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 Telephoto Entertainments Limited **("TEL / "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, 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 31.50/- (Rupees thirty one and fifty paise) PER FULLY PAID UP EQUITY SHARE OF Rs 10 EACH (the **"Offer Price"**)

Pursuant to Regulation 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 **15,27,323** fully paid up Equity Shares of face value Rs 10/- each, representing 20% of the Emerging Voting Capital **("Offer")**

OF

Telephoto Entertainments Limited

having its registered office at

1/1 Yogambal Street, T.Nagar, Chennai 600 017, Tel: 044 28155697, Fax: 044 28340047

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 23320104

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 23320104

And

Platex Limited ("Platex")

having its registered office at

10 Frere Felix de Valois Street, Port Louis, Mauritius, Tel : +230 2029932, Fax : +230 2125265

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 **JM Financial Consultants Private Limited** 141,Maker Chamber III Nariman Point Mumbai 400 021 Tel: +91 22 6630 3030 Fax: +91 22 2204 7185 Email:telephoto@jmfinancial.in Contact Person: **Poonam Karande**	MAPE Advisory Group ADVISORY FOR GROWTH **MAPE Advisory Group Private Limited** #7C, 7th Floor, PM Towers 37, Greams Road Chennai 600 006 Tel: +91 044 2829 5377/8 Email: vikram@mapegroup.com Contact Person: **Vikram Kankaria**	CAMEO **Cameo Corporate Services Limited** Subramanian Building, No 1,Club House Road, Chennai 600 002, India. Tel: +91 044 28460390/91/92/93/94 Fax: +91 044 2846 0129 Email: pvpventures@cameoindia.com 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 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 Offer 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 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.

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

Shareholders of the Target Company 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 (Friday)). If there is any upward revision in the Offer Price by Acquirer until the last date of revision i.e., by August 9, 2007 (Friday) 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 any time 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 / number of shares	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, 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

Risks 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 an indirect acquisition of control of the Target Company which may also be regarded as an indirect acquisition of Shares of the Target Company which are held by SSI Limited, the holding company 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 of SSI Limited, the Holding Company of the Target Company. This Offer is for an indirect acquisition of control of the Target Company whch may also be regarded as an indirect acquisition of shares of the Target Company which are held by SSI Limited, the Holding Company of the Targert Company, and it is made in accordance with Regulation 10 and 12 of the SEBI (SAST) Regulations. 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.

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

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DEFINITIONS

Acquirer	PVP Enterprises Private Limited
Acquirer Group	Acquirer and PAC's 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
DPAC	Deemed Person Acting in Concert, being SSI Limited
Escrow Agreement	Escrow Agreement dated February 25, 2007 entered into between the Sellers, the Acquirer and the Escrow Agent which sets out the mechanism for completing the transfer of the Purchase Shares of SSI Limited 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 payable to the Seller upon completion of the Acquirer's obligations under the SEBI (SAST) Regulations in respect of the offer made by the Acquirer to the shareholders of SSI Limited.
Escrow Agent	IDBI Trusteeship Services Limited
Emerging Voting Capital	As of the date of this Public Announcement, the Target Company has 61,36,611 outstanding equity shares of face value Rs 10 each and 15,00,000 outstanding warrants which, when converted would result in an increase in the equity share capital of the Target Company to 76,36,611 equity shares. As per information currently available, the warrants can be exercised prior to 15 days after the closure of the Offer, and if these warrants as aforesaid are exercised, it would result in the equity capital of the Target Company increasing to 76,36,611 equity shares as on September 6, 2007 i.e. 15 days post closure of the Offer. The warrants have not been exercised upto the date of this Letter of Offer.
Existing Holding	78,14,315 Shares of SSI Limited 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 SSI Limited, through an off market trade constituting 13.5% of the paid up share capital of SSI Limited 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	Offer to acquire up to 15,27,323 Shares being 20% of the Emerging Voting Capital of the Target Company at a price of Rs. 31.50 per fully paid up equity share, payable in cash in accordance with the SEBI (SAST) Regulations.
Offer Price	Rs 31.50 per Share of Rs 10 each
PAC/Persons Acting in Concert	Platex, PVP Ventures Private Limited and Mr. Prasad V. Potluri collectively.
Platex	Platex Limited
PVP	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 Telephoto Entertainments Limited anytime before the closure of the Offer except SSI Limited and parties to the Share Purchase Agreement
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 SSI Limited constituting 37.5% of the paid up share capital of SSI Limited
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 Telephoto Entertainments Limited
Shareholders	All owners 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
SSI Limited	SSI Limited, a company incorporated under the Act and having its registered office at 34 (New), Thirumalai Road, T. Nagar, Chennai 600 017, which is the holding company of the Target Company holding as on the date hereof, 54.64% of the total equity capital. SSI Limited is not eligible to participate in the Open Offer of the Target Company.
Sellers	Mr K.S.Suresh, Mr. K.S.Aghoram and Mr. K.S.Ganesh. The Sellers are not eligible to participate in the Open Offer.
TEL / Target Company	Telephoto Entertainments Limited
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 TEL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILTY 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 DISCHARGE 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 AQUIRER 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 This Offer is being made by Acquirer to the public shareholders of the Target Company to acquire up to 15,27,323 Shares being 20% of the Emerging Voting Capital of the Target Company

3.1.2 On February 25, 2007, the Acquirer has executed the Share Purchase Agreement with the Sellers to acquire the Purchase Shares being 37.5% of the paid up share capital of SSI Limited, at a price of Rs.208 per share for a total consideration of Rs 451,49,37,856 payable in cash ("Negotiated Price"). By reason of the execution of the Share Purchase Agreement, the Acquirer has issued a separate public announcement and Letter of Offer to the shareholders of SSI Limited pursuant to Regulations 10, Regulation 12 and other applicable provisions of the SEBI (SAST) Regulations. In the event of non purchase of 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 Crore made to the existing promoter on non completion of the acquisition as contemplated in the SPA.

