PUBLIC ANNOUNCEMENT FOR THE ATTENTION OF THE SHAREHOLDERS OF SSI LIMITED ("SSIL"/"TARGET COMPANY")

Registered Office : 34 (New), Thirumalai Road, T. Nagar, Chennai – 600 017

This Public Announcement ("PA") is being issued by Karvy Investor Services Limited ("Karvy" or the "Manager to the Offer") on behalf of Mr.Kalpathi S.Aghoram, Mr.Kalpathi S.Ganesh and Mr.Kalpathi S.Suresh, (hereinafter referred to as "the Acquirers"), pursuant to Regulation 11(1) and other provisions of Chapter III of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto ("the Regulations").

1. Background to the Offer

1.1 The Board of Directors of the Target Company has issued and allotted on preferential basis 42,48,000 fully paid-up equity shares of Rs.10/- each of the Target Company for cash at a price of Rs. 40/- per share including premium of Rs.30/- aggregating to Rs.16,99,20,000 & 8,73,000 Warrants ("Warrants") convertible at the option of the holder into equity shares of Rs.10/- each at the rate of 1 equity share for every warrant at a price of Rs.40/- per warrant including premium of Rs.30/- ("Preferential Issue") aggregating to Rs.3,49,20,000/- to the Acquirers in accordance with the Guidelines for Preferential Issues of SEBI (Disclosure and Investor Protection) Guidelines, 2000 and the subsequent amendments thereto ("Guidelines").

The Preferential Issue has been duly authorised by a resolution passed by the Board of Directors of the Target Company at its meeting held on 22 July, 2005 and by the special resolution under section 81(1A) of the Companies Act, 1956 and other applicable provisions, passed by the shareholders of the Target Company at the Extraordinary General Meeting ("EGM") held on 17 August, 2005 authorising the Board of Directors of the Target Company to issue and allot the above equity shares and Warrants.

Pursuant to the subscription money received from the Acquirers, the Board of Directors of the Target Company allotted 42,48,000 fully paid-up equity shares & 8,73,000 Warrants to the Acquirers on 31 August, 2005. The said equity shares & warrants will be subject to "lock-in" as per the Guidelines. The Acquirers on 31 August, 2005 had paid an amount of Rs.4/ - per warrant as an advance towards the Warrant Price aggregating to Rs.34,92,000 as prescribed under Section 13.1.2.3 of Chapter XIII of SEBI (Disclosure and Investor Protection) Guidelines, 2000. The Warrants are exercisable at any time within a period of 18 months, from the date of allotment of the Warrants.

1.2 Pursuant to Regulation 11(1) of the Regulations consequent to the Preferential Issue referred to in clause 1.1, on account of consolidation of the holdings, the Acquirers are required to make an offer to the shareholders of the Target Company to acquire their shares by making a PA in terms of the Regulations.

1.3 Prior to the aforementioned Preferential Issue the Acquirers held 35,74,637 shares forming 26.54% of the equity share capital of the Target Company. Upon the allotment of the said 42,48,000 equity shares, the Acquirers hold 78,22,637 equity shares forming 44.16% of the post preferential fully paid-up equity share capital of the Target Company.

1.4 As on the date of this PA, the promoters of SSIL hold 79,93,487 equity shares representing 45.12% of the post preferential fully paid-up equity capital and will hold 88,66,487 shares representing 47.70% of the post preferential fully paid up equity share capital of the Target Company, assuming full conversion of warrants into equity shares of SSIL.

2. The Offer

2.1 The Acquirers are making an offer to the shareholders of SSIL to acquire 35,43,176 fully paid-up Equity Shares of Rs.10/- each of SSIL ("Equity Shares"), representing 20% of the outstanding voting equity share capital (post Preferential Issue) of SSIL, at a price of Rs. 45 per fully paid-up Equity Share (the "Offer Price") payable in cash in terms of Regulation 20 and 21 of the Regulations (the "Offer" or "Open Offer"). The Offer is in accordance with Regulation 11(1) of the Regulations, consequent to the Preferential Issue referred to in clause 1.1 above, on account of the consolidation of the holdings by the Acquirers. There are no partly paid-up shares of SSIL.

2.2 As on the date of this PA, the Acquirers hold 78,22,637 equity shares of SSIL. The Acquirers have not acquired any equity shares of SSIL during the 12 months preceding the date of this PA other than through preferential issue as stated above.

