium of Rs.740/- per share) | Others | Complied |
| 15-02-1999 | 3,31,000 | 5,93,65,000 | 0.557 | | | |
| 29-04-1999 | 59,36,500 | 11,87,30,000 | 5.000 | Bonus issue | Promoters & Others | Complied |
| 11-11-1999 | 2,31,760 | 12,10,47,600 | 0.191 | Preferential allotment – acquisition of Indigo Internat-ional Inc. – stock swap | Shareholders of Indigo International Inc. USA | Complied |
| 06-12-1999 | 8,240 | 12,11,30,000 | 0.006 | | | |
| 29-03-2000 | 6,94,444 | 12,80,74,440 | 0.542 | GDS allotment – US$ 100 Million | Others | Complied |

| Date of Allotment | No. of shares issued | Cumulative paid-up capital | In % | Mode of allotment | Identity of Allotees (promoters / ex-promoters / others) | Status of Compliance |
|---|---|---|---|---|---|---|
| 30-10-2000 | 21,200 | 12,82,86,440 | 0.016 | ESOS allotment | Employees | Complied |
| 11-12-2000 | 6,38,236 | 13,46,68,800 | 0.474 | GDS allotment – acquisition of AlbionOrion, LLC | Others | Complied |
| 31-01-2001 | 1,000 | 13,46,78,800 | 0.000 | ESOS allotment | Employee | Complied |
| 31-08-2005 | 42,48,000 | 17,71,58,800 | 2.398 | Preferential allotment to Promoter Directors at Rs.40/- per share | Promoters | Complied |
| 21-02-2006 | 71,50,000 | 24,86,58,800 | 2.875 | Preferential allotment to FIIs, Mutual Funds and Domestic Company at Rs.104.85 per share | Others | Complied |
| 25-08-2006 | 8,73,000 | 25,73,88,800 | 0.339 | Conversion of Warrants issued to the Promoters on preferential basis at a price of Rs.40/- per share | Promoters | Complied |
| 27-09-2006 | 3,21,44,940 | 57,88,38,200 | 5.553 | Allotted to the shareholders of Buckingham Real Estate and Asset Developers (Madras) Limited (Transferor Company), as per the Scheme of Amalgamation cum Arrangement approved by the Hon'ble High Court of Judicature at Madras | Shareholders of the Transferor Company (Promoters) | Complied |

**6.6** As on date of the Public Announcement the trading of Shares has not been suspended either on BSE, NSE or MSE.

**6.7** As on date of the Public Announcement there has been no instances of non-listing of some and/or all Sares of the Target Company at any Stock Exchange(s) as applicable.

**6.8** As on the date of the Public Announcement, the Target Company has no outstanding warrants, FCDs, PCDs, partly paid up shares or any other instruments convertible into Shares of the Target Company at a future date.

**6.9** The Target Company has not complied with Regulation 6(2), 6(4) and 8(3) for the years 1997-2004. This attracts penalty under Section 15(A)(b) of the SEBI Act. SEBI may initiate action against the Target Company for such non compliance.

**6.10** SSI has duly complied with the various requirements of Clause 49 relating to the corporate governance under the Listing Agreement with the Stock Exchanges from time to time. No penal actions have been initiated by the Stock Exchanges against SSI till date.

**6.11** As on the date of this Public Announcement, the Board of Directors of the Target Company comprises of 8 directors: Mr. Kalpathi S. Suresh (Chairman & CEO), Mr.. Kalpathi S Aghoram (Vice Chairman & Managing Director), Mr. Kalpathi S. Ganesh (Director - Projects), Mr. D.V. Narasingarao (Non-executive Director), Mr. R. Manoharan (Non-executive Director), Mr. N.S. Kumar (Non-executive Director), Mr. R. Nagarajan (Non-executive Director), Mr. P. Sudhir Rao (Non-executive Director). None of these directors represent the Acquirer Group.

**6.12** Find below the details relating to the Board of Directors of the Target Company as on the date of the Public Announcement

| **Name of the Director** | **Designation & Appointment Date** | **Experience** | **Qualification** | **Residential Address** |
|---|---|---|---|---|
| Kalpathi S. Suresh | Chairman & CEO 01.01.1991 | 19 years of experience in software industry | B.Tech, MS | 147/2, Habibullah Road, T.Nagar, Chennai – 600 017. |
| Kalpathi S. Aghoram | Vice Chairman & Managing Director 01.01.1991 | 23 years of experience in finance and software | B.Com | 147/2, Habibullah Road, T.Nagar, Chennai – 600 017. |
| Kalpathi S. Ganesh | Director (Projects) 01.01.1991 | 23 years of experience in software industry | AMIE, M.S | 147/2, Habibullah Road, T.Nagar, Chennai – 600 017. |
| D.V. Narasingarao | Non-executive Director 20.09.1994 | 23 years of experience in software industry | BE, MS | 12, Kanniah Street, T.Nagar, Chennai – 600 017 |
| R. Manoharan | Non-executive Director 25.11.1999 | 40 years of experience in the electrical equipment industry | BE | 4/377, Anna Salai, Palavakkam, Chennai – 600 041. |
| N.S. Kumar | Non-executive Director 19.03.2001 | over 25 years of experience in the IT industry | MS | Flat No. F-1, Door No. 132, St. Mary's Road, Alwarpet, Chennai – 600 018 |
| R. Nagarajan | Non-executive Director 19.03.2001 | over 45 years of Banking and Finance experience | B.com (Hons), C.A.I.I.B. | A-102, 1st Floor, Keshav Dugar, No.1, East Avenue, Kesavaperumalpuram, Raja Annamalaipuram, Chennai – 600 028. |
| P. Sudhir Rao | Non-executive Director 27.09.2006 | 24 years of business management experience | C.A.,ACMA (London) | 12-F, Regalia, No.3, Sardar Patel Road, Taramani, Chennai – 600 013. |

**6.13** Effective 2nd July 2004, the IT Services business of the Company has been de-merged and merged with M/s. Cambridge Solutions Limited (formerly Scandent Solutions Corporation Limited) as per the Scheme of Amalgamation approved by the Hon'ble High Court of Judicature at Madras vide Order dated 8th & 15th September 2004 and also approved by the High Court of Karnataka at Bangalore vide Order dated 17th September 2004.

Effective 1st April 2006, M/s. Buckingham Real Estate and Asset Developers (Madras) Limited has been merged with the Target Company as per the Scheme of Amalgamation cum Arrangement approved by the Hon'ble High Court of Judicature at Madras vide order dated 30th August 2006.

**6.14** Based on the latest audited annual accounts of the Target Company, the financial statements of the Target Company are as follows: (Amounts Rs. in lakhs, except per share data)

| **Profit & Loss Statement** | **Year Ending September 30, 2004** | **Year Ending September 30, 2005** | **Year Ending September 30, 2006** |
|---|---:|---:|---:|
| Income from operations | 3,226.45 | - | - |
| Other Income | 1,255.19 | 622.36 | 1,784.62 |
| Total Income | 4,481.64 | 622.36 | 1,784.62 |
| Total expenditure | 2,906.76 | 685.08 | 797.76 |
| Profit before Depreciation, Interest and Tax | 1,574.88 | (62.72) | 986.86 |
| Depreciation | 396.40 | 46.22 | 26.26 |
| Interest | 227.44 | 103.05 | 141.29 |
| Profit before Tax | 951.04 | (211.99) | 819.31 |
| Extra Ordinary Items | (5,293.34) | - | - |
| Provision for Tax | - | 4.96 | 13.02 |
| Profit after Tax | (4,342.30) | (216.95) | 806.29 |

| **Balance Sheet Statement** | **As of September 30, 2004** | **As of September 30, 2005** | **As of September 30, 2006** |
|---|---:|---:|---:|
| **Sources of funds** | | | |
| Paid up share capital | 1,346.79 | 1,771.59 | 5,788.38 |
| Share Warrant Application Money | - | 34.92 | - |
| Reserves and Surplus (Excluding revaluation reserves) | 10,499.64 | 11,557.09 | 14,695.02 |
| Net worth | 11,846.43 | 13,363.60 | 20,483.40 |
| Secured Loans | 1,209.37 | 1026.01 | 5,032.76 |
| Un-secured Loans | 51.67 | 0.63 | 0.63 |
| **Total** | **13,107.47** | **14,390.24** | **25,516.79** |
| **Uses of funds** | | | |
| Net fixed assets (including work-in progress) | 1,510.36 | 1,849.39 | 2,080.52 |
| Investments | 4,510.54 | 2,790.81 | 2,419.86 |
| Net current assets | 7,086.57 | 9,750.04 | 21,016.41 |
| **Total** | **13,107.47** | **14,390.24** | **25,516.79** |

| **Other Financial Data** | **Year Ending September 30, 2004** | **Year Ending September 30, 2005** | **Year Ending September 30, 2006** |
|---|---:|---:|---:|
| Dividend (%) | - | - | - |
| Earning Per Share | (32.24) | (1.53) | 1.39 |
| Return on Networth | (36.65%) | (1.62%) | 3.94% |
| Book Value Per Share | 87.96 | 75.43 | 35.39 |

***Note: Formulas for the Financial Ratios :**

Earnings per Share : Profit after Tax/Total No of Shares outstanding

Return on Networth : (Net Profit after Tax) *100/Net Worth ( Paid up Capital + Reserves & Surplus)

Book Value per Share : Net Worth /Total No of Shares outstanding

**6.15** No Un-audited financial results are disclosed in the Letter Of Offer

**6.16** The reasons for fall/rise in total income and PAT for the relevant years is as follows

**For the year ended September 30, 2004**

SSI recorded a reduction of 80.52% in its income from operations as compared to the previous period due to the de-merger of the IT Services Division during the year and hiving off of its Software Education Business during the pervious period. The other income, comprising of Interest Income, dividend from Mutual Funds, exchange fluctuations etc., also fell by 15.34% as compared to the previous period due to fall in interest income and dividend from mutual funds, thereby reducing the total income by 75.17% as compared to the previous period. SSI reported a loss of Rs.4,342.30 Lakhs due to the provision of certain extra ordinary items to the tune of Rs.5,293.34 Lakhs.

