LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Letter of Offer is sent to you as a Shareholder(s) of **Trigyn Technologies Limited (TTL).** If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer/ Registrar to the Offer. In case you have sold your Shares in the Company, please hand over this Letter of Offer and the accompanying Form of Acceptance cum acknowledgement, Form of Withdrawal and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

UNITED TELECOMS LTD (the Acquirer)

Registered Office and Factory : 18/A/19, Doddanekundi Industrial Area, Mahadevapura Post, Whitefield, Bangalore 560 048.
Tel. Nos. : (080) 2852 4050, 2852 4088, 2852 4032 • Fax No. : (080) 2852 4073/4191 • E-mail : chairman@utlindia.com

MAKES A CASH OFFER AT RS. 13/50 PER FULLY PAID EQUITY SHARE,

TO ACQUIRE

61,92,200 Equity Shares, representing 20% of the voting capital of the Target Company

TRIGYN TECHNOLOGIES LIMITED

Regd. Office & Mumbai Development Centre, 27, SDF – I, SEEPZ – SEZ, Andheri (East), Mumbai 400 096.
Ph. Nos. (022) 2829 0909 • Fax No. (022) 2829 1418 • E-mail :rosec@trigyn.com, • Website: www.trigyn.com

Notes :

- This Offer is made pursuant to and in compliance with SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereof.
- This Offer is not conditional as to any minimum level of acceptance.
- This is not a competitive bid.
- There has been no revision of Offer price, till the date of this Letter of Offer.
- As on the date of this Letter of Offer, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.
- **Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public announcement / Letter of offer, can withdraw the same upto 3 working days prior to the date of closure of the Offer. The Last date for such withdrawal is Thursday, July 13, 2006.**
- The Acquirer can revise the Offer price upto 7 working days prior to the date of closure of the Offer. The last date for such revision is Friday, July 7, 2006. Any upward revision or withdrawal of the Offer would be informed by way of a Public Announcement in the same Newspapers where the original Public Announcement had appeared. **Consideration at the same rate will be paid for all Equity Shares tendered anytime during the Offer period**.
- **There is no competitive bid**
- A copy of this Letter of Offer (including the Form of acceptance and acknowledgement, Form of Withdrawal) and Copy of the Public Announcement is available on SEBI's web-site: www.sebi.gov.in

OFFER OPENS ON : THURSDAY, JUNE 29, 2006 | **OFFER CLOSES ON : TUESDAY JULY 18, 2006**

MERCHANT BANKER TO THE OFFER	REGISTRARS TO THE OFFER
FEDEX SECURITIES LIMITED SEBI Regn. No. 1NM 000010163 1205, Dalamal Tower, Nariman Point, Mumbai 400 021. Tel. Nos. (022) 2282 9101/9102 Fax No. (022) 6630 1797 E-Mail : fedex@vsnl.com **Contact Person: Shri. R. Ramakrishnan**	**SHAREPRO SERVICES (INDIA) PVT. LTD.** SEBI Regn. No. INR 000001476 3rd Floor, A Wing, Satam Industrial Estate, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099 Tel Nos. (022) 2821 5168, 2821 5169 Fax No. (022) 2837 5646 E-mail : ashokgupta@Shareproservices.com **Contact Person: Shri. Ashok Gupta**

THE SCHEDULE OF ACTIVITIES IS AS FOLLOWS :

Activity	Date
Public Announcement (PA)	Monday, May 8, 2006
Specified date	Monday, May 29, 2006
Last date for a competitive bid	Monday, May 29, 2006
Letter of Offer to be posted to Shareholders	On or before Monday, June 19, 2006
Date of opening of the Offer	Thursday, June 29, 2006
Last date for withdrawing acceptance from the Offer	Thursday, July 13, 2006
Date of closing of the Offer	Tuesday, July 18, 2006
Last date for revising the Offer price/ number of Shares.	Friday, July 7, 2006
Last date for communicating rejection/ acceptance and payment of consideration for applications accepted	Wednesday, August 2, 2006

Risk Factors relating to the transaction, the proposed Offer and probable risks involved in associating with the Acquirer

1. The promoters of the Acquirer is having only limited experience in Software, IT and IT related activities/ services, the main activity carried out by the Target Company.
2. The Acquirer proposes to take control of the Target Company. The likely changes in the management /taking control by the Acquirer shall be subject to successful completion of the Open Offer formalities, including despatch of consideration for the Shares accepted.
3. Shareholders accepting this Offer will be tendering their Equity Shares before getting payment of consideration. Further, they will not be able to take advantage of any favorable price movements.
4. As on date of this Letter of Offer, no statutory approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date. The despatch of consideration can be delayed beyond 15 days, in case any statutory approval, which becomes so applicable on a later date, is not received. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days.
5. NSP Electronics Ltd, Andhra Networks Ltd & United Wireless Technologies Ltd, Companies promoted by the promoters of the Acquirer have returned net losses in the year ended March 2005 & also during 9 months' period ended 31.12.2005.
6. UTL Technologies Ltd., one of the Companies promoted by the promoters of the Acquirer, is also in Software development business and to this extent, there is conflict of interest with the Target Company.