3.1.3 Since the Target Company is a subsidiary of SSI Limited (SSI Limited holds 54.64% of the total equity capital), the acquisition of Purchase Shares by the Acquirer in SSI Limited results in an indirect acquisition of control of the Target Company which could also be regarded as an indirect acquisition of Shares in the Target Company which are held by SSI Limited. This Offer is being made under Regulations 10 and 12 of the SEBI (SAST) Regulations pursuant to such indirect acquisition of control of the Target Company. This Offer is being made at a price of Rs. 31.50 per fully paid up Share (the **"Offer Price"**), payable in cash in accordance with the SEBI (SAST) Regulations and subject to the terms and conditions mentioned hereinafter (the **"Offer"** or **"Open Offer"**).

3.1.4 The Acquirer and the PAC do not directly hold any Shares in the Target Company as of the date of this Public Announcement, whether by virtue of the Share Purchase Agreement or otherwise. Upon completion of the Offer, assuming full acceptances, the Acquirer will directly hold 20% of the Emerging Voting Capital of the Target Company. The Manager to the Offer does not hold any Shares of the Target Company as on the date of this Public Announcement.

3.1.5 Since SSI Limited, the holding company of the Target Company, is itself the subject matter of acquisition by the Acquirer due to which this consequential offer is being made, SSI Limited may be deemed to acting in concert with the Acquirer **("DPAC")** for the purpose of this Offer.

3.1.6 On February 25, 2007, the Acquirer has executed the Share Purchase Agreement with the Sellers to acquire the Purchase Shares being 37.5% of the paid up share capital of SSI Limited, at a price of Rs.208 per share for a total consideration of Rs 451,49,37,856 payable in cash ("Negotiated Price"). The Sellers are Mr. Kalpathi S Ganesh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740, Kalpathi S Suresh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740, and Mr. Kalpathi S Aghoram residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740. As on date of the Public Announcement, Mr. Kalpathi S Ganesh holds 13,620,461 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 being 10.01%

of the the total capital of SSI Limited. The Salient features of the Share Purchase Agreement executed by the Acquirer for acquiring the Purchase Shares in SSI Limited which results in an indirect acquisition of control of the Target Company are inter alia as follows:

- 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 SSI Limited shall be reconstituted by appointment of the Acquirer's nominees to the Board as directors of SSI Limited either at a board meeting or, if necessary, at an extraordinary general meeting of the Shareholders of SSI Limited.
- The Share Purchase Agreement provides that within 6 months from 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 SSI Limited 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 SSI Limited, 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 insure that the Sellers who have given their personal guarantees to secure the indebtedness and/or obligations of SSI Limited 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 SSI Limited upon completion of the Offer and the Sellers shall thereupon cease to be the Promoters of SSI Limited
- 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. SSI Limited and each of its subsidiaries manages or conduct its business or affairs in its ordinary course of business;
    2. SSI Limited and each of its subsidiaries do not amend its memorandum and articles of association or certificate of incorporation;
    3. SSI Limited 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. SSI Limited and each of its subsidiaries does not declare any dividend to the shareholders
    5. SSI Limited and each of its subsidiaries does not take any important or material decision having a material adverse effect on them and their business
    6. Each of the subsidiaries of SSI Limited shall maintain their shareholding as it is on the date of the Share Purchase Agreement
    7. SSI Limited 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. SSI Limited 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)

3.1.7 A Facility Agreement ("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.

3.1.8 Salient Features of the Facility Agreement entered into by Platex are as follows:

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 USD 25 million option) for the acquisition of the Shares of SSI Limited.

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 SSI Limited'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 SSI Limited (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.

3.1.9 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 there under.

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 This Offer is being made by Acquirer to the public shareholders of the Target Company to acquire up to 15,27,323 Shares being 20% of the Emerging Voting Capital of the Target Company. This Offer is being made pursuant to Regulations 10 and 12 of the SEBI (SAST) Regulations, consequent upon the acquisition of the Purchase Shares by the Acquirer in SSI Limited. Since the Target Company is a subsidiary of SSI Limited (SSI Limited holds 54.64% of the total equity capital), the acquisition of Purchase Shares by the Acquirer in SSI Limited results in an indirect acquisition of control of the Target Company which could also be regarded as an indirect acquisition of shares in the Target Company which are held by SSI Limited.

3.2.3 As of the date of the Public Announcement, the Target Company has 61,36,611 outstanding Shares of face value Rs 10 each and 15,00,000 outstanding warrants. As per information currently available, the warrants can be exercised prior to 15 days after the closure of the Offer, and if these warrants as aforesaid are exercised, it would result in the equity capital of the Target Company increasing to 76,36,611 Shares ("Emerging Voting Capital"). The warrants were issued on January 13, 2006. The warrants have not been exercised upto the date of this Letter of Offer. The reasons for the issuance of warrants was to generate long term resources for implementing future growth plans and strengthen the financial position of the Target Company. The aforesaid warrants were issued subsequent to the restructuring scheme which was approved by the High Court of Madras. The warrants were not issued under any scheme approved by the High Court of Madras. There are no partly paid up shares or other instruments convertible into Shares of the Target Company at a future date.

3.2.4 The Offer size as a percentage of the Emerging Voting Capital has been computed assuming that the 15,00,000 outstanding warrants (as detailed in paragraph 3.2.3 above) will be converted into Shares of the Target Company as on September 6, 2007, being the date which is 15 days from the date of closure of the Offer

3.2.5 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 15,27,323 Shares (representing 20% of the Emerging Voting Capital as on September 6, 2007 which is the date which is 15 days from the date of closure of the Offer).

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

3.2.7 This Offer is not conditional on any minimum level of acceptance by the Shareholders

3.2.8 Save and as disclosed in this Letter of Offer the Acquirer Group/DPACs has not made any further acquisitions in the Target Company.

3.3 Objects of the acquisition/Offer and future plans

3.3.1 The Offer 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 by the Acquirer in SSI Limited results in an indirect change in control of the Target Company and could also be regarded as an indirect acquisition of shares and voting rights in the Target Company which are held by SSI Limited. The Acquirer is a Hyderabad based real estate company. SSI Limited owns real estate assets in Chennai and is also engaged in the hospitality business in Ooty. The acquisition of SSI Limited would therefore also give the Acquirer an opportunity to synergize the business of the two companies.

3.3.2 As on date of the Public Announcement, Acquirer group does not have any plan 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 It will be for the Board of Directors of the Target Company to take appropriate decision 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.

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. However, in accordance with Regulation 22(7) of the SEBI (SAST) Regulations, the Acquirer will not be appointing any directors on the Board of Directors of the Target Company during the Offer period.