**For the year ended September 30, 2005**

SSI has reported no operating revenues as it had hived off IT Services business to Cambridge Solutions Limited (formerly Scandent Solutions Corporation Limited). The other income includes non-compete fees received for relinquishment of ownership in Aptech Limited and profit on sale of investments and interest income. SSI has reported a loss of Rs.216.95 Lakhs during the period, due to the factors mentioned above.

**For the year ended September 30, 2006**

SSI has reported no operating revenues. Other income amounting to Rs 1,784.62 lakhs includes profit on sale of investments and interest income. Income from sale of equity shares in M/s Aptech Ltd constitutes Rs 1,270.81 lakhs during the year. SSI has reported a profit of Rs.806.29 lakhs during the period, due to the factors mentioned above.

**Reasons for Nil Income from Current Main operations during the year 2004-2005 and 2005-2006:**

As set out in Paragraph 6, in 2004, the IT services business of the Target Company was transferred to Scandent Solutions Corporation Limited (Now Cambridge Solutions Limited). The Target Company has now positioned itself as a company engaged in the business of entertainment, hospitality and property development. Each of the said businesses requires significant build out before sales. Currently the Target Company is in an advance stage of some of its projects under the said businesses which are yet to generate any income.

**6.17** Pre and Post Offer share holding pattern of the target company as per the following table as on February 28, 2007.

| | Shareholder's Category | Shareholding & voting rights prior to the agreement/ acquisition and offer | | Shares/ voting rights agreed to be acquired which triggered off the Regulations | | Shares/ voting rights to be acquired in open offer (Assuming full acceptances) | | Shareholding/ voting rights after the acquisition and offer | | No. of Share Holders |
|---|---|---|---|---|---|---|---|---|---|---|
| | | (A) | | (B) | | (C) | | (D) = (A) + (B) + (C) | | |
| | | No. | % | No. | % | No. | % | No. | % | |
| (1) | **Promoter group#** | | | | | | | | | |
| | a. Parties to agreement, if any | 33,028,193 | 57.05 | (21,706,432) | (37.5) | - | - | 11,321,761 | 19.55 | 6 |
| | b. Promoters other than (a) above | - | - | - | - | - | - | | | |
| | **Total 1 (a+b)** | **33,028,193** | **57.05** | **(21,706,432)** | **(37.5)** | - | - | **11,321,761** | **19.55** | 6 |
| (2) | **Acquirers** | | | | | | | | | |
| | a. Main acquirer | 7,814,315 | 13.50 | 21,706,432 | 37.5 | 11,576,764 | 20 | 41,097,511 | 71 | 1 |
| | b. PACs | | | | | | | | | |
| | **Total 2 (a+b)** | **7,814,315** | **13.50** | **21,706,432** | **37.5** | **11,576,764** | **20** | **41,097,511** | **71** | 1 |
| (3) | **Parties to agreement other than (1)(a) & (2)** | - | - | - | - | | | | | |
| (4) | **Public (other than parties to agreement, acquirers, & PACs) ****| | | - | - | - | - | | | |
| | a. FIs/ MFs/ Banks/ SFIs | 83,31,739 | 14.39 | - | - | - | - | - | - | 21 |
| | b. Others | 85,39,173 | 14.76 | - | - | - | - | - | - | 19582 |
| | c. D.V. Narasingarao *(Promoter other than party to the Agreement) | 170,400 | 0.30 | | | | | | | 1 |
| | **Total (4) (a+b)** | **16,870,462** | **29.45** | **-** | | **(11,576,764)** | **(20)** | **5,464,548** | **9.45** | |
| | **Total** | **5,78,83,820** | **100** | **-** | **-** | **-** | **-** | **5,78,83,820** | **100** | |

** Mr. D.V Narasingaro is not a signatory to the Agreement and is eligible to participate in the Open Offer*
*# Promoters would become part of the Public category post the successful closure of the offer and sale of the Purchase Shares under the SPA.*
*** The number of shareholders in the public category is **19604***

**6.18** Find below the details of the change in shareholding of the promoters in the Target Company as and when it happened as on date of the Public Announcement

**Mr. Kalpathi S. Aghoram, Vice Chairman & Managing Director**

| S. No | Year | Purchase/Acquired | Sold | Balance |
|---|---|---|---|---|
| 1 | 1991 | 20,000 | | 20,000 |
| 2 | 1993 | 21,000 | | 41,000 |
| 3 | 1994 | 140,000 | | 181,000 |
| 4 | 1994 | | 134,000 | 47,000 |
| 5 | 1994 | 235,500 | | 282,500 |
| 6 | 1995 | 283,200 | | 565,700 |
| 7 | 1996 | | 100,000 | 465,700 |
| 8 | 1997 | 32,000 | | 497,700 |
| 9 | 1998 | | 57,000 | 440,700 |
| 10 | 1999 | 440,700 | | 881,400 |
| 11 | 1999 | | 75,000 | 806,400 |
| 12 | 2001 | 329,725 | | 1,136,125 |
| 13 | 2003 | 50,000 | | 1,186.125 |
| 14 | 2005 | 1,416,000 | | 2,602,125 |
| 15 | 2006 | 11,006,624 | | 13,608,749 |
| 16 | 2007 | | 7,814,315 | 5,794,434 |

**Mr. Kalpathi S. Ganesh, Director (Projects)**

| S.No | Year | Purchased/Acquired | Sold | Balance |
|---|---|---|---|---|
| 1 | 1991 | 20,000 | | 20,000 |
| 2 | 1993 | 21,000 | | 41,000 |
| 3 | 1994 | 140,000 | | 181,000 |
| 4 | 1994 | | 133,000 | 48,000 |
| 5 | 1994 | 234,500 | | 282,500 |
| 6 | 1995 | 283,200 | | 565,700 |
| 7 | 1996 | | 98,400 | 467,300 |
| 8 | 1997 | 34,000 | | 501,300 |
| 9 | 1998 | | 57,000 | 444,300 |
| 10 | 1999 | 444,300 | | 888,600 |
| 11 | 1999 | | 75,000 | 813,600 |
| 12 | 2001 | 329,625 | | 1,143,225 |
| 13 | 2003 | 54,612 | | 1,197,837 |
| 14 | 2005 | 1,416,000 | | 2,613,837 |
| 15 | 2006 | 11,006,624 | | 13,620,461 |

**Mr. Kalpathi S. Suresh, Chairman & CEO**

| S.No | Year | Purchased/Acquired | Sold | Balance |
|---|---|---|---|---|
| 1 | 1991 | 20,000 | | 20,000 |
| 2 | 1993 | 20,500 | | 40,500 |
| 3 | 1994 | 140,000 | | 180,500 |
| 4 | 1994 | | 133,000 | 47,500 |
| 5 | 1994 | 233,750 | | 281,250 |
| 6 | 1995 | 284,200 | | 565,450 |
| 7 | 1996 | | 100,000 | 465,450 |
| 8 | 1997 | 34,000 | | 499,450 |
| 9 | 1998 | | 57,000 | 442,450 |

| S.No | Year | Purchased/Acquired | Sold | Balance |
|---|---|---|---|---|
| 10 | 1999 | 442,450 | | 884,900 |
| 11 | 1999 | | 74,000 | 810,900 |
| 12 | 2001 | 329,775 | | 1,140,675 |
| 13 | 2003 | 50,000 | | 1,190,675 |
| 15 | 2005 | 1,416,000 | | 2,606,675 |
| 16 | 2006 | 11,006,623 | | 13,613,298 |

**Mr. D.V. Narasingarao*, Non-Executive Director**

| S.No | Year | Purchased/Acquired | Sold | Balance |
|---|---|---|---|---|
| 1 | 1995 | 100,200 | | 100,200 |
| 2 | 1999 | 100,200 | | 200,400 |
| 3 | 1999 | | 20,000 | 180,400 |
| 4 | 2000 | | 10,000 | 170,400 |
| 5 | 2001 | 136,462 | | 325,012 |
| 6 | 2003 | | 154,612 | 170,400 |