2.3 The Offer is not conditional on any minimum level of acceptance.

2.4 This is not a Competitive Bid.

2.5 The Offer is subject to the terms and condition set out herein and in the Letter of Offer ("LOO") that would be sent to the shareholders of SSIL.

2.6 This Offer is subject to receipt of the statutory approvals mentioned in clause 7 of the PA. In terms of Regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

3. The Offer Price

3.1 The Equity Shares of SSIL are listed on the National Stock Exchange of India Limited ("NSE"), the Bombay Stock Exchange Limited ("BSE"), Madras Stock Exchange Limited ("MSE") and Stock Exchange - Ahmedabad ("ASE").

3.2 The annualized trading turnover in the shares of SSIL in each of the above mentioned Stock Exchanges based on trading volume during March 2005 to August 2005 (six calendar months preceding the month in which the PA is made) is as given below:

Stock Exchange	Total no. of shares traded during 6 calendar months preceding the month in which the PA is made	Total no. of listed shares	Annualized trading turnover (as % of total listed shares)
NSE	2,31,42,706	1,34,67,880	343.67%
BSE	1,41,70,604	1,34,67,880	210.43%
MSE	Nil	1,34,67,880	Nil
ASE	Nil	1,34,67,880	Nil

(Source: www.bseindia.com & www.nseindia.com)

The Equity Shares of SSIL are frequently traded on NSE & BSE and infrequently traded on ASE & MSE within the meaning of explanation (i) to Regulation 20(5) of the Regulations.

3.3 In accordance with Regulations 20(4) and 20(5) of the Regulations, the Offer Price of Rs. 45 per share is higher than any of the following:

a. Negotiated Price under the agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights.		Not applicable
b. Highest Price paid by the Acquirers for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to 6 September, 2005. (i.e. the date of PA)		Rs.40
c. The highest of the average of the weekly high and low of the closing prices for the equity shares of SSIL for the 26 week period and the average of the daily high and low prices of the equity shares during the 2 week period at NSE prior to 22 July, 2005 i.e. the date of the Board Resolution authorizing the Preferential Issue.		Rs.43.40
d. Other Parameters	As certified by M/s.CNGSN & Associates, statutory auditors of SSIL	
	Unaudited 9 month financials (period ended 30 June, 2005)	Audited 12 month financials (year ended 30 September, 2004)
Return on Networth (%)	Negative	Negative
Book Value per share (Rs.)	84.69	87.96
Earnings Per Share (Rs.)	Negative	Negative
Price/Earnings Ratio	Since EPS is negative PE multiple is not applicable. The Twelve month trailing PE of the Computer Education Industry is 27.6. (Source: Capital Market Volume XX / 12 dated August 15 – August 28 2005).	

Mr. S. Neelakantan of M/S. CNGSN & Associates, Chartered Accountants, (Membership No.28656) have vide their report dated 23 August, 2005 stated that based on the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employees Union Vs Hindustan Lever Limited, 1995, (83 Com case 30) the Value Per Share would be Rs. 36.36 per share, considering the pre preferential Net Asset Value of SSIL of Rs. 84.69, the Earning Based Value Per Share (PECV) of Rs.5.15 and Average Market Price of Rs.43.40 for the 2 weeks prior to 22 July, 2005. In view of the above, the Offer Price of Rs. 45 per share offered by the Acquirers to the shareholders of SSIL under the proposed Open Offer is justified in terms of Regulations 20(4) and 20(5) of the Regulations.

4. Information on Acquirers

4.1. Mr. Kalpathi S. Aghoram, aged 46 years, residing at New No.42, Old No.147/2, Habibullah Road, T.Nagar, Chennai 600 017, Tel No: +91 44 2822 3540, is a Commerce Graduate from the University of Madras. He has a working experience of almost 23 years and has been on the Board of Directors of SSIL since inception in 1991. His particular strengths are project financing, corporate financial management, taxation, auditing, and resource mobilization, including handling public issues.

Prior to the Preferential issue as mentioned in clause 1.1 he held 11,86,125 Equity Shares of Rs.10/- each representing 8.81% of the total paid up share capital of SSIL. After the preferential allotment he is holding 26,02,125 Equity Shares of Rs.10/- each representing 14.69% of the total paid up share capital of SSIL.