3.3.3 The Offer is for an indirect acquisition of control of the Target Company consequent upon the execution of the Share Purchase Agreement by the Acquirer to acquire the Purchase Shares of SSI Limited, the holding company of the Target Company, from the Sellers.

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 ("Act") 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. PVP Enterprises 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.

4.1.2 The Acquirer is a 100% subsidiary of PVP Ventures Private Limited, one of the PACs, which is also the Promoter/ persons 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 equity share. Since the Acquirer was incorporated only on November 20, 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 regard to the Offer/ acquisition of 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 The Acquirer does not directly hold any Shares in the Target Company. However, the Acquirer has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations with respect to the indirect acquisition of control of the Target Company consequent upon the execution of the Share Purchase Agreement by the Acquirer to acquire the Purchase Shares of SSI Limited, the holding company of the Target Company, from the Sellers

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. Shareholding Pattern of the Acquirer as on February 27, 2007:

No	Shareholder's Category	No of Equity Shares 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 Please find below the names, residential addresses, experience and qualifications of the Board of Directors of the Acquirer. 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. Prasad V. Potluri	Director 20.11.2006	15 years of Entreprene-urship experience	BME, MES	Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500 033
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-500 033

Name of the Director	Designation & Appointment Date	Experience	Qualification	Residential Address
Mr. Tarun Gandhi	Nominee Director 05.01.2007	22 years of experience in Financial controls, Business development and Fund Management	B. Com, FCA	28, Leonie Hills 12-04, Horizon Towers West, Singapore 239228
Mr. M. Ramprasad	Director 20.02.2007	18 years of experience in Mergers & Acquisitions and Capital Markets	MBA	New No. 7, Karpagam Gardens, 3rd Cross Street, Adyar, Chennai-600 020

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 4 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: 040 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 equity share. Since PVP Ventures was incorporated only on September 4, 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 pending against PVP Ventures Private 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.

Please find below the shareholding pattern of PVP Ventures before it was held 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 Private Limited 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. Shareholding Pattern of PVP Ventures as on February 27, 2007:

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	80.00%
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, residential addresses, experience and qualifications of Board of Directors of PVP Ventures. 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. 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. History	Plot No. 1277, Road No. 63A, Jubilee Hills, Hyderabad-500033
Mr. Tarun Gandhi	Nominee Director 05.01.2007	22 Years of experience in Financial controls, Business development and Fund Management	B. Com, FCA	28, Leonie Hills12-04, Horizon Towers West, Singapore 239228
Mr. R. Ramaraj	Director 20.02.2007	34 years of experience in Sales, Marketing and General Management	B.Tech (Chemicals), PGM (IIMC)	1-D, Aum Apartments, 26, Kothari Road Nungambakkam Chennai-600 034
Mr. M. Ram Prasad	Director 20.02.2007	18 years of 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 08, 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 shares 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 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 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 was incorporated as an investment holding company for 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 given in Section 4.2 and 4.1 of this Letter of Offer.

4.3.5 Provisions of Chapter II of the SEBI (SAST) Regulations are not applicable to Platex, 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. Shareholding Pattern of Platex as on February 27, 2007,

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 Accountant	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 Entrepreneurship 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 $ = 44.16INR, 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 only incorporated on October 26, 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.strial 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 Limtied 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 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 company and he along with PACs does not hold a controlling stake in any listed company

4.4.9 As on date of the Public Announcement 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 are as follows

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, – 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	539.80	138.20	174.80
Net Asset Value (Networth / Total Shares Outstanding)	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 SSI Limited – Deemed Persons Acting in Concert ("DPAC")

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

4.5.2 SSI Limited 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. The Target Company and its subsidiaries owns 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.

4.5.3 The Promoters of SSI Limited are Mr. Kalpathi S Ganesh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740, Mr. Kalpathi S Suresh residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740, Mr. Kalpathi S Aghoram residing at 42 Habibullah Road, T Nagar, Chennai – 600 017. Tel No: 044 28343740 and Mr. D.V. Narasingarao residing at No. 12, Kanniah Street, T. Nagar, Chennai 600 017, Tel. No. 044 28342024.

4.5.4 As on the date of this Letter of Offer, the Acquirer holds 78,14,315 shares of SSI Limited constituting 13.5% of the paid up share capital of SSI Limited. The Acquirer has also executed a Share Purchase Agreement on February 25, 2007 to acquire 2,17,06,432 equity shares of Rs. 10 each which constitutes 37.5% of the paid up share capital of SSI Limited at a price of Rs.208 per Share for a total consideration of Rs 451,49,37,856 in cash (**"Negotiated Price"**). The salient features of the said Share Purchase Agreement have been given in Paragraph 3.1.6 of this Letter of Offer. Consequent to the aforementioned acquisition of shares and control of SSI Limited by the Acquirer, the Acquirer has also made an open offer to the shareholders of SSI Limited pursuant to and in terms of Regulation 10 and 12 of the SEBI (SAST) Regulations for acquiring upto 1,15,76,764 equity shares of SSI Limited which constitutes 20% of the issued and paid up voting capital of SSI Limited computed in accordance with the SEBI (SAST) Regulations.

4.5.5 Please find below the details of the applicable provisions of Chapter II of SEBI (SAST) Regulations by SSI Limited as on the date of the Public Announcement

Sl. No.	Regulation / Sub regulation	Due Date for compliance as mentioned in the Regulation	Actual date of Compliance	Delay, if any (in no. of days) Col. 4 - Col. 3	Remarks
(1)	(2)	(3)	(4)	(5)	(6)
1	6(2)	20.05.1997	Not complied		The Company had not complied with certain requirements of Chapter II of SEBI (SAST) Regulations and has given the consent to comply with Section 15A of the SEBI Act, vide letter dated 30^{th} November 2004 with reference to the letter of SEBI Ref. No.CFD/DCR/ RC/TO/23040/04 dated 16^{th} November 2004 As on date, the Company has not received any reply from SEBI in order to regularize the disclosure as per SEBI Act.
2	6(4)	20.05.1997	Not complied		
3	8(3)	30.04.1998	Not complied		
4	8(3)	19.12.1998 (BC)	Not complied		
5	8(3)	30.04.1999	Not complied		
6	8(3)	15.12.1999 (BC)*	Not complied		
7	8(3)	30.04.2000*	Not complied		
		`			
8	8(3)	15.12.2000 (BC)*	23.05.2001	159	
9	8(3)	30.04.2001*	23.05.2001	23	
10	8(3)	08.11.2001 (BC)*	12.04.2002	159	
11	8(3)	30.04.2002 *	12.04.2002	-	
12	8(3)	30.11.2002 (BC)*	15.04.2003	136	
13	8(3)	30.04.2003 *	01.04.2004	365	
14	8(3)	22.04.2004 (BC)*	01.04.2004	-	
15	8(3)	30.04.2004	29.03.2005	364	
16	8(3)	30.04.2005	29.03.2005	-	
17	8(3)	30.04.2006	10.04.2006	-	
18	7(3)	17.06.2003	16.06.2003	-	-
19	7(3)	02.03.2007	24.02.2007	-	-
20	7(3)	04.03.2007	26.02.2007	-	-