**** Mr. D.V. Narasingarao is a Promoter of SSI Limited and is not a party to the Share Purchase Agreement***

Find below the details of the change in shareholding of the Promoters in the Target Company as and when it happened as on date of the Public Announcement

| S.No | Year | Purchased/ Acquired | Sold | Balance | Crossed Creeping Limit for that year Mention YES / NO | Compliance Status |
|---|---|---|---|---|---|---|
| 1 | 1991 | 60,000 | | 60,000 | NO | NO |
| 2 | 1993 | 62,500 | | 1,22,500 | NO | NO |
| 3 | 1994 | 1,123,750 | 400,000 | 846,250 | NO | NO |
| 4 | 1995 | 951,025 | | 1,797,275 | NO | NO |
| 5 | 1996 | | 298,400 | 1,498,875 | NO | NO |
| 6 | 1997 | 100,000 | | 1,598,875 | —* | — |
| 7 | 1998 | | 171,000 | 1,427,875 | — | — |
| 8 | 1999 | 1,427,875 | 244,000 | 2,611,750 | —** | — |
| 9 | 2000 | | 10,000 | 26,01,750 | — | — |
| 10 | 2001 | 618,737 | | 3,220,487 | — | — |
| 11 | 2001 | 525,000 | | 3,745,487 | — | — |
| 12 | 2004# | 154,612 | 154,612 | 3,745,487 | —* | — |
| 13 | 2006# | 4,249,931 | | 7,995,418 | YES | YES |
| 14 | 2007# | 33,017,940 | 7,814,315 | 33,199,043 | —*** | — |

# Year ending 31st March.

*Interse transfer amongst the promoters.

**Bonus Issue

*** Shares were alotted pursuant to the approval of the Scheme of amalgamation cum arrangement as approved by Hon'ble High Court of Judicature at Madras vide order dated 30.08.2006.

Mr. Kalpathi S. Aghoram, Mr. Kalpathi S. Ganesh, Mr. Kalpathi S. Suresh and Mr. D.V. Narasingarao have complied with applicable provisions of the SEBI (SAST) Regulations/other applicable Regulations under the SEBI Act, 1992 and other statutory requirements as applicable with regards to the details of the change in shareholding of the promoters as and when it happened in the Target Company as per the table above.

**6.19** Till date the trading of Shares has not been suspended either on the BSE, NSE or MSE. The Target Company has not been prohibited by the SEBI from dealing in securities, in terms of direction issued under Section 11B or any other regulations made under the Securities and Exchange Board of India Act, 1972 and subsequent amendments thereto.

**6.20** Details of pending litigation in relation to the Target Company as on February 27, 2007 are as follows

**Tax Cases**

| Company | Nature of Issue | Amount claimed | Address of the property | Status |
|---|---|---|---|---|
| SSI Limited | Tax Case (Appeal) No.1023 of 2005 against ITA No.138/Mds/2004 – Assessment Year:2001-02 | - | NA | SSI Limited was served an Order under Section 263 of the Income Tax Act, 1961 for the Assessment Year 2001-02 wherein certain items were ordered by the Commissioner to be re-opened and certain items were ordered by the Assessing Officer.SSI filed an appeal before the Income Tax Appellate Tribunal, wherein the Tribunal squashed the Order of the Commissioner and confirmed that the direction was not correct on facts and also further held that the issue agitated by the Commissioner are well in favour of the Assessee and no situation exists where the facts can lead to the passing of the order by the Commissioner on the ground that the Order under Section 143(3) was prejudicial to the interest of revenue. Against such an order of the Tribunal, the Department has preferred an appeal with the High Court at Chennai. |

**Administrative proceedings**

| Company | Nature of Issue | Amount claimed | Address of the property | Status |
|---|---|---|---|---|
| AGS Holdings Private Limited (100% Subsidiary of SSI Limited) | The District Registrar (Administrator), Chennai Central has issued notice under Sections 27 and 64 of Stamp Act and claimed payment of deficit Stamp Duty in respect of Sale Deeds bearing Doc. No.2236 of 2001 and 2237 of 2001 | Rs.1,45,24,101/- (for Doc No.2236) and Rs.65,37,878/- (for Doc No.2237) along with registration charges. | KRM Centre,No.2, Harrington Road, Chetpet, Chennai – 600 031. | We have submitted our reply with document and copy of judgments in support of our stand that no stamp duty is payable. The matter is pending at the personal hearing stage. |
| Buckingham Real Estate and Asset Developers (Madras) Limited (This company was merged with SSI Limited in April 2006) | The District Registrar (Administrator), Chennai Central has issued notice under Section 33A of Stamp Act and claimed payment of deficit Stamp Duty in respect of Deed of Transfer bearing Doc. No.4145 of 2003 | Rs.24,89,13,483/- along with registration charges | No.4,5,6 and 7, Stephenson Road, Perambur, Chennai – 600 011. | The transaction was transfer of immovable property by the Holding Company M/s Binny Limited to its Subsidiary Company M/s. Binny Real Estate and Asset Developers (Madras) Limited (subsequently renamed as Buckingham Real Estate and Asset Developers (Madras) Limited) and the remission of stamp duty is applicable to such transactions under GO MS 1224 of 1964. We have filed our reply and requested the District Registrar (Administration) to take the matter with the Audit Department and drop the proceedings. |
| SSI Limited | OS No.747 of 2004 before Principal Subordinate Court, Chengalpet – filed by Mrs. Mogambal Vs. Kanagasabai and others including SSI Limited. | Claiming ownership of 16 cents of land | Survey No.250/10, Pattipulam Village | We have filed our written statement furnishing details about our purchase, etc. – matter is pending |

**6.21** Mr. S.N Madhavan is the Company Secretary and Compliance Officer for the Target Company. Email: madhavan.narayanan@ssiworldwide.com. Tel No: 044 28340016. The address of Mr. Madhavan is Mr. S. N. Madhavan, No. 51, Karaneswarar Koil Street, Mylapore, Chennai-600 004.

## 7 OFFER PRICE AND FINANCIAL ARRANGMENTS

### 7.1 Justification of Offer Price

7.1.1 The Shares of the Target Company are listed on the BSE, NSE and MSE while the Global Depository Shares (**"GDS"**) issued by the Target Company are listed on the London Stock Exchange. Based on the information available, the Shares of the Target Company are frequently traded on the NSE and the BSE (within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations and most frequently traded on the NSE)

7.1.2 The annualized trading turnover during the preceding 6 calendar months prior to the month in which the Public Announcement is made in terms of number and % of total listed Shares in each stock exchange

| **Name of Stock Exchange** | **Total No of shares traded during the 6 calendar months prior to the month in which the PA was made** | **Total No of Listed Shares** | **Annualized Trading Turnover (in terms of % to total listed shares)** | |
|---|---|---|---|---|
| NSE | 29,92,071 | 5,78,83,820 | 10.34% | Frequently traded |
| BSE | 28,68,784 | 5,78,83,820 | 9.91% | Frequently traded |
| MSE | No shares were traded | 5,78,83,820 | - | Infrequently traded |

*Source: (www.bseindia.com, www.nseindia.com, The Madras Stock Exchange Limited)*

7.1.3 The Offer Price of Rs 208 per share is justified in terms of Regulations 20(4) of the SEBI (SAST) Regulations as being the highest of the following

(a) The Negotiated Price being Rs 208 Share

(b) During the 26-week period prior to the date of this Public Announcement, Acquirer Group has acquired 78,14,315 Shares on February 23, 2007 at an average price of Rs 208 (maximum price of Rs. 208) from K.S. Aghoram, one of the Promoters of the Target Company, through an off market transaction

(c) The Share price data of the Target Company on the NSE where it is most frequently traded, preceding the date of the Public Announcement i.e. February 27, 2007 is as under

| | |
|---|---|
| The average of the weekly high and low of the closing price of the Shares of the Target Company during the 26 week period preceding the date of the Public Announcement | Rs 173.20 |
| The average of the daily high and low of the Shares of the Target Company during the 2 week period preceding the date of the Public Announcement | Rs 159.83 |