Mr.S.Neelakantan of M/s.CNGSN & Associates, Chartered Accountants (Membership No.28656) has certified vide certificate dated 23 August, 2005 that the networth of Mr. Kalpathi S. Aghoram as on 30 June, 2005 was Rs.3615.69 lakhs.

He is a member of the Board of the following listed companies: SSIL and Aptech Limited.

4.2 Mr. Kalpathi S.Ganesh, aged 42 years, residing at New No.42, Old No.147/2, Habibullah Road, T.Nagar, Chennai 600 017. Tel No: +91 44 2822 3540, has a bachelor's degree in electronics and computer engineering from Anna University, an AMIE (Associate Member of the Institute of Engineers) and a masters from BITS Pilani. He has been on the Board of Directors of SSIL since its inception in the year 1991. He has previously worked in customer support functions with International Software India Ltd and Sterling Computers, and later was a freelance software developer. He has around 20 years of experience.

Prior to the Preferential issue as mentioned in clause 1.1 he held 11,97,837 Equity Shares of Rs.10/- each representing 8.89% of the total paid up share capital of SSIL. After the preferential allotment he is holding 26,13,837 Equity Shares of Rs.10/- each representing 14.75% of the total paid up share capital of SSIL.

Mr.S.Neelakantan of M/s.CNGSN & Associates, Chartered Accountants (Membership No.28656) has certified vide certificate dated 23 August, 2005 that the networth of Mr.Kalpathi S.Ganesh as on 30 June, 2005 was Rs.3641.63 lakhs.

He is a member of the Board of the following listed companies: SSIL and Aptech Limited.

4.3 Mr. Kalpathi S. Suresh aged 40 years, residing at New No.42, Old No.147/2, Habibullah Road, T.Nagar, Chennai 600 017. Tel No: +91 44 2822 3540, co-founded SSIL in 1991 and has been instrumental in growing SSIL from an IT training provider in Chennai to a global provider of consulting and software services. He has a bachelor's degree in electronics and computer engineering from the Indian Institute of Technology, Madras, and a masters from Clemson University, South Carolina. He has been in the industry for around 18 years and has previously worked with Siemens and HCL in India, and with Sybase (through HCL) in USA. Mr. Kalpathi S. Suresh is a fitness enthusiast and a marathon runner.

Prior to the Preferential issue as mentioned in clause 1.1 he held 11,90,675 Equity Shares of Rs.10/- each representing 8.81% of the total paid up share capital of SSIL. After the preferential allotment he is holding 26,06,675 Equity Shares of Rs.10/- each representing 14.71% of the total paid up share capital of SSIL.

Mr.S.Neelakantan of M/s.CNGSN & Associates, Chartered Accountants (Membership No.28656) has certified vide certificate dated 23 August, 2005 that the networth of Mr.Kalpathi S. Suresh as on 30 June, 2005 was Rs.3600.46 lakhs.

He is a member of the Board of the following listed companies: SSIL and Aptech Limited.

4.4 All the Acquirers are brothers and are also the promoters of SSIL.

4.5 The Acquirers have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

5. Information on The Target Company ("SSI Limited/SSIL")

5.1 SSIL was incorporated as "Software Solution Integrated Private Limited" on 1 January, 1991 and is having its registered office at 34 (New), Thirumalai Road, T.Nagar, Chennai – 600 017, Tel. No: +91 44 2834 1288, Fax : +91 44 2834 0047. It was converted into a Public Limited Company, "Software Solution Integrated Limited" with effect from 10 May, 1994 and was subsequently renamed as "SSI Limited" with effect from 6 January, 1999.

SSIL started its business by offering IT training in emerging software technologies. In 1999, an IT services division was started to offer software services mainly in financial services and government services. SSIL acquired a controlling stake of 27.13% in Aptech Limited, Mumbai, through a Share Purchase Agreement dated 10 February, 2003 and subsequently 20.32% on 16 June, 2003 through an Open Offer. On 18 June, 2003, SSIL entered into a business purchase agreement with Aptech Limited for transferring its IT Education and Training business. The IT services business of SSIL was transferred to Scandent Network Private Limited (Now Scandent Solutions Corporation Limited) pursuant to a scheme of arrangement under Section 391 of the Companies Act, 1956, approved by the High Court of Madras on 22 September, 2004. On 20 May, 2005, SSIL sold 10.15% of its controlling stake in M/s. Aptech Limited in the Secondary Market and on 15 July, 2005 it further sold 10.00% of its stake to M/s. Aptech Investments through a share purchase agreement.