*combined disclosure made for the year ended March 31 and for the Book Closure (BC) date for dividend.

SSI Limited 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 SSI Limited for such non compliance.

4.5.6 Shareholding Pattern as on the date of the Public Announcement

No	Shareholders category	No of Shares	% of Shares
1	Promoters	3,31,99,043	57.35%
2	Acquirer	78,14,315	13.50%
3	FIIs/Mutual Funds/FIs/Banks	85,02,139	14.69%
4	Public/Others	83,68,323	14.46%
	Total Paid Up Capital	**5,78,83,820**	**100%**

4.5.7 Please find below the details relating to the Board of Directors of SSI Limited 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.

Name of the Director	Designation & Appointment Date	Experience	Qualification	Residential Address
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, Kesavaperu-malpuram, 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.

4.5.8 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 Entrepreneurship 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 experiance in Financial controls, Business development and Fund Management	B. Com, FCA	28, Leonie Hills 12-04, Horizon Towers West, Singapore 239228
Mr. M. Ramprasad	Director 20.02.2007	18 years of experience in Mergers & Acquisitions and Capital Markets	MBA	New No. 7, Karpagam Gardens, 3rd Cross Street, Adyar, Chennai-600020

4.5.9 The Shares of SSI Limited 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.

4.5.10 The total paid up equity share capital of SSI Limited is Rs. 57,88,38,200 divided into 5,78,83,820 fully paid up shares of Rs. 10/- each. There are no partly paid up shares.

4.5.11 Based on the latest audited financial accounts of SSI Limited, the financial statements 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	-	-	3.94%
Book Value Per Share	87.96	75.43	35.39

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

In 2004, the IT services business of SSI Limited was transferred to Scandent Solutions Corporation Limited (Now Cambridge Solutions Limited). SSI Limited 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 SSI Limited is in an advanced stage of some of its projects under the said businesses which are yet to generate any income.

4.5.12 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 SSI Limited.

Name of the company	AGS Holdings Private Limited
Date of incorporation	September 16, 2003
Nature of business	Real estate company
Equity capital, reserves (excluding revaluation of reserves)	Issued, Subscribed and Paid-up Capital is Rs. 50,00,000

Financial Information for AGS Holdings Private Limited for the last three years (Amounts in Rs Lakhs, except per share data)

	FY 2004	FY 2005	FY 2006
Total Income	1218.39	1286.26	1358.47
Profit After Tax	(17.23)	24.77	125.01
Earnings Per Share	(3.46)	4.95	25.00
Net Asset Value	31.75	56.53	181.54

AGS Holdings Private Limited is not a sick industrial company.

Name of the company	AGS Hotels & Resorts Private Limited
Date of incorporation	July 29, 2004
Nature of business	Hotels & Resorts
Equity capital, reserves (excluding revaluation of reserves)	Issued, Subscribed and Paid-up Capital is Rs. 358.10 Lakhs

Financial Information for AGS Hotels & Resorts Private Limited for the last three years (Amounts in Rs Lakhs, except per share data)

	FY 2004	FY 2005	FY 2006
Total Income	-	-	119.10
Profit After Tax	-	-	(151.11)
Earnings Per Share	-	-	(4.22)
Net Asset Value	-	358.10	206.99

AGS Hotels & Resorts Private Limited is not a sick industrial company

Reasons for Nil Income from Current Main operations during the year 2004-2005 of AGS Hotels & Resorts Pvt. Ltd.

AGS Hotels & Resorts Private Limited is a 100% subsidiary of SSI Limited. AGS Hotels & Resorts Private Limited started its operation from February 2006. Hence there was no income from operations during the period 2004-05.

Name of the company	AGS Properties Development (India) Private Limited
Date of incorporation	August 13, 2004
Nature of business	Promotion and development of land and buildings
Equity capital, reserves (excluding revaluation of reserves)	Issued, Subscribed and Paid-up Capital is Rs. 3.00 Lakhs

Financial Information for AGS Properties Development (India) Private Limited for the last three years (Amounts in Rs Lakhs, except per share data)

	FY 2004	FY 2005	FY 2006
Total Income	-	-	-
Profit After Tax	-	(3.91)	(0.02)
Earnings Per Share	-	(13.04)	(0.07)
Net Asset Value	-	(0.91)	(0.93)

AGS Properties Development (India) Private Limited is not a sick industrial company

Reasons for Nil Income from Current Main operations during the year 2004-2005 of AGS PROPERTIES DEVELOPMENT (India) PVT. LTD

AGS Properties Development (India) Pvt. Ltd is a 100% subsidiary of the Target Company . AGS Properties Development (India) Pvt. Ltd is developing a multiplex which is expected to go operational during the current year. Hence there was no income from operations during the period 2004-05.

4.6 Lalith Prasad and Co, is the Statutory Auditor of the Acquirer, signing 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 the unutilized credit line 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)

4.7 As on date of the Public Announcement Acquirer Group 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. It will be for the Board of Directors of the Target Company to take appropriate decision 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, The Companies Act, 1956, and/or other applicable laws at the relevant time and will be subjectto prior approval of shareholders of the Target Company, wherever required.

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.