*Source: ( www.nseindia.com)*

7.1.4 The 26 weeks average of weekly high and low of NSE closing prices prior to date of the Public Announcement

| **Week No** | **Week ending** | **Low (Rs)** | **High (Rs)** | **Average (Rs)** | **Volume** |
|---|---|---|---|---|---|
| 1 | Feb 26, 2007 | 150.60 | 166.10 | 158.35 | 2,11,373 |
| 2 | Feb 19, 2007 | 151.50 | 167.10 | 159.30 | 5,46,640 |
| 3 | Feb 12, 2007 | 168.05 | 191.00 | 179.53 | 1,41,675 |
| 4 | Feb 5, 2007 | 184.00 | 187.45 | 185.73 | 99,309 |
| 5 | Jan 29, 2007 | 191.70 | 198.05 | 194.88 | 1,27,568 |
| 6 | Jan 22, 2007 | 186.50 | 190.85 | 188.68 | 1,11,071 |
| 7 | Jan 15, 2007 | 190.30 | 194.30 | 192.30 | 2,70,934 |
| 8 | Jan 8, 2007 | 186.15 | 203.85 | 195.00 | 3,11,844 |
| 9 | Jan 1, 2007 | 183.10 | 190.35 | 186.73 | 66,083 |
| 10 | Dec 25, 2006 | 184.05 | 193.70 | 188.88 | 3,33,605 |
| 11 | Dec 18, 2006 | 151.65 | 190.20 | 170.93 | 2,39,379 |
| 12 | Dec 11, 2006 | 163.95 | 179.35 | 171.65 | 1,03,909 |
| 13 | Dec 4, 2006 | 176.35 | 185.85 | 181.10 | 1,96,430 |
| 14 | Nov 27, 2006 | 165.45 | 175.80 | 170.63 | 1,19,814 |
| 15 | Nov 20, 2006 | 157.55 | 169.05 | 163.30 | 96,703 |
| 16 | Nov 13, 2006 | 165.20 | 169.35 | 167.28 | 47,717 |
| 17 | Nov 6, 2006 | 171.00 | 178.20 | 174.60 | 42,887 |

| Week No | Week ending | Low (Rs) | High (Rs) | Average (Rs) | Volume |
|---|---|---|---|---|---|
| 18 | Oct 30, 2006 | 179.70 | 189.10 | 184.40 | 89,393 |
| 19 | Oct 23, 2006 | 163.20 | 177.70 | 170.45 | 89,464 |
| 20 | Oct 16, 2006 | 160.30 | 163.75 | 162.03 | 28,507 |
| 21 | Oct 9, 2006 | 161.60 | 169.70 | 165.65 | 57,486 |
| 22 | Oct 2, 2006 | 153.40 | 162.40 | 157.90 | 47,199 |
| 23 | Sep 25, 2006 | 150.45 | 158.60 | 154.53 | 29,151 |
| 24 | Sep 18, 2006 | 154.00 | 162.65 | 158.33 | 43,412 |
| 25 | Sep 11, 2006 | 158.60 | 168.50 | 163.55 | 1,31,649 |
| 26 | Sep 4, 2006 | 152.65 | 162.65 | 157.65 | 1,17,799 |

*Source: (www.nseindia.com)*

*The 26 week average price based on the above table is Rs.173.20*

The 2 weeks average of daily high and low of NSE daily prices prior to the date of the Public Announcement

| Week No | Week ending | Low (Rs) | High (Rs) | Average (Rs) | Volume |
|---|---|---|---|---|---|
| 1 | Feb 26, 2007 | 165.70 | 166.00 | 165.90 | 9,233 |
| 2 | Feb 23, 2007 | 156.50 | 158.00 | 157.33 | 57,817 |
| 3 | Feb 22, 2007 | 150.60 | 160.00 | 155.18 | 52,782 |
| 4 | Feb 21, 2007 | 155.00 | 165.00 | 159.80 | 57,891 |
| 5 | Feb 20, 2007 | 158.75 | 173.00 | 165.63 | 33,650 |
| 6 | Feb 19, 2007 | 165.05 | 167.00 | 166.08 | 1,73,441 |
| 7 | Feb 15, 2007 | 155.00 | 159.00 | 157.05 | 2,00,930 |
| 8 | Feb 14, 2007 | 145.00 | 156.00 | 150.50 | 1,11,199 |
| 9 | Feb 13, 2007 | 153.00 | 169.00 | 161.00 | 61,070 |

*Source: ( www.nseindia.com)*

*The 2 week average price based on the above table is Rs.159.83*

7.1.5 The Shares of the Target Company are deemed to be infrequently traded on the MSE. Hence in terms of Regulation 20(5) of the SEBI (SAST) Regulations the Offer Price is also justified on the basis of the following parameters in the audited financial for the year ended September 30, 2006 as follows;

**Offer Price on the basis of:**

| | |
|---|---|
| Return on Networth | 3.94% |
| Book Value Per Share | Rs 35.39 |
| Earnings Per Share | Rs 1.39 |
| P/E Multiple based on Offer Price | 149.64 |
| Trailing twelve months industry average. P/E Multiple Construction Industry *(Source: Capital Markets Volume XXI/26, February 26 – March 11, 2007)* | 33.20 |

On the basis of the above, i.e. paragraphs 7.1.1., 7.1.2., 7.1.3.,7.1.4. and 7.1.5. Offer Price of Rs 208 per Share is justified in terms of Regulation 20 of the SEBI (SAST) Regulations

7.1.6 The Acquirer and PACs have not entered into any non compete agreement with the Sellers or the Target Company. Thus the Offer Price is in full compliance and is justified in terms of Regulation 20 of the SEBI (SAST) Regulations.

7.1.7 During the Offer period, the Acquirer may purchase additional Shares in accordance with the SEBI (SAST) Regulations. In the event that the Acquirer purchases additional Shares during the Offer Period in accordance with Regulation 20(7) of the SEBI (SAST) Regulations, such purchase shall be disclosed to the stock exchanges where the Shares are listed and to the Manager to the Offer in accordance with Regulation 22(17) of the SEBI (SAST) Regulations. The Acquirer undertakes to ensure that the Offer Price shall not be less than the highest price paid by the Acquirer for any acquisition of Shares of the Target Company from the date of the Public Announcement (i.e. February 27, 2007) up to August 9, 2007 (i.e. 7 working days prior to the closure of the Offer). There is no non-compete agreement entered into by the Acquirer with the Target Company or the Promoters

7.1.8 As per the SEBI (SAST) Regulations, the Acquirer can revise the Offer Price / Offer size up to 7 (seven) working days prior to the closure of this Offer, and the revision, if any, would be announced in the same newspapers where the Public Announcement has appeared and the revised price will be paid for all Shares acquired pursuant to this Offer. The Offer Price shall not be less than the highest price paid by the Acquirer (including PACs) for any acquisition of Shares of the Target Company from the date of the Public Announcement up to 7 working days prior to the closure of the Offer

**7.2 Financial Arrangements**

7.2.1 The total funding requirement for the Offer (assuming full acceptance) i.e. for the acquisition of up to 1,15,76,764 Shares at the Offer Price of Rs 208 per share is Rs 240,79,66,912 (Rupees two hundred forty crores, seventy nine lakhs, sixty six thousand, nine hundred and twelve only) (the "**Maximum Consideration")**

7.2.2 By way of security for performance of its obligations under the SEBI (SAST) Regulations, a cash deposit of Rs.39,20,00,000 (**"Escrow Amount"**) which represents more than 25% for the first Rs. 100 crores of the Maximum Consideration and 10% thereafter on the balance of the Maximum Consideration payable under the Offer, in accordance with Regulation 28 of the SEBI (SAST) Regulations has been deposited by the Acquirer with Development Credit Bank Limited, a banking corporation incorporated under the laws of India and having its registered office at 154, S.V. Patel Road (East), Dongri, Mumbai 400 009, India and acting through its branch office at S. R. Nagar, Hyderabad-500083 (**"Escrow Bank"**). The Acquirer, JM Financial and the Escrow Bank have entered into an Open Offer Escrow Agreement (the **"Open Offer Escrow Agreement"**) in accordance with Regulation 28 of the SEBI (SAST) Regulations. JM Financial has been duly authorized to realize the value of the aforesaid Escrow Amount in terms of the SEBI (SAST) Regulations.

7.2.3 The entire Escrow Amount required to be deposited in accordance with SEBI (SAST) Regulations has been deposited in cash.

7.2.4 Lalith Prasad and Co, is the Statutory Auditor of the Acquirer. Signing partner, Mr S Lalith Prasad having membership number as 23665, has vide their letter dated February 24, 2007 confirmed based on the basis of funds available with Acquirer / unutilized credit line, that Acquirer and the PACs have sufficient means and capability for meeting its obligations under the SEBI (SAST) Regulations. Lalith Prasad and Co has its office located at 402 Goleden Green Apartments, 6-3-542/1, Panjagutta, Hyderabad 500 082. (Tel: 040 23399229/ 23327250, Fax: 040 23320023).

As per the Bank Statement of Platex Limited for June 2007 the available balance in the Bank Account is US$ 68 million (equivalent to Rs 274,17,60,000) (Exchange rate 1 US $ = 40.32 INR, Source: Bloomberg as on July 20, 2007) and the unutilized credit line in terms of the facility agreement is US$ 25 million (equivalent to Rs. 100,80,00,000) (Exchange rate 1 US $ = 40.32 INR, Source: Bloomberg as on July 20, 2007).

7.2.5 Based on the above and in light of the Escrow Amount, JM Financial is satisfied with the ability of Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations as firm financial arrangements are in place to fulfill the obligations under the SEBI (SAST) Regulations.