The present Directors of SSIL are Mr.Kalpathi S.Suresh, Chairman & CEO, Mr.Kalpathi S.Aghoram, Vice Chairman and Managing Director, Mr.Kalpathi S.Ganesh, Mr.D.V.Narasinga Rao, Mr.R.Manoharan, Mr.N.S.Kumar, Mr.R.Nagarajan and Mr.T.N.C.Varahan.

5.2 The authorised capital of SSIL as on the date of this PA comprises of 5,00,00,000 equity shares of Rs.10/- each aggregating to Rs.50,00,00,000. The issued, subscribed and paid-up share capital of SSIL as at the date of this PA pursuant to the Preferential Issue comprises of 1,77,15,880 fully paid-up Equity Shares of Rs.10/- each. There are no partly paid-up Equity Shares of SSIL as at the date of this PA. Other than the Warrants mentioned in clause 1.1, there are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc., which are convertible into equity at any later date. There are no shares under lock-in period other those mentioned in clause 1.1.

5.3 The Equity Shares of SSIL are listed and are frequently traded on BSE & NSE and infrequently traded on ASE & MSE. The last traded price as on 2 September, 2005 on NSE was Rs.73.45 with a volume of 223363 equity shares and on BSE was Rs.73.75 with a volume of 129652 equity shares.

5.4 As per the audited standalone financial results for the year ended 30 September, 2004, SSIL has reported a Total Income of Rs.4481.64 lakhs and a loss of Rs.4342.30 lakhs. As per the un-audited financials on a stand-alone basis for the nine month period ended 30 June, 2005, as certified by M/s.CNGSN & Associates, the statutory auditors, SSIL has reported a total income of Rs.140.01 lakhs and a loss of Rs 441.17 lakhs. As on 30 September, 2004 the paid up equity share capital, Networth (excluding revaluation reserves) and the book value per share were Rs.1346.79 lakhs, Rs.11846.43 lakhs and Rs.87.96 respectively. As on 30 June, 2005 the paid up equity share capital, Networth (excluding revaluation reserves) and the book value per share were Rs.1346.79 lakhs, Rs.11405.93 lakhs and Rs.84.69 respectively.

5.5 SSIL has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other Regulation made under the SEBI Act.

6. Reason for Acquisition and Offer

6.1 Presently the Acquirers are in the management control of SSIL and this Offer to the shareholders of SSIL is made pursuant to Regulation 11(1) of the Regulations consequent to the Preferential Issue of equity shares to the Acquirers as explained in clause 1.1 above resulting in consolidation of their holdings in SSIL. SSIL is in the process of restructuring its operations. SSIL proposes to make strategic investments, which would help SSIL exploit short to medium term business opportunities.

6.2 To the extent required and to optimize the value to all shareholders, the Acquirers may, subject to applicable shareholders' consent, propose any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of SSIL. The Board of Directors of SSIL will take appropriate decisions in these matters. The Acquirers do not have any plan to dispose off or otherwise encumber any asset of SSIL in the next two years except in the ordinary course of business of SSIL and except to the extent mentioned above. However, the Acquirers undertake that they shall not sell, dispose off or otherwise encumber any substantial assets of SSIL except with the prior approval of the shareholders of SSIL and in accordance with and subject to applicable laws, permissions, consents, if any.

7. Statutory and Other Approvals Required for the Offer

7.1 The Offer is subject to receipt of the permission from Reserve Bank of India (RBI) under Foreign Exchange Management Act, 1999 (FEMA) to acquire equity shares tendered by Non Resident Indian ("NRI"), Overseas Corporate Bodies ("OCB") and Foreign Institutional Investors registered with SEBI ("FIIs") (jointly referred to as "Non-Resident Shareholders") in this Offer. The Acquirers will make necessary applications for the requisite approvals at an appropriate time.

7.2 As of the date of this PA, to the best of the knowledge of the Acquirers there are no other statutory approvals required to acquire the equity shares tendered pursuant to this Offer. If any other statutory approval becomes applicable prior to the completion of the Offer, the Offer would be subject to such statutory approvals. The Acquirers will not proceed with the Offer in the event that such statutory approvals are not obtained in terms of Regulation 27 of the SEBI (SAST) Regulations.