SSI Limited, the holding company of the Target, in addition to 48,53,114 shares also holds 15,00,000 warrants, which were issued in January 13, 2006. The reasons for the issuance of warrants was to generate long term resources for implementing future growth plans and strengthen the financial position of the Target Company. The aforesaid warrants were issued subsequent to the restructuring scheme which was approved by the High Court of MadrasThe Open Offer size has been computed on the basis of 20% of the Emerging Voting Capital (assuming exercise of warrants). Hence depending on the offer response shareholding of SSI taken along with that of the Acquirer, would be 79.35% if warrants are not exercised and 83.55% if warrants are excerised. Hence the Acquirer would require to take necessary steps to ensure that the Public Shareholding is maintained to the minimum public listing requirements in case the public holding falls to less than 25% of the Voting Capital of the Target Company pursuant to acceptance of shares under the Offer. As per the information currently avilable, the warrants have not been exercised upto the date of this Letter of Offer.

In the event the acquisition made in pursuance to the Open Offer results in the public shareholding in the Target Company being reduced below the minimum level required as per Clause 40A of the Listing Agreement, the Acquirer shall take necessary steps to facilitate compliance of the Target Company with the relevant provisions thereof, within the time period mentioned therein, in accordance with the provisions of Regulation 21(2) of he SEBI (SAST) Regulations.

6 BACKGROUND OF THE TARGET COMPANY

6.1 Telephoto Entertainments Ltd ("TEL") is a company incorporated on February 2, 2000 under the Companies Act, 1956 has its Registered and Corporate Office located at 1/1 Yogambal Street, T. Nagar, Chennai – 600 017. Tel No: 044 28155697, Fax No: 044 28340047. The Target Company does not have any other corporate office.

6.2 TEL is presently engaged in the business of making feature films as an Executive producer and the production of tele-serials on a commission basis. TEL has produced several television serials for reputed channels. TEL also has to its credit, critically acclaimed movie which was a National Award winner. TEL and its subsidiaries are also currently engaged in constructing and developing multiplexes in and around the city of Chennai and plan to expand its operations all over Tamil Nadu.

6.3 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	61,36,611	80.35%	61,36,611	80.35%
Warrants as on date of the PA (Assuming – Exercised)	15,00,000	19.65%	15,00,000	19.65%
Partly Paid Up Equity Shares	Nil	Nil	Nil	Nil
Total Paid Up Equity Shares	**76,36,611**	**100%**	**76,36,611**	**100%**

(ii) Not taking into account the Shares arising out of conversion of the Warrants

Paid Up Equity Shares of the Target Company	**No of Shares**		**Voting Rights**	
	No of Shares	**%**	**Voting Rights**	**%**
Fully Paid Up Equity Shares	61,36,611	100%	61,36,611	100%
Partly Paid Up Equity Shares	Nil	Nil	Nil	Nil
Total Paid Up Equity Shares	**61,36,611**	**100%**	**61,36,611**	**100%**

If, upon conversion of warrants allotted to SSI Limited, the SEBI (SAST) Regulations get attracted., then SSI Limited shall make a Public Announcement in terms of the SEBI (SAST) Regulations. As per the information currently available the warrants have not been exercised upto the date of this Letter of Offer.

6.4 Find below as to how the current capital structure of the Target Company has been build up since inception.

Date of Allotment	**No. of shares issued**	**Cumulative paid-up capital**	**Mode of allotment**	**Identity of Allotees (promoters/ ex-promoters/ others)**	**Status of Compliance**
23.03.2000	150	1500	Subscribers to Memorandum	Promoters	Complied
25.03.2000	3249850	32500000	Further allotment** for cash	Promoters	Complied
29.03.2000	875000	41250000	Further allotment*** for cash	Others	Complied
30.03.2000	4125000	82500000	Bonus (1 :1)	Promoters/ Others	Complied
22.07.2000	2750000	110000000	Shares allotted pursuant to IPO	Public	Complied
01.09.2005	(7863389)	—	Reduction of Capital	Share holders	Complied
01.09.2005	3136611	31366110	New shares allotted pursuant to Capital Reduction*	Share holders	Complied
13.01.2006	30,00,000	61366110	Preferential allotment to SSI Limited	Promoters	Complied

* Against every 1000 shares written off 285 fresh shares issued

** On 25.03.2000 further New shares were allotted for cash to the Subscribers to the Memorandum.

*** On 29.03.2000 further New shares were allotted for cash to other Subscribers.

6.5 As on date of the Public Announcement the trading of Shares has not been suspended either on BSE or MSE. There have been several delays by the Target Company in complying with the provisions of Chapter II of the SEBI (SAST) Regulations for which SEBI may initiate appropriate action at a later stage..

6.6 As on date of the Public Announcement there have been no instances of non-listing of some and/or all Shares of the Target Company at any Stock Exchanges

6.7 As on the date of this Public Announcement, the Target Company has 61,36,611 outstanding Shares of face value Rs 10 each and 15,00,000 outstanding warrants which, when converted would result in an increase in the equity share capital of the Target Company to 76,36,611 Shares. As per information currently available, the warrants can be exercised prior to 15 days after the closure of the Offer, and if these warrants as aforesaid are exercised, it would result in the equity capital of the Target Company increasing to 76,36,611 Shares ("Emerging Voting Capital"). The warrants were issued on January 13, 2006 and have not been exercised upto the date of this Letter of Offer.

6.8 Please find below the details of the applicable provisions of chapter II of SEBI (SAST) Regulations by the Target Company as on date of the Public Announcement

Sl. No.	Regulation / Sub-regulation	Due date for compliance as mentioned in the regulations	Actual date of compliance	Delay, if any (in no. of days) Col4-Col.3	Remarks
1	**2**	**3**	**4**	**5**	**6**
1	8(3)	30.04.2001	17.04.2001		
2	8(3)	30.04.2002	12.04.2002		
3	8(3)	30.04.2003	29.04.2003		
4	8(3)	30.04.2004	20.04.2004		
5	8(3)	30.04.2005	08.09.2005	131 days	Responded to BSE's reminder
6	8(3)	30.04.2006	06.04.2006		
7	7(3)	04.03.2007	26.02.2007		

Since there was a delay in compliance with Chapter II by SSI Limited being the Promoter of the Target Company, SEBI may initiate appropriate action at a later stage. Since there was a delay in compliance with Chapter II by the Target Company, SEBI may initiate appropriate action at a later stage.

6.9 The Target Company has duly complied with the various requirements and 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 or SEBI against TEL till date. Till date trading of Shares has not been suspended either on BSE or MSE.