7.2.6. Find below the total fund requirement for the acquisition of SSI Limited and the Target Company:

| Particulars | Amount (Rs crore) |
|---|---|
| Acquisition of 78,14,315 shares by the Acquirer constituting 13.5% of the share capital of SSI Limited from K.S. Aghoram on February 23, 2007 through an off market transaction | 162.53 |
| Acquisition of 2,17,06,432 equity shares through the Share Purchase Agreement dated February 25, 2007 constituting 37.5% of the share capital of the Target Company * | 451.49 |
| Open Offer for the acquisition of upto 1,15,76,764 equity shares of SSI Limited at an Offer Price of Rs. 208 per equity share | 240.79 |
| Open Offer for the acquisition of upto 15,27,323 equity shares of Telephoto Entertainments Limited at an Offer Price of Rs. 31.50 per equity share | 4.81 |
| **TOTAL** | **859.62** |

** An advance of Rs. 44.1 crore has already been paid by the Acquirer to the Sellers*

For details related to the financial arrangements of the entire process/transaction i.e. for the acquisition of SSI Limited and the Open Offer kindly refer to clause 3.1.7.

## 8 TERMS AND CONDITIONS OF THE OFFER

**8.1 Statutory Approvals required for the Offer**

8.1.1 The Offer is subject to the receipt of approval from the Reserve Bank of India (**"RBI"**) for acquiring Shares from Non-Resident Indians who validly tender their Shares under this Offer

8.1.2 The Acquirer is in the process of making the necessary applications to and filings with the various authorities to obtain the statutory approvals described above.

8.1.3 As of the date of the Public Announcement, there are no other statutory approvals required to implement the Offer other than those specified above. If any other statutory approvals become applicable prior to completion of the Offer, the Offer would also be subject to such other statutory approvals. Acquirer will have the right not to proceed with the Offer in the event any of the statutory approvals that are required are refused in terms of Regulation 27 of the SEBI (SAST) Regulations.

8.1.4 In case of delay in receipt of any statutory approval(s), SEBI has the power to grant an extension of time to Acquirer for payment of consideration to shareholders of the Target Company, subject to Acquirer agreeing to pay interest for the delayed period as directed by SEBI in terms of Regulation 22(12) of the SEBI (SAST) Regulations. Further, if the delay occurs on account of the willful default or neglect or inaction or non-action by Acquirer in obtaining the requisite approvals, the amount held in the escrow account shall be subject to forfeiture and be dealt with in the manner provided in Regulation 28(12) of the SEBI (SAST) Regulations.

8.1.5 The Acquirer Group does not require any approvals from financial institutions or banks for the Offer.

**8.2** The Letter of Offer relating to the Offer (the **"Letter of Offer")** together with the Form of Acceptance cum Acknowledgement will be mailed to the shareholders of the Target Company (except the parties to the Agreement) whose names appear on the Registrar of Members of the Target Company and to the beneficial owners of the Shares of the Target Company in dematerialized form whose names appear on the beneficial records of the respective Depositories, in either case, at the close of the business on March 9, 2007 (the **"Specified Date")**

**8.3** Shareholders of the Target Company having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their shares in favor of the special depository account with NSDL.

**8.4** The acceptance of the Offer is entirely at the discretion of the shareholders of the Target Company. The Acquirer Group will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

**8.5** Shares that are subject to any charge, lien or encumbrance are liable to be rejected. Applications in respect of Shares of the Target Company that are subject matter of litigation wherein the shareholders of the Target Company may be prohibited from transferring the Shares during the pendency of the said litigation are liable to be rejected if the directions / orders regarding these Shares are not received together with the Shares tendered under the Offer. The Letter of Offer in some of these cases, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.

**The securities transaction tax will not be applicable to the shares accepted in the Offer.**

**8.6** A schedule of the activities pertaining to the Offer is given below:-

| Activity | Original Date & Day | Revised Date & Day |
|---|---|---|
| Public Announcement | February 27, 2007 (Tuesday) | Unchanged |
| Specified Date* | March 9, 2007 (Friday) | Unchanged |
| Last date for a competitive bid | March 20, 2007 (Tuesday) | Unchanged |
| Date by which Letter of Offer to be dispatched to shareholders | April 13, 2007 (Friday) | July 30, 2007 (Monday) |
| Date of opening of offer | April 20, 2007 (Friday) | August 3, 2007 (Friday) |
| Last date for upward revision of the Offer Price | April 27, 2007 (Friday) | August 9, 2007 (Thursday) |
| Last Date for withdrawing acceptance of the Offer | May 3, 2007 (Thursday) | August 16, 2007 (Thursday) |
| Date of closing of the Offer | May 9, 2007 (Wednesday) | August 22, 2007, (Wednesday) |
| Last date of communicating rejection/acceptance and payment of consideration for accepted tenders and/or the un accepted equity shares/share certificates will be dispatched/credited | May 24, 2007 (Thursday) | September 6, 2007 (Thursday) |

** Specified date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer would be sent and all owners (registered or unregistered) of the shares of the Target Company (except Acquirer Group, and Seller) are eligible to participate in the Offer anytime before the closing of the Offer.*

## 9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

### 9.1 Procedure for accepting the offer by eligible persons, unregistered shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer

9.1.1 Shareholders of the Target Company, who wish to avail of this Offer are free to offer their shareholding in whole or in part and should forward the under mentioned documents to the Registrar to the Offer at their office at Subramanian Building, No 1, Club House Road, Chennai 600 002, India. Telephone Nos: 044 28460390-94, 28461989, 28460425, Fax No: 044 28460129, Email: pvpventures@cameoindia.com either by hand delivery on weekdays or by Registered Post, on or before the Closure of the Offer, i.e., no later than August 22, 2007 or at the Collection Centres, so as to reach the Registrar/ Collection Centres on or before the close of business hours, i.e., no later than 4;00 pm on August 22, 2007 in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. Shareholders are advised to ensure that the Form of Acceptance and other documents are complete in all respects, otherwise the same is liable to be rejected. In the case of dematerialized shares, the shareholders are advised to ensure that their shares are credited in favour of the special depository account before the closure of the Offer. The Form of Acceptance of such dematerialized shares, not credited in favour of the special depository account before the closure of the Offer, will be rejected.

9.1.2 **For Shares held in physical Form:**

a. Shareholders of the Target Company who are holding Shares in physical form and who wish to tender their shares will be required to send the Form of Acceptance cum Acknowledgement, original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer Cameo Corporate Services Limited ("Registrar to the Offer"), either by hand delivery on weekdays or by Registered Post, so as to reach on or before the close of the Offer, i.e., no later than August 22, 2007, (by 4:00 pm) in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

b. Unregistered owners can send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of share held, number of shares tendered, Distinctive numbers, Folio number, together with the original share certificate(s), valid transfer deeds and the original contract notes issued by the broker through whom they acquired their shares. and valid share transfer forms as received from the market No indemnity is required from the unregistered owners

9.1.3 **For Shares held in dematerialized form**

a. Beneficial owners (holders of shares in dematerialized form) who wish to tender their shares of the Target Company will be required to send their Form of Acceptance cum Acknowledgement along with the photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instructions in "Off-market" mode, duly acknowledged by the Depository Participant ("DP"), in favour of the special depository account to the Cameo Corporate Services Limited, Subramanian Building, No 1, Club House Road, Chennai 600 002, India. Telephone Nos: 044 28460390-94, 28461989, 28460425, Fax No: 044 28460129, Email: pvpventures@cameoindia.com, either by hand delivery on weekdays or by Registered Post acknowledgement due, so as to reach on or before the close of the Offer, i.e., no later than August 22, 2007, in accordance with the instructions to be specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement. For each delivery instruction, the beneficial owner should submit separate Form of Acceptance. The credit for the delivered shares should be received in the special depository account on or before the close of the Offer, i.e., no later than August 22, 2007.

b. The holders of the Global Depository Receipts ("GDRs") who wish to avail of this Offer should request withdrawal of their equity share(s) from the Depository in terms of the issuance of GDRs. Holders of GDRs who wish to tender the equity shares underlying such GDRs, should also request their depository to instruct the corresponding custodian to deliver the equity shares in accordance with the paragraph above.

9.1.4 The Registrar to the Offer, Cameo Corporate Services Limited has opened a special depository account with National Depository Services Limited as Depository, JM Financial Services Private Limited as Depository Participant called "Cameo Corporate Services Limited Escrow Account - SSI Open Offer" The DPID is IN302927 and Client ID is 10079748.

9.1.5 Shares and other relevant documents should not be sent to the Acquirer/PACs/Target Company/Manager to the Offer

9.1.6 In case of non-receipt of the Letter of Offer, the eligible persons may (i) download the Letter of Offer and Form of Acceptance from the SEBI website,(http://www.sebi.gov.in) (ii) obtain a copy of the same by writing to the Registrar to the Offer, or (iii) make an application to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, distinctive numbers, folio number, number of shares offered along with documents as mentioned above so as to reach the Registrar to the Offer on or before the close of the Offer, i.e., no later than August 22, 2007, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account, so as to reach the Registrar to the Offer, on or before the close of the Offer, i.e., no later than August 22, 2007. Unregistered owners should not sign the transfer deed and the transfer deed should be valid for transfer.

9.1.7 If the aggregate of the valid responses to the Offer exceeds the Offer size of 1,15,76,764 fully paid-up Shares of the Target Company (representing 20% of the Voting Capital), then the Acquirer shall accept the valid applications received on a proportionate basis in accordance with Regulation 21(6) of the SEBI (SAST)

Regulations. The Shares of the Target Company are compulsorily traded in dematerialized form, hence the minimum acceptance will be one share.