7.3 In case of delay in receipt of any approval, SEBI has the power to grant an extension of the time required for payment under the Offer provided that the Acquirers agree to pay interest in accordance with Regulation 22(12) of the SEBI (SAST) Regulations. Further, if delay occurs on account of willful default by the Acquirers in obtaining the requisite approvals, Regulation 22(13) of the SEBI (SAST) Regulations will also become applicable.

7.4 In case, RBI's approval for acquisition of equity shares from Non-Resident shareholders is unduly delayed, the Acquirers reserve the right to proceed with the payment to the resident shareholders whose Equity Shares have been accepted by the Acquirers in terms of the Offer, pending payment to Non-Resident shareholders subject to the payment instruments payable to Non-Resident shareholders being kept in the safe custody with the Registrars to the Offer.

8. Option to the Acquirer in terms of Regulation 21(3)

Assuming full acceptance, the offer would not reduce the public shareholding below the minimum limit specified in the listing agreement with the Stock Exchange for the purpose of listing on a continuous basis.

9. Financial Arrangement for the Offer

9.1 The Acquirers, have made firm financial arrangements to meet its obligations in full under the Offer. For this purpose, the Acquirers intend to utilize internal resources. No borrowings from Banks / Financial Institutions is being made for the purpose. All the funds will be domestic and no foreign funds will be utilized.

9.2 The maximum purchase consideration payable for the Offer assuming full acceptance of the Offer would be Rs.1594.43 lakhs (i.e. 35,43,176 fully paid up equity shares of SSIL at Rs.45/- per equity share).

9.3 In accordance with the provisions of Regulation 28 of the Regulations, the Acquirers have established a bank guarantee in favour of the Manager to the Offer for Rs.400.00 lakhs being more than 25% of the total consideration payable under the Offer assuming full acceptance through The State Bank of Mauritius Ltd having its office at Prince Arcade, 22-A, Cathedral Road, Chennai – 600 086. This bank guarantee shall be valid until 31 December, 2005. The Acquirers have also made a cash deposit of Rs. 15.96 lakhs (being not less than 1% of the maximum purchase consideration payable under this Offer) in a Bank account with The State Bank Of Mauritius Ltd. The Manager to the Offer is authorised to realise the value of the aforesaid Bank account.

9.4 Mr. S. Neelakantan, of M/s.CNGSN & Associates, Chartered Accountants, (Membership No.28656), "Agastyar Manor", New No.20, Old No.13, Raja Street, T.Nagar, Chennai – 600 017, Tel. No: +91 44 2431 1480, Fax No.: +91 44 2431 1485 have certified vide their certificate dated 23 August, 2005 that the Acquirers have adequate resources to meet the financial requirements of the Open Offer.

9.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the Offer in accordance with the SEBI (SAST) Regulations as firm arrangements for funds for payment through verifiable means are in place to fulfill the Offer obligations.

10. Other Terms of the Offer

10.1 The Letter of Offer ("LOO") together with the Form of Acceptance cum Acknowledgment will be mailed to the shareholders of SSIL (except the Acquirers) whose names appear on the Register of Members and to the beneficial owners of the shares of SSIL whose names appear on the beneficial records of the respective depositories at the close of the business on Friday, 23 September, 2005 (the Specified Date).

10.2 Shareholders, holding shares in physical form, will be required to send the Form of Acceptance cum Acknowledgment, Original Share Certificate (s) and Transfer Deed (s) duly signed, to the Registrar to the Offer at Data Software Research Company Private Limited, "Sree Sovereign Complex", 22, 4th Cross Street, Trustpuram, Kodambakkam, Chennai 600 024. Tel No.: +91 44 2483 3738/2483 4487/ 2480 1664. Fax: +91 44 2483 4636, E-mail: dsrcmd@vsnl.com, either by hand delivery during normal business hours, Monday to Friday 11.00 a.m. to 4.00 p.m. and on Saturdays from 11.00 am to 2.00 pm (excluding Bank Holidays) or by Registered Post on or before the close of the Offer i.e., Wednesday, 16 November, 2005 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance cum Acknowledgment.