6.10 As on the date of the Public Announcement, the Board of Directors of the Target Company comprises of 4 directors: Mr. R. Nagarajan (Non Executive Director), Mr. N.S. Kumar (Non Executive Director), Mr. K. Praveen Kumar (Non Executive Director), Mr. R. Rangarajan (Non Executive Director).

6.11 Names, residential addresses, experience and qualifications of Board of directors of the Target Company as on date of the Public Announcement

Name of the Director	Designation & Appointment Date	Experience	Qualification	Residential Address
R. Nagarajan	Non-executive Director 27.04.2006	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.
N.S. Kumar	Non-executive Director 27.04.2006	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
K. Praveen Kumar	Non-executive Director 27.04.2006	Over 18 years of experience in Finance and Corporate structuring	CA, ICWA	No.42, Neelakanta Mehta Street, T. Nagar, Chennai – 600 017.

Name of the Director	Designation & Appointment Date	Experience	Qualification	Residential Address
R. Rangarajan	Non-executive Director 27.04.2006	Over 20 years of experience in Banking and Finance	B.Com	Flat NO 2 D Ceebros River Heights 315 Valluvar Kottam High Road, Nungambakkam Chennai 600034

None of these directors represent the Acquirer Group.

6.12 The Share Capital of the Company was reduced from Rs.11,00,00,000 consisting of 1,10,00,000 Shares of Rs.10/- each to Rs.3,13,66,110 consisting of 31,36,611 Shares of Rs.10/- each pursuant to the provisions of sections 100 to 104 and other applicable provisions of the Companies Act, 1956. The Honorable Court of Madras approved the above proposal vide their order dated June 23, 2005. The capital reduction was given effect to from 18.7.2005, when Registrar of Companies, Tamil Nadu , took on record the Court's order and Minutes approving the Capital Reduction. There has not been any merger / de-merger or name change for TEL.

During November 2005, SSI Limited has acquired 3,50,000 equity shares from the Promoters. Further during January 2006, 30,00,000 equity shares were issued on preferential basis to SSI Limited. Further 3,114 equity shares were acquired by SSI Limited through Open Offer. After the said Preferential Issue and Open Offer, SSI Limited holds in all 33,53,114 Shares representing 54.64% of the total equity capital.

On 27th April 2006, the following changes were made in the Board of Directors;

(i) Directors resigned from the Board:

Mr. Suresh Chandra Menon
Mr. T.P. George
Mr. T. Balagopalan
Mr. Dhiresh L. Bhatia

(ii) Directors inducted into the Board:

Mr. R. Nagarajan,
Mr. N.S. Kumar
Mr. K. Praveen Kumar
Mr. R. Rangarajan

The Open Offer through which SSI Limited acquired 3,114 equity shares of Telephoto Entertainments Limited closed on February 11, 2006. Thus the changes in the Board of Directors as on April 27, 2006 are in compliance with Regulation 22(7) of the SEBI SAST Regulations.

6.13 Based on the latest audited standalone 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 March 31, 2004	Year Ending March 31, 2005	Year Ending March 31, 2006	For 6 months ended Sep. 30, 2006 (un-audited)
Income from operations	259.02	52.44	319.45	-
Other Income	105.43	0.98	2.27	2.66
Total Income	364.45	53.42	321.72	2.66
Total Expenditure	299.86	81.47	275.31	10.14
Profit before deprn interest & tax	64.59	-28.05	46.41	-7.48
Depreciation	53.77	46.09	16.42	0.19
Interest	6.19	7.66	3.36	0.00
Profit Before Tax	4.63	-81.80	26.63	-7.67
Provision for Diminution in investments	-	-	2.67	-
Provision for Tax	0.36	0.00	3.18	0.07
Profit After Tax	4.27	-81.80	20.78	-7.74

Balance Sheet Statement	Year Ending March 31, 2004	Year Ending March 31, 2005	Year Ending March 31, 2006	For 6 months ended Sep. 30, 2006 (un-audited)
Sources of funds				
Paid up share capital	1100.00	1100.00	613.66	613.66
Share Warrant Application Money			22.88	22.88
Reserves and Surplus (Excluding revaluation reserves)	25.00	25.00	182.50	182.50
Net worth	1125.00	1125.00	819.04	819.04
Secured Loans	0.00	0.00	0.00	0.00
Un-secured Loans	20.26	32.01	0.00	0.00
Total	**1145.26**	**1157.01**	**819.04**	**819.04**

Balance Sheet Statement

	Year Ending March 31, 2004	Year Ending March 31, 2005	Year Ending March 31, 2006	For 6 months ended Sep. 30, 2006 (un-audited)
Uses of funds				
Net fixed assets (including work-in progress)	89.69	22.58	2.75	0.00
Investments	2.67	2.67	3.00	3.00
Net current assets	5.33	2.39	491.03	486.04
Profit and Loss Account	1047.57	1129.37	322.26	330.00
Total	**1145.26**	**1157.01**	**819.04**	**819.04**

Other Financial Data	Year Ending March 31, 2004	Year Ending March 31, 2005	Year Ending March 31, 2006	For 6 months ended Sep. 30, 2006 (un-audited)
Dividend (%)	-	-	-	
Earning Per Share	0.04	-0.74	0.34	-0.13
Return on Networth (%)	5.51	-	4.18	-
Book Value Per Share	0.70	-0.04	8.10	7.97

6.14 Un audited (limited review) financial results are disclosed in the Letter of Offer for the 6 month period ended September 30, 2006 and the same have been certified by the Auditor of the Target Company.

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

For the year ended March 31, 2004

TEL has reported revenue of Rs. 259.02 lakhs in 2003-04 as against Rs. 210.89 lakhs in 2002-03. This increase of 22.82% can be attributed to income from production of movies, hire of its equipments to other producers, receipts from sale of exhibition rights and sale of telecast rights of serials. Due to the increase in its income and cost cutting initiatives the Target company has turned around and reported profit of Rs.4.27 lakhs in 2003-04.

For the year ended March 31, 2005

TEL reported revenue of Rs. 52.44 lakhs in 2004-05. TEL has commenced certain projects in the current year. Since revenues are realised only on completion of the projects there is a reduction of around 79.75% in revenue compared to its previous year. The decrease in revenues led to TEL incurring a loss of Rs.81.80 lakhs in 2004-05.