9.1.8 Shareholders who have sent their shares for dematerialization need to ensure that the process of getting their shares dematerialized is completed in time for the credit in the special depository account to be received on or before the closing date of the Offer, i.e., no later than August 22, 2007, or else their application will be rejected.

**9.1.9. TAX TO BE DECUTED AT SOURCE**

As per the provisions of section 195(1) of the Income Tax Act, any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable).

Since the consideration payable under the Offer would be chargeable to capital gains under section 45A of the Income Tax Act or as business profits as the case may be, Acquirer will need to deduct tax at source (including surcharge and education cess) at the applicable tax rate on the gross consideration payable to the following categories of shareholders, as given below:

a) Non-resident Indians: The Acquirer will deduct tax at source at the rate of 30% on the Offer Price in case of short-term capital gains or business profits, and at the rate of 20% on the Offer Price in case of long-term capital gains. In the event that the aforesaid amount of gross proceeds exceeds Rs.10,00,000/- the aforesaid rate will be increased by a surcharge of 10% of the sum. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted in all cases.

b) Overseas Corporate Bodies/ Non-domestic companies: The Acquirer will deduct tax at source (including education cess and surcharge) at the rate of 41.82% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 20.91% on the Offer Price on the case of long-term capital gains.

c) Foreign Institutional Investors (“FII”): The Acquirer will not deduct tax at source if the Shares are held by the FII being tax resident in Mauritius or Cyprus, on investment/capital account. Tax will be deducted at source at 41.82% on the Offer Price if the Shares are held on trade account or if the FII fails to certify in the Bid Form that the Shares are held by it on investment/capital account if the FII is a company. If the FII is a person other than a company, then tax will be deducted at the rate of 30% and will be further increased by a surcharge and education cess as indicated above viz., (1) in the case of an individual or an association of persons in the event the aforesaid amount exceeds Rs.10,00,000/- the aforesaid rate will be increased by a surcharge of 10% of the sum. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted. (2) in the case of a firm, the surcharge would be 10% and further increased by an education cess of 3%.

d) Other persons who are not resident in India: The Acquirer will deduct tax at source at the rate of 30% on the Offer Price in the case of short-term capital gains or business profits, and at the rate of 10% on the Offer Price in the case of long-term capital gains. In the case of individual and association of person. In the event that the aforesaid amount exceeds Rs.10,00,000/- the aforesaid rate will be increased by a surcharge of 10% of the sum. The amount so arrived at will be further increased by an education cess of 3% of the aggregate of the tax and surcharge to be deducted in all cases in the case of firms, the surcharge would be 10% and further increased by an education cess of 3%.

e) For the purpose of determining as to whether the capital gains are short-term or long-term in nature, the Acquirer shall take actions based on the information submitted by the shareholders.

f) In the case of any ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, the capital gain shall be assumed to be short-term in nature.

g) In the event the aforementioned categories of shareholders require the Acquirer not to deduct tax or to deduct tax at a lower rate or on a lower amount, they would need to obtain a certificate from the Income Tax authorities either under section 195(3) or under section 197 of the Income Tax Act, and submit the same to Acquirer while submitting the Bid Form. In the absence of any such certificate from the Income Tax authorities, the Acquirer will deduct tax as aforesaid, and a certificate in the prescribed form shall be issued to that effect.

h) The aforementioned categories of shareholders should certify in the Form of Acceptance whether the equity shares are held by them on investment/capital account or on trade account.

i) No tax will be deducted at source for any other category of shareholders who are residents in India.

9.1.10 In addition to the above-mentioned address, the shareholders of the Target Company who wish to avail themselves of accepting the Offer can also deliver the Form of Acceptance cum Acknowledgement along with all of the relevant documents at any of the collection centers below in accordance with the procedure as set out in the Letter of Offer. All of the centers of Cameo Corporate Services Limited mentioned herein below will be open as follows:

*(Monday to Friday, 10:00 am to 4:00 pm)*

| No. | City | Address of collecting Office | Contact Person | Telephone Number | Fax Number | Mode of Delivery |
|---|---|---|---|---|---|---|
| 1 | Mumbai | Cameo Corporate Services Ltd,304, Sai Sadan 76-78, Mody Street, Fort, Mumbai 400 001 | Mr. Milind S Dalvi (Executive) | 022 2264 4325 | 022 2264 4325 | Hand Delivery only |
| 2 | Secunderabad | Cameo Corporate Services Ltd, 9-1-152A, 2nd Floor, Sebastian Road, Secunderabad 500 003 | Mr .G Nagesh (Executive) | 040 6453 7951 | 040 6453 7951 | Hand Delivery only |
| 3 | Chennai | Cameo Corporate Services Ltd, Subramanian Building No 1 Club House Road, Chennai 600 002 | Mr. Srinivasan (Senior Manager) | 044 2846 0390 | 044 2846 0129 | Post and Hand Delivery |
| 4 | Kolkata | Cameo Corporate Services Ltd, C/o Dynamic Projects, 196A, G. Arabinda Sarani, Kolkata 700 004 | Mr. Gautam Sarkar | 033 2533 3706 | 033 2455 1077 / 033 2533 3706 | Hand Delivery only |
| 5 | New Delhi | Cameo Corporate Services Ltd, C/o Sterling Services 3202, Dispensary Lane, Opp Dispensary, Pahar Ganj, New Delhi 110 005 | Mr. Sohan Singh | 011 4169 8865 / 011 2358 1484 | 011 4169 8462 | Hand Delivery only |
| 6 | Banglore | Cameo Corporate Services Ltd,C/o S/LIC Block No 7 House No 77, 5 Phase, KHB Colony, Yelahanka, New Town, Banglore 560 064 | Mr. S Ramakrishnan | 09880198440 | | Hand Delivery only |

9.1.11 Pursuant to Regulation 22(5A) of the SEBI (SAST) Regulations, shareholders of the Target Company desirous of withdrawing the acceptance tendered by them in the Offer may do so up to three (3) working days prior to the closing date of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before August 16, 2007. The withdrawal option can be exercised by submitting the Form of Withdrawal, which is enclosed with the Letter of Offer.

**a. For Equity Shares held in demat form:**

Beneficial owners should enclose

- Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).
- Acknowledgement slip in original / Copy of the submitted Form of Acceptance in case delivered by Registered A.D.
- Photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP.

**b. For Equity Shares held in physical form:**

Registered Shareholders should enclose:

- Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).
- Acknowledgement slip in original/ Copy of the submitted Form of Acceptance in case delivered by Registered A.D.

c. In case of partial withdrawal, valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

**d. Unregistered owners should enclose:**

- Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer).
- Acknowledgement slip in original/ Copy of the submitted Form of Acceptance in case delivered by Registered A.D.

e. In case of non receipt of the Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details

i. In case of physical shares: name, address, distinctive numbers, folio number, number of shares tendered; and

ii. In case of dematerialized shares: name, address, number of shares offered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favor of the special depository account

f. The withdrawal of Shares will be available only for the Share certificates/ Shares that have been received by the Registrar to the Offer/ Special Depository Escrow Account. The intimation of returned shares to the Shareholders will be at the address through Registered post as per the records of the Target Company/Depository as the case may be. In case of partial withdrawal of Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from Target Company. Partial withdrawal of tendered shares can be done only by the Registered shareholders / Beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect. Shareholders holding Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.1.12 Payment of consideration will be made by crossed account payee cheque / demand draft and sent by registered post, to those shareholders/unregistered owners and at their own risk, whose shares/ share certificates and other documents are found in order and accepted by Acquirer. In case of joint registered holders, cheques /demand drafts will be drawn in the name of the sole/first named holder/ unregistered owner and will be sent to him. It is desirable that shareholders provide bank details in the Form of Acceptance cum Acknowledgment, so that same can be incorporated in the cheque / demand draft.

9.1.13 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders/unregistered owners sole risk to the sole/first shareholder. Unaccepted shares held in dematerialized form will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance cum Acknowledgement.

9.1.14 The Registrar to the Offer will hold in trust the shares/share certificates, shares held in credit of the special depository account, Form of Acceptance cum Acknowledgement, if any, and the transfer form(s) on behalf of the shareholders of the Target Company who have accepted the Offer, until the cheques/drafts for the consideration or the unaccepted shares/share certificates are dispatched/returned.

9.1.15 The Marketable lot of the shares of the Target Company is One Share

## 10 DOCUMENTS FOR INSPECTION

**10.1 Material Documents for inspection by the Public will be available at PVP Enterprises Private Limted, 8-2-609/K,Avenue 4, Street No 1, Road No 10, Banjara Hills, Hyderabad 500034, between 2:00 pm to 4:00 pm on any day except Saturdays, Sundays and the Public Holidays. till the closure of the Offer**

10.1.1 Certificate of incorporation, memorandum and articles of association of the Acquirer and the PACs.

10.1.2 A copy of the Letter of Lalith Prasad and Co., Chartered Accountant dated February 24, 2007 certifying the adequacy of financial resources of the Acquirer to fulfill the open offer obligations.