10.3 Beneficial Owners and Shareholders holding shares in the dematerialized form, will be required to send their Form of Acceptance cum Acknowledgment to the Registrar to the Offer either by hand delivery during normal business hours or by Registered Post on or before the close of the offer i.e., Wednesday, 16 November, 2005 along with photocopy of the delivery instructions in "Off Market" mode or counterfoil of the delivery instruction in "Off Market" mode, duly acknowledged by the Depository Participant ("DP"). For further details please refer to the Letter of Offer.

10.4 All owners of shares, registered or unregistered (except the Acquirers) who own the shares at any time prior to the closure of the Offer are eligible to participate in the Offer. Unregistered owners can send their 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, Distinctive Numbers, Folio No., together with the Original Share Certificate(s), valid transfer deed(s) and a copy of the contract note issued by the broker through whom they acquired the shares. No indemnity is required from the unregistered owners.

10.5 In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance to the Registrar to the Offer, on a plain paper stating the Name, Address, No. of shares held, Distinctive Nos., Folio No., No. 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., Wednesday, 16 November, 2005 or in case of beneficial owners, they may send the application in writing to the Registrar to the Offer on a plain paper stating the Name, Address, No. of shares held, No. of Shares offered, DP Name, DP ID No., Beneficiary account number and a photocopy of the delivery instruction in "Off Market" mode, duly acknowledged by the DP, in favour of special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer i.e. Wednesday, 16 November, 2005.

10.6 The Acquirers have appointed Data Software Research Company Private Limited, as the Registrar to the Open Offer ("Registrar"). A special depository account has been opened with National Securities Depository Limited ("NSDL") styled "SSIL Escrow Account - Open Offer". The DP ID is IN300394 and Beneficiary Client ID is 15634357. Shareholders having their beneficiary account in Central Depository Services India Limited ("CDSL") have to use inter depository delivery instruction for the purpose of crediting their equity shares in favour of Special Depository Escrow Account with NSDL.

10.7 The Registrar to the Offer will hold in trust the share certificates, shares lying in credit of the special depository account, Form of Acceptance cum Acknowledgment, 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 and/ or the unaccepted shares/ share certificates are dispatched/ returned.

10.8 Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders / unregistered owners' sole risk to the sole / first shareholder. Shareholders whose shares are held in dematerialised form to the extent not accepted will be intimated by post for the non-acceptance.

10.9 In case the shares tendered in the Offer by the shareholders of SSIL are more than the shares to be acquired under the Offer the acquisition of the shares from each shareholder will be as per the provision of Regulation 21(6) of the Regulations on a proportionate basis irrespective of whether the shares are held in physical or dematerialized form.

10.10 Shares, if any, that are subject matter of litigation wherein the shareholder(s) may be precluded from transferring the shares during the pendency of the said litigation are liable to be rejected in case 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, would be forwarded to the concerned statutory authorities for further action at their end.

10.11The consideration for the shares accepted by the Acquirers will be paid by crossed account payee cheques/ demand drafts. Such payments and documents, in case of unaccepted shares will be returned by registered post/ speed post at the shareholders / unregistered owners' sole risk. Shares held in dematerialised form to the extent not accepted will be credited back to the account of beneficial owner specified in the acceptance form.

Communication of acceptance/ rejection and the payment of consideration for the accepted shares will be made by the Acquirers in cash through cheque/ demand draft to the shareholders of accepted shares within 30 days from the date of the closure of the Offer.

10.12 In terms of Regulation 22(5A), shareholders shall have the option to withdraw acceptance tendered upto three working days prior to the date of closure of the Offer by submitting the documents as specified below, so as to reach the Registrar to the Offer. The withdrawal can be exercised by submitting the Form of Withdrawal enclosed with Letter of Offer. In case of non-receipt of form of withdrawal, the withdrawal can be exercised by making plain paper application along with the following details:

In case of physical shares: Name, address, distinctive numbers, folio nos., number of shares tendered/withdrawn.

In case of dematerialized shares: Name, address, number of shares tendered / withdrawn, DP name, DP ID, Beneficiary account no. and a photocopy of 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 Depository Escrow Account.

10.13 Eligible persons to the Offer may also download a copy of the Letter of Offer, Form of Acceptance cum Acknowledgment and Form of Withdrawal, which will be available on SEBI's website at http://www.sebi.gov.in from the Offer opening date i.e., Friday, 28 October, 2005 and apply in the same.