For the year ended March 31, 2006

TEL reported revenue of Rs.319.45 lakhs in 2005-06. The revenue represents a provisional income from ongoing projects upto September 2005. The profit of Rs.20.78 lakhs reported was after adjusting a proportionate expenses on the ongoing projects till September 2005.

6.16 The Target Company's reserves and surplus for the year 2006 have increased on account of SSI Limited having acquired 30,00,000 Shares of the Target Company during June 2005 at a price of Rs.15.25 per Share including a premium of Rs. 5.25 per Share.

6.17 The Target Company's net fixed assets in the year ending March 31, 2006 have decreased and reduced to Nil for the period ending 30th September 2006 on account of addition to normal depreciation, to account for accelerated depreciation provided for the cinematograph equipments of the Target Company which were reassessed during the year 2005-06.

6.18 The reasons for NIL income from operations as of September 2006 is that currently TEL and its subsidiaries are engaged in constructing and in construting and developing multiplexes in and around the city of Chennai and plans to expand its operations all over Tamil Nadu. The build out of the first multiplex is nearing completion and the Company is set to launch the same during this year.

6.19 Reasons for Nil Income of SSI Limited 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.

6.20 Pre and Post Offer share holding pattern of the Target Company as per the following table as on February 28, 2007.

(a) Taking into account the Shares arising upon conversion of the Warrants

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	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement, if any	—	—	—	—	—	—	—	—
b. Promoters other than (a) above (SSI Limited)	48,53,114	63.55					48,53,114	63.55
Total 1 (a+b)	**48,53,114**	**63.55**					**48,53,114**	**63.55**
(2) Acquirers								
a. Acquirer	—	—	—-	—	15,27,323	20	15,27,323	20
b. PACs								
Total 2 (a+b)	**—**	**—**	**—**	**—**	**15,27,323**	**20**	**15,27,323**	**20**
(3) Parties to agreement other than (1)(a) & (2)								
(4) Public (other than parties to agreement, acquirers, & PACs)								
a. FIs/ MFs/ Banks/	41,373	0.54						
b. Others	27,42,124	35.91						
Total (4) (a+b)	**27,83,497**	**36.45**			**(15,27,323)**	**(20)**	**12,56,174**	**16.45**
Total	**76,36,611**	**100**					**76,36,611**	**100**

Note: The % arrived at is after assuming that the entire outstanding warrants have been exercised. *The number of shareholders in the public category is 5977.*

(b) Not taking into account the Shares arising upon conversion of the Warrants

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	
	(A)		(B)		(C)		(D) = (A) + (B) + (C)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a. Parties to agreement, if any								
b. Promoters other than (a) above (SSI Limited)	33,53,114	54.64					33,53,114	54.64
Total 1 (a+b)	**33,53,114**	**54.64**					**33,53,114**	**54.64**
(2) Acquirers								
a. Acquirer	—	—	—-	—	15,27,323	24.89	15,27,323	24.89
b. PACs								
Total 2 (a+b)	**—**	**—**	**—**	**—**	**15,27,323**	**24.89**	**15,27,323**	**24.89**
(3) Parties to agreement other than (1)(a) & (2)								
(4) Public (other than parties to agreement, acquirers, & PACs)								
a. FIs/ MFs/ Banks/ SFIs	41,373	0.67						
b. Others	27,42,124	44.68						
Total (4) (a+b)	**27,83,497**	**45.35**			**(15,27,323)**	**(24.89)**	**12,56,174**	**20.47**
Total	**61,36,611**	**100**					**61,36,611**	**100**

The number of shareholders in the public category is 5977.

6.21 Find below the change in shareholding of the promoters in the Target Company as and when it happened, as on the date of the Public Announcement

SSI Limited

S. No	Date of Purchase	Date of Sale	No. of Shares	Balance
1	30-09-2005		3,50,000	3,50,000
2	13-01.2006		30,00,000	33,50,000
3	11-02-2006 (Date of closing of the open Offer)		3,114	33,53,114

The Promoters 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.

6.22 The Company has duly complied with the various requirements and Clause 49 relating to the corporate governance under the Listing Agreement with the Stock Exchanges from time to time. No penal action has been initiated by the Stock Exchanges or SEBI against TEL till date. Till date the trading of Shares has not been suspended either on BSE 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.

Mr Shivnath Sinha is the Company Secretary and Compliance Officer of the Target Company. Email: shivnath.sinha@ssiworldwide.com, Tel No: 044 28155697. The address of Mr. Shivnath is Mr. Shivnath Sinha, 1/1 Yogambal Street, T.Nagar, Chennai 600 017, Tel: 044 28155697, Fax: 28340047

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

7.1.1 The Shares of the Target Company are listed on the BSE and the MSE. Based on the information available, the Shares of the Target Company are frequently traded on the BSE within the meaning of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations

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 to total listed shares)	
BSE	10,20,510	61,36,611	33.26%	Frequently traded
MSE	No shares were traded	61,36,611	-	Infrequently traded

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

7.1.3 The Offer Price of Rs 31.50 per Share is justified in terms of Regulations 20(4) of the SEBI (SAST) Regulations as being the highest of the following

(a) Since this Public Announcement is being made pursuant to an indirect acquisition of control in the Target Company, there is no negotiated price paid by the Acquirer for directly acquiring Shares of the Target Company.

(b) Further, the Acquirer Group has not directly acquired any Shares of the Target Company, during the 26 week period prior to the date of the Public Announcement.

(c) The Share price data of the Target Company on the BSE 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 24.77
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 31.41

(Source: www.bseindia.com)

The date of the Public Announcement of SSI Limited was February 27, 2007. Hence we confirm compliance with Regulation 20(12) of the SEBI (SAST) Regulations.