10.1.3 Audited annual reports of the Target company for the last three years.

10.1.4 A letter from the Development Credit Bank Limited, the escrow bank confirming the amount kept in the escrow account and a lien in favour of JM Financial Consultants Private Limited.

10.1.5 A Copy of the Share Purchase Agreement dated February 25, 2007 between PVP Enterprises, Mr K.S. Suresh, K.S. Aghoram and K.S. Ganesh .

10.1.6 A published copy of Public announcement dated February 27, 2007

10.1.7 A copy of the letter from SEBI in terms of proviso to Regulation 18(2).

10.1.8 A copy of the Escrow Agreement dated February 25, 2007 entered into by the Acquirer with IDBI Trusteeship Services Limited and Mr K.S. Suresh, Mr. K.S. Aghoram and Mr. K.S. Ganesh,

10.1.9 A copy of the Escrow Agreement dated February 22, 2007 entered into by the Acquirer with Development Credit Bank Limited and the Manager to the Offer.

10.1.10 A copy of the Agreement entered into with Depository participant for opening a special depository account for the purpose of the offer.

10.1.11 A copy of the Facility Agreement dated December 22, 2006 has been entered into between Platex, Deutsche Bank AG, Singapore Branch, DB International (Asia) Limited ("Lender"), Deutsche Bank AG, Hong Kong Brach ("Facility Agent") and DB Trustees (Hong Kong) Limited. .

## 11 DECLARATION BY THE ACQUIRER AND PACs

**11.1** Acquirer, their respective Directors and the PACs accept full responsibility for the information contained in the Letter of Offer, including the Form of Acceptance and Form of Withdrawal and also for the obligations of the Acquirer as laid down in terms of the SEBI (SAST) Regulations

**11.2** The Acquirer and the PACs are jointly and severally responsible for fulfilling their respective obligations under the SEBI (SAST) Regulations

**11.3** Mr. Prasad V. Potluri, a Director of the Acquirer and the PACs, is authorized by them to sign this Letter of Offer.

| **FOR PVP ENTERPRISES PRIVATE LIMITED (THE "ACQUIRER")** | **FOR PVP VENTURES PRIVATE LIMITED ("PAC")** | **FOR PLATEX LIMITED ("PAC")** |
|---|---|---|
| Sd/- | Sd/- | Sd/- |
| **Prasad V. Potluri**<br>(Director) | **Prasad V. Potluri**<br>(Director) | **Prasad V. Potluri**<br>(Director) |

Sd/-

**Prasad V. Potluri ("PAC")**

Place : Mumbai
Date : 28th July, 2007

**Encl. :**

1. Form of Acceptance
2. Form of Withdrawal
3. Transfer Deed for shareholders holding shares in Physical Form

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

# FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT

| OFFER SCHEDULE | |
|---|---|
| **OPENS ON** | **Friday, August 3, 2007** |
| **CLOSES ON** | **Wednesday, August 22, 2007** |

From:

Folio No./DP ID No./Client ID No.:

Name:

Address:

Tel No.: Fax No.: E-mail :

To,

**Cameo Corporate Services Limited,**
**Subramanian Building, No 1,**
**Club House Road, Chennai 600 002, India**

Re. : **Open Offer by PVP Enterprises Private Limited. ("Acquirer") and PVP Ventures Private Limited, Platex Limited and Mr. Prasad V. Potluri, ("PACs") to acquire 1,15,76,764 fully paid up Equity Shares of SSI Limited ("SSI"/ "Target Company") in terms of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997**

Dear Sir,

I/We refer to the Letter of Offer dated July 28, 2007 constituting an offer to acquire the equity shares held by me / us in SSI Limited. I/We the undersigned, have read the Letter of Offer and accept unconditionally its contents including the terms and conditions as mentioned therein.

**For Equity Shares held In Physical Form**:

I/We, accept the Offer and enclose the original share certificate(s) and duly signed valid Transfer Deed(s) in respect of my/our shares as detailed below:

| S. No. | Certificate No. | Distinctive Nos. | | No of Equity Shares |
|---|---|---|---|---|
| | | From | To | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| (In case the space provided is inadequate, please attach a separate sheet with details and authenticate the same.) **Total No. of Equity Shares** | | | | |

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

I/We have enclosed the following herewith:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities

☐ Self-declaration in Form 15G (applicable only in respect of income from dividends/interest)

☐ Copy of Permanent Account Number (PAN) Letter / PAN Card.

**For Equity Shares held in Demat Form**

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

| DP Name | DP ID | Client ID | No of Equity Shares | Beneficiary Name |
|---|---|---|---|---|
| | | | | |

TEAR ALONG THIS LINE

TEAR HERE

**Folio No. :** **ACKNOWLEDGEMENT SLIP** Sr. No.

**PVP Enterprises Private Limited ("Acquirer")**

**C/o. Cameo Corporate Services Limited, Subramanian Building, No 1, Club House Road, Chennai 600 002, India**

Received from Mr./Ms. ______________________ Address ______________________

Form of Acceptance-cum-Acknowledgement, # ______________ Number of Share Certificates for ______________ shares

# Copy of Delivery instruction to (DP) for ______________ shares

*(Delete whatsoever is not applicable)*

| Stamp of Collection Centre: | | Signature of Official: | | Date of Receipt: | |
|---|---|---|---|---|---|

I/We have done an off market transaction for crediting the equity shares to the Escrow Account named “Cameo Corporate Services Limited Escrow Account - SSI Open Offer” (the “Special Depository Account”) with the following particulars:

**Depository Participant Name: JM Financial Services Private Limited**

| **DP ID No.: IN 302927** | **Client ID No.: 10079748** |
|---|---|

Shareholders having their beneficiary Account in CDSL have to use an inter–depository delivery instruction slip for the purpose of crediting their equity shares in favour of the Special Depositary Account with NSDL.

In case of non-receipt of the aforesaid documents, but receipt of the shares in the Special Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by me/us.

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

**For NRIs/OCBs/FIIs/other Foreign Shareholders:**

I/we have enclosed the following documents:

☐ No Objection Certificate / Tax Clearance Certificate from Income Tax Authorities.

☐ Previous RBI approvals for holding the shares of SSI Limited hereby tendered in the Offer.

☐ Copy of Permanent Account Number (PAN) Letter / PAN Card.

For FII Shareholders : I/We confirm that the equity shares of SSI Limited are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account. ([✓] whichever is applicable in your case). For further details please refer to the Letter of Offer dated July 28, 2007.

For NRIs/OCBs Shareholders :

(1) I/We confirm that the equity shares of SSI Limited are held by me/us on ☐ Investment/Capital Account OR ☐ Trade Account.

(2) I/We confirm that the equity shares of SSI Limited are held by me/us as ☐ Long Term Capital Asset OR ☐ Short Term Capital Asset. ([✓] whichever is applicable in your case). For further details please refer to the Letter of Offer dated July 28, 2007.

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

**I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures, and obtaining necessary approvals, including approvals from the RBI.**

I/We authorise the Acquirer to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and to the extent that the equity shares tendered by me/us are not acquired (in terms of and subject to the Letter of Offer), I/We further authorise the Acquirer to return to me/us, equity shares/share certificate(s) and in the case of dematerialised equity shares, to credit such equity shares to my/our depository account, in each case at my/our sole risk and without specifying the reasons thereof.

I/We authorise the Acquirer or the Manager to the Offer or the Registrar to the Offer to send by registered post, the draft / cheque in settlement of the amount, to the sole / first holder at the address mentioned below.

Yours faithfully,

Signed and Delivered

| | **FULL NAMES** | **SIGNATURE(S)** | **PAN No./GIR No.** |
|---|---|---|---|
| **First / Sole Shareholder** | | | |
| **Second Shareholder** | | | |
| **Third Shareholder** | | | |
| **Fourth Shareholder** | | | |

Address of First/Sole Shareholder

Place: Date :

Note: In case of joint holdings, all shareholders must sign. A body corporate must affix its company stamp & necessary board resolution should be attached.