10.14 Shareholders who have sent their shares for demat need to ensure that the process of getting shares demated is completed well in time so that the credit in the Escrow Account should be received on or before the date of closure of the Offer, i.e Wednesday, 16 November, 2005 else the application would be rejected.

10.15 The shares withdrawn by the shareholders, if any would be returned by registered post, in case of physical shares.

10.16 The Acquirers undertake to pay interest pursuant to Regulation 22(12) to the shareholders for the delay, if any, in payment of consideration.

10.17 While tendering shares under the Offer, NRI/OCBs/foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by Acquirers under the Income Tax Act, 1961, before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, Acquirers will arrange to deduct tax at the rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

10.18 A schedule of some of the key events in respect of the Offer is given below:

ACTIVITY	DATE
Public Announcement	Tuesday, 6 September, 2005
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Friday, 23 September, 2005
Last Date for a Competitive Bid	Tuesday, 27 September, 2005
Date by which Letter of Offer will be posted to shareholders	Wednesday, 19 October, 2005
Date of Opening of the Offer	Friday, 28 October, 2005
Last date for revising the Offer Price	Friday, 4 November, 2005
Last date of withdrawal of tendered application by the shareholders of SSIL	Thursday, 10 November, 2005
Date of Closing of Offer	Wednesday, 16 November, 2005
Date by which acceptance / rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted Equity Shares / Share Certificate(s) will be dispatched / credited.	Thursday, 1 December, 2005.

11. General

11.1 In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations, the shareholders of SSIL who have accepted the Offer by tendering the requisite documents in terms of the PA/ Letter of Offer can withdraw the same up to three working days prior to the date of closure of the Offer.

11.2 If there is any upward revision in the Offer Price by the Acquirers before the last date of revision or withdrawal of the Offer, the same would be informed by way of a PA in the same newspapers in which the original PA had appeared. Such revised price would be payable to all the shareholders who have tendered their shares at any time during the Offer and which has been accepted under the Offer.

11.3 If there is a competitive bid:

a. The public offers under all the subsisting bids shall close on the same date.

b. As the Offer Price cannot be revised during the seven working days prior to the closing date of the offers/bids, it would, therefore, be in the interest of shareholders to wait until the commencement of that period to know the final offer price of each bid and tender their acceptances accordingly.

11.4 The Acquirers and SSIL have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or any other Regulation made under the SEBI Act.

11.5 Pursuant to Regulation 13 of the SEBI (SAST) Regulations, the Acquirers have appointed Karvy Investor Services Limited as Manager to the Offer and Data Software Research Company Private Limited as Registrars to the Offer.

11.6 For further details please refer to the Letter of Offer, the Form of Acceptance and the Form of Withdrawal.

11.7 The Acquirers accept full responsibility for the information contained in this PA and also for their obligations as laid down in the SEBI (SAST) Regulations. The Acquirers are jointly and severally responsible for each of their obligations in terms of the SEBI (SAST) Regulations.

Eligible persons to the Offer may also download a copy of this PA from SEBI's website at www.sebi.gov.in

Eligible persons to the Offer may also download a copy of Letter of Offer, Form of Acceptance and the Form of Withdrawal which will be available on SEBI's website at www.sebi.gov.in from the date of Opening of the Offer, i.e, Friday, 28 October, 2005 and can apply on the same.

Issued by,

Manager to the Offer

KARVY INVESTOR SERVICES LIMITED
"Karvy House", 46, Avenue 4, Street No. 1, Banjara Hills,
Hyderabad – 500 034
Tel: +91 40 2337 4714/2332 0752 Fax: +91 40 2337 4714
e-mail: mbd@karvy.com. Website: www.karvy.com
Contact person: Mr.T.R.Prashanth Kumar

Registrar to the Offer :

DATA SOFTWARE RESEARCH CO. PVT. LTD.,
"Sree Sovereign Complex", 22, 4th Cross Street, Trustpuram,
Kodambakkam, Chennai - 600 024.
Tel.: +91 44 2483 3738 / 2483 4487 / 2480 1664;
Fax: +91 44 2483 4636 Email: dsrcmd@vsnl.com
Contact Person: Mr.H.Krishnamoorthy

Place : Chennai
Date : 5 September, 2005

On behalf of Acquirers :
Mr. Kalpathi S.Aghoram,
Mr.Kalpathi S.Ganesh & Mr.Kalpathi S.Suresh