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

Week No	Week ending	Low (Rs)	High (Rs)	Average (Rs)	Volume
1	Feb 26, 2007	28.05	30.35	29.20	1,38,663
2	Feb 19, 2007	31.90	33.65	32.78	2,52,144
3	Feb 12, 2007	27.70	31.90	29.80	2,41,938
4	Feb 5, 2007	23.70	26.25	24.98	93,475
5	Jan 29, 2007	23.50	24.00	23.75	44,861
6	Jan 22, 2007	22.50	23.95	23.23	34,322
7	Jan 15, 2007	22.75	24.25	23.50	36,862
8	Jan 8, 2007	24.15	25.75	24.95	67,985
9	Jan 1, 2007	22.70	24.55	23.63	14,404
10	Dec 25, 2006	23.80	25.00	24.40	61,967
11	Dec 18, 2006	24.65	26.30	25.48	55,335
12	Dec 11, 2006	24.75	27.15	25.95	16,793
13	Dec 4, 2006	26.15	28.80	27.48	41,287
14	Nov 27, 2006	22.70	25.00	23.85	37,967
15	Nov 20, 2006	24.10	25.45	24.78	6,435
16	Nov 13, 2006	24.35	26.00	25.18	36,704
17	Nov 6, 2006	25.20	27.25	26.23	11,683
18	Oct 30, 2006	25.95	27.10	26.53	11,202
19	Oct 23, 2006	24.60	27.30	25.95	35,439
20	Oct 16, 2006	24.25	28.70	26.48	53,291
21	Oct 9, 2006	22.00	23.10	22.55	35,424
22	Oct 2, 2006	20.00	21.20	20.60	7,224
23	Sep 25, 2006	19.00	20.90	19.95	19,672
24	Sep 18, 2006	18.10	20.85	19.48	10,027
25	Sep 11, 2006	19.95	21.95	20.95	33,796
26	Sep 4, 2006	22.00	22.85	22.43	48,464

(Source: www.bseindia.com)

The 26 week average price based on the above table is Rs. 24.77.

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

Week No	Week ending	Low (Rs)	High (Rs)	Average (Rs)	Volume
1	Feb 26, 2007	29.30	29.00	29.15	23,441
2	Feb 23, 2007	28.05	31.00	29.50	30,675
3	Feb 22, 2007	28.50	30.00	29.25	39,824
4	Feb 21, 2007	28.85	31.00	29.85	24,010
5	Feb 20, 2007	30.35	32.00	31.33	20,713
6	Feb 19, 2007	31.75	35.00	33.38	63,585
7	Feb 15, 2007	31.60	35.00	33.20	58,439
8	Feb 14, 2007	32.00	36.00	33.98	49,356
9	Feb 13, 2007	32.00	34.00	32.88	80,764

(Source: www.bseindia.com)

The 2 week average price based on the above table is Rs. 31.39.

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 financials for the year ended March 31, 2006 as follows;

Offer Price on the basis of:

Return on Networth	4.18%
Book Value Per Share	Rs 8.10
Earnings Per Share	Rs 0.34
P/E Multiple based on Offer Price	92.64
Trailing twelve months industry average. P/E Multiple Entertainment/Electronic Media Software Industry (Source: Capital Markets Volume XXI/26, February 26 – March 11, 2007)	54.20

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. the Offer Price of Rs 31.50 per Share is justified in terms of Regulation 20 of the SEBI (SAST) Regulations

7.1.6 The Offer Price is in accordance with sub regulation (4) and sub regulation (5) of Regulation 20

7.1.7 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

7.1.8 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) upto 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.

7.1.9 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 upto 7 working days prior to the closure of the Offer.

7.1.10 The Acquirer has also made an offer under Regulation 10 and 12 of the SEBI (SAST) Regulations to the shareholders of SSI Limited, the Parent Company, to acquire upto 1,15,76,764 equity shares of SSI Limited which constitutes 20% of the issued and paid up voting capital of SSI Limited computed in accordance with the SEBI (SAST) Regulations. The Acquirer had made a Public Announcement for the aforementioned offer to the shareholders of SSI Limited on February 27, 2007. Since the Public Announcement to the shareholder of the Target Company was also made on February 27, 2007, the Offer Price is in compliance with the provisions of Regulation 20(12) of the SEBI (SAST) Regulations.

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 15,27,323 Shares at the Offer Price of Rs. 31.50 per Share is Rs. 4,81,10,674.50 (Rupees Four crores, eighty one lakhs, ten thousand, six hundred and seventy four and paise fifty 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. 1,50,00,000 ("Escrow Amount"), which represents more than 25% of the Maximum Consideration 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 - 500 083 **("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 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 Target Company kindly refer to clause 3.1.7 and 3.1.8.

7.2.5 Lalith Prasad and Co, Chartered Accountants, is the Statutory Auditor for Acquirer. Signing partner, Mr. S Lalith Prasad, having membership number 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. 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)

7.2.6 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.

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 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 Securities Depositories Limited (“NSDL”) as Depository, JM Financial Services Private Limited as Depository Participant called “Cameo Escrow Account – TEL Open Offer” The DPID is IN302927 and Client ID is 10079730

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 15,27,323 fully paid-up Shares of the Target Company (representing 20% of the Emerging Voting Capital), then 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 the 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 Following 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 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 26, 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 ("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.

11. DECLARATION BY THE ACQUIRER, PACs

11.1 The 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 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")

Sd/-
PRASAD V. POTLURI
(Director)

FOR PVP VENTURES PRIVATE LIMITED ("PAC")

Sd/-
PRASAD V. POTLURI
(Director)

FOR PLATEX LIMITED ("PAC")

Sd/-
PRASAD V. POTLURI
(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

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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 15,27,323 fully paid up Equity Shares of Telephoto Entertainments Limited ("TEL"/ "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 Telephoto Entertainments 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 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 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 Escrow Account - TEL 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.: 10079730

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 Telephoto Entertainments 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 Telephoto Entertainments Limited are held by me/us on **o** Investment/Capital Account OR **o** 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 Telephoto Entertainments Limited are held by me/us on **o** Investment/Capital Account OR **o** Trade Account.

(2) I/We confirm that the equity shares of Telephoto Entertainments Limited are held by me/us as **o** Long Term Capital Asset OR **o** 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 Telephoto Entertainments 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)____________________

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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

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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 15,27,323 fully paid up Equity Shares of Telephoto Entertainments Limited ("TEL"/ "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 Telephoto Entertainments 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 Telephoto Entertainments 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 fo 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 Escrow Account - TEL 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.: 10079730**

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	Beneficiary Name	No of Equity Shares

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. <u>For Equity Shares held in demat form:</u>

   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. <u>For Equity Shares held in physical form:</u>

   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 <u>Unregistered owners should enclose:</u>

   · 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
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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