*So as to avoid fraudulent encashment in transit, the shareholder(s) holding shares in physical form should provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly. For equity shares that are tendered in electronic form, the bank account as obtained from the beneficiary position provided by the Depository will be considered and the warrants/ bank drafts will be issued with the said bank particulars*

Name of the Bank___________________________________________Branch____________________________City___________________

Account Number_____________________________Savings/Current/Others (please specify)______________________________________

— — — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — — — —

**Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:**

**Cameo Corporate Services Limited,**

Subramanian Building, No 1, Club House Road, Chennai 600 002, India

Phone: +91 044 28460390 to 94 Fax: +91 044 2846 0129

Email: pvpventures@cameoindia.com;

Contact Person: Mr. A. Sivasubramanian

**Details of Collection Centres:**

| No | City | Address of collecting Office | Contact Person | Telephone Number | Fax Number | Mode of Delivery |
|---|---|---|---|---|---|---|
| 1 | Mumbai | Cameo Corporate Services Ltd, 304, Sai Sadan 76-78, Mody Street, Fort, Mumbai 400 001 | Mr. Milind S Dalvi (Executive) | 022 2264 4325 | 022 2264 4325 | Hand Delivery only |
| 2 | Secunderabad | Cameo Corporate Services Ltd, 9-1-152A, 2nd Floor, Sebastian Road, Secunderabad 500 003 | Mr .G Nagesh (Executive) | 040 6453 7951 | 040 6453 7951 | Hand Delivery only |
| 3 | Chennai | Cameo Corporate Services Ltd, Subramanian Building No 1 Club House Road, Chennai 600 002 | Mr. Srinivasan (Senior Manager) | 044 2846 0390 | 044 2846 0129 | Post and Hand Delivery |
| 4 | Kolkata | Cameo Corporate Services Ltd, C/o Dynamic Projects, 196A, G. Arabinda Sarani, Kolkata 700 004 | Mr. Gautam Sarkar | 033 2533 3706 | 033 2455 1077 / 033 2533 3706 | Hand Delivery only |
| 5 | New Delhi | Cameo Corporate Services Ltd, C/o Sterling Services 3202, Dispensary Lane, Opp Dispensary, Pahar Ganj, New Delhi 110 005 | Mr. Sohan Singh | 011 4169 8865 / 011 2358 1484 | 011 4169 8462 | Hand Delivery only |
| 6 | Banglore | Cameo Corporate Services Ltd,C/o S/LIC Block No 7 House No 77, 5 Phase, KHB Colony, Yelahanka, New Town, Banglore 560 064 | Mr. S Ramakrishnan | 09880198440 | | Hand Delivery only |

**Business Hours** : Monday to Friday: 10 a.m. to 4 p.m.

**Holidays** : Saturday and Sundays and Bank Holidays

# FORM OF WITHDRAWAL

From:

Name:

Address:

| OFFER SCHEDULE | |
|---|---|
| **OPENS ON** | **Friday, August 3, 2007** |
| **CLOSES ON** | **Wednesday, August 22, 2007** |
| **LAST DATE FOR WITHDRAWING ACCEPTANCE OF THE OFFER** | **Thursday, August 16, 2007** |

To,

**Cameo Corporate Services Limited,**
**Subramanian Building, No 1,**
**Club House Road,**
**Chennai 600 002, India**

**Re. : Open Offer by PVP Enterprises Private Limited. ("Acquirer") and PVP Ventures Private Limited, Platex Limited and Mr. Prasad V. Potluri, ("PACs") to acquire 1,15,76,764 fully paid up Equity Shares of SSI Limited ("SSI"/ "Target Company") in terms of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997**

Dear Sir

I/We refer to the Letter of Offer dated July 28, 2007 for acquiring the equity shares held by me/us in SSI Limited. I/We the undersigned have read the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

**I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in para 9.1.11 of the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.**

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

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal (i.e., August 16, 2007).

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

I/ We also note and understand that the Acquirer will return Original Share Certificate(s), Share Transfer Deed(s) and equity shares only on completion of verification of the documents, signatures carried out by SSI Limited and/ or their R & T Agents and beneficiary position data as available from the Depository from time to time, respectively.

The particulars of tendered original share certificate(s) and duly signed transfer deed(s) and wish to withdraw are detailed below:

Ledger Folio No. ____________ No. of Share Certificate(s) ____________ No. of Equity Shares ____________

TEAR HERE

TEAR ALONG THIS LINE

**Folio No. :**

## ACKNOWLEDGEMENT SLIP

Sr. No.

**PVP Enterprises Private Limited ("Acquirer")**

**C/o. Cameo Corporate Services Limited, Subramanian Building, No 1, Club House Road, Chennai 600 002, India**

Received from Mr./Ms. ____________ Address____________

____________

Form of Withdrawal # ____________ Number of Certificates for ____________ Equity Shares/#

Copy of the Delivery Instruction to (DP) for ____________ Equity Shares. #Delete whichever is no applicable

| | | | | | |
|---|---|---|---|---|---|
| Stamp of Collection Centre: | | Signature of Official: | | Date of Receipt: | |

| S. No. | Certificate No. | Distinctive Nos. | | No of Equity Shares |
|---|---|---|---|---|
| | | From | To | |
| | **Tendered** | | | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| | **Withdrawn** | | | |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| **Total** | | | | |

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

I/We hold the following equity shares in dematerialized form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the "Cameo Corporate Services Limited Escrow Account - SSI Open Offer" (Special Depositary Account) as per the following particulars: -

**Depository Participant Name: JM Financial Services Private Limited**

| | |
|---|---|
| **DP ID No.: IN 302927** | **Client ID No.: 10079748** |

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP.

The particulars of the account from which my/our equity shares have been tendered are as detailed below

| DP Name | DP ID | Client ID | No of Equity Shares | Beneficiary Name |
|---|---|---|---|---|
| | | | | |

Address of First/Sole Shareholder: ______________________________________________________

Tel No.: ______________________________ Fax No. ______________________________ E-mail No. ______________________________

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

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

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

Yours faithfully,

| Signed and delivered | FULL NAME(S) | SIGNATURE(S) | VERIFIED AND ATTESTED BY US. PLEASE AFFIX THE STAMP OF DP (IN CASE OF DEMAT SHARES)/ BANK (IN CASE OF PHYSICAL SHARES) |
|---|---|---|---|
| First/Sole Shareholder | | | |
| Second Shareholder | | | |
| Third Shareholder | | | |

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

Place : Date :

— — — — — — — — — — — — — — — — TEAR ALONG THIS LINE — — — — — — — — — — — — — — — —

**Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:**

**Cameo Corporate Services Limited,**

Subramanian Building, No 1, Club House Road, Chennai 600 002, India

Phone: +91 044 28460390 to 94 Fax: +91 044 2846 0129

Email: pvpventures@cameoindia.com;

Contact Person: Mr. A. Sivasubramanian

## INSTRUCTIONS

1. **The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer at any of the collection centres mentioned in the Letter of Offer or below as per the mode of delivery indicated therein on or before the last date of withdrawal.**

2. Shareholders should enclose the following:-

   i. For Equity Shares held in demat form:

   Beneficial owners should enclose

   - Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer)
   - Acknowledgement slip in original / Copy of the submitted Form of Acceptance cum Acknowledgement / Plain paper application submitted
   - Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP

   ii. For Equity Shares held in physical form:

   Registered Shareholders should enclose

   - Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer)
   - Acknowledgement slip in original / Copy of the submitted Form of Acceptance cum Acknowledgement/ Plain paper application submitted.
   - In case of partial withdrawal, Valid Share Transfer form(s) duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with the Target Company and duly witnessed at the appropriate place.

   iii Unregistered owners should enclose:

   - Duly signed and completed Form of Withdrawal (enclosed with the Letter of Offer)
   - Acknowledgement slip in original / Copy of the submitted Form of Acceptance cum Acknowledgement / Plain paper application submitted.

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

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

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

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

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

**Note : All future correspondence, if any, should be addressed to the Registrar to the Offer at the following address:**

**Cameo Corporate Services Limited,**

Subramanian Building, No 1, Club House Road, Chennai 600 002, India

Phone: +91 044 28460390 to 94 Fax: +91 044 2846 0129

Email: pvpventures@cameoindia.com; Contact Person: Mr. A. Sivasubramanian

**Details of Collection Centres:**

| No | City | Address of collecting Office | Contact Person | Telephone Number | Fax Number | Mode of Delivery |
|---|---|---|---|---|---|---|
| 1 | Mumbai | Cameo Corporate Services Ltd, 304, Sai Sadan 76-78, Mody Street, Fort, Mumbai 400 001 | Mr. Milind S Dalvi (Executive) | 022 2264 4325 | 022 2264 4325 | Hand Delivery only |
| 2 | Secunderabad | Cameo Corporate Services Ltd, 9-1-152A, 2nd Floor, Sebastian Road, Secunderabad 500 003 | Mr .G Nagesh (Executive) | 040 6453 7951 | 040 6453 7951 | Hand Delivery only |
| 3 | Chennai | Cameo Corporate Services Ltd, Subramanian Building No 1 Club House Road, Chennai 600 002 | Mr. Srinivasan (Senior Manager) | 044 2846 0390 | 044 2846 0129 | Post and Hand Delivery |
| 4 | Kolkata | Cameo Corporate Services Ltd, C/o Dynamic Projects, 196A, G. Arabinda Sarani, Kolkata 700 004 | Mr. Gautam Sarkar | 033 2533 3706 | 033 2455 1077 / 033 2533 3706 | Hand Delivery only |
| 5 | New Delhi | Cameo Corporate Services Ltd, C/o Sterling Services 3202, Dispensary Lane, Opp Dispensary, Pahar Ganj, New Delhi 110 005 | Mr. Sohan Singh | 011 4169 8865 / 011 2358 1484 | 011 4169 8462 | Hand Delivery only |
| 6 | Banglore | Cameo Corporate Services Ltd,C/o S/LIC Block No 7 House No 77, 5 Phase, KHB Colony, Yelahanka, New Town, Banglore 560 064 | Mr. S Ramakrishnan | 09880198440 | | Hand Delivery only |

**Business Hours** : Monday to Friday: 10 a.m. to 4 p.m.

**Holidays** **:** Saturday and Sundays and Bank Holidays