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DEFINITIONS / ABBREVIATIONS

1.	TTL/Target Company	Company whose Equity Shares are proposed to be acquired viz. Trigyn Technologies Limited.
2.	Acquirer/UTL	United Telecoms Ltd., who is offering to acquire Shares through this Offer
3.	PACs	Persons Acting in Concert with the Acquirer In this case none
4.	LES	Leading Edge Systems Ltd.
5.	RBI	Reserve Bank of India
6.	SEBI/Board	Securities and Exchange Board of India
7.	Merchant Banker/ Manager to the Offer	Fedex Securities Limited
8.	Registrar to the Offer	Sharepro Services (India) Pvt. Ltd.
9.	PA/ Public Announcement	Announcement/s of the Offer made by the Acquirer in the dailies, on Monday, May 8, 2006
10.	Offer	Cash offer being made by the Acquirer to the Shareholders of the Target Company
11.	Shares	Equity Shares
12.	EPS	Earnings per Equity Share, for the period under reference and annualized
13.	Book Value	Book Value of each Equity Share as on the date referred to
14.	Regulations/Takeover Regulations/ SEBI(SAST) Regulations	SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 as amended till date
15	NAV	Net Asset Value of Equity Shares
16	Persons not eligible to participate in the Offer	The present promoters & the Acquirer
17	Persons eligible to participate in the Offer	All Equity Shareholders of the Target Company, other than the Acquirer & present promoters.
18	BSE	The Stock Exchange, Mumbai (presently BSE Ltd.)
19	NSE	The National Stock Exchange of India Ltd(NSE)
20	ASE	Stock Exchange, Ahmedabad
21	RNW	Return on Net Worth
22	FIIs	Foreign Institutional Investors
23	NRIs	Non Resident Indians and persons of Indian origin residing abroad
24	FIs	Financial Institutions
25	SFIs	State level Financial Institutions
26	UTI	Unit Trust of India

1. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF DRAFT LETTER OF OFFER WITH SECURITIES AND EXCHANGE BOARD OF INDIA (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 REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF TRIGYN TECHNOLOGIES LIMITED (TTL), THE TARGET COMPANY, TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER(S), PACs OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER (MANAGER) TO THE OFFER M/S. FEDEX SECURITIES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED MAY 12, 2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 1997 AND SUBSEQUENT AMENDMENT (S) THEREOF.

2. DETAILS OF THE OFFER

2.1 Background of the Offer

2.1.1 This Offer is made for Substantial acquisition of Shares and Voting Rights followed by change in control, in accordance with Regulations 10 and 12 of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations 1997 and subsequent amendments thereto. United Telecoms Ltd., (“UTL”/”the Acquirer”), a Company, incorporated in the State of Karnataka and having its registered office and Factory at 18/A/19, Doddanekundi Industrial Area, Mahadevapura Post, Whitefield, Bangalore 560 048 (Tel No (080) 2852 4050, 2852 4088, 2852 4032 Fax No. (080) 2852 4073/4191, E Mail Id: chairman @utlindia.com) is making an open Offer to the public Shareholders (i.e. Shareholders other than the Acquirer, promoters/Directors of TTL and parties to the Agreement) of Trigyn Technologies Limited (“ TTL”, “the Target Company”) to acquire 61,92,200 Equity Shares of Rs. 10/- each, at a price of Rs. 13/50 (Rupees Thirteen Paise Fifty Only) , representing 20.00 % of issued, subscribed, paid up and voting Equity Share Capital of TTL after the proposed preferential allotment of Equity Shares and Warrants which has been approved by the members of TTL in an Extraordinary General Meeting held on June 2, 2006. Out of the proposed preferential allotment, 1,00,00,000 Equity Shares & 60,00,000 warrants are proposed to be allotted to UTL. The Warrants entitle UTL to acquire 60,00,000 Equity Shares of TTL. TTL is also proposing to make a preferential allotment of 1,11,111 Equity Shares to one of the present promoters. The Preferential allotments are proposed at a price of Rs.13/50. The Offer is at a price of Rs.13/50 (Rupees Thirteen Paise Fifteen only) per Equity Share fully paid up (“the Offer Price”), payable in cash (“the Offer”), subject to the terms and conditions mentioned hereinafter. There are no partly paid Shares.

2.1.2 The Board of Directors of TTL , in their meeting held on May 4, 2006, have decided to convene an Extra Ordinary General Meeting (EGM) of the members of TTL on June 2, 2006 to consider preferential allotment of 1,00,00,000 Equity Shares of TTL at a price of Rs.13/50 per Equity Share to UTL. The EGM would also consider allotment of 60,00,000 Warrants which will entitle the Acquirer to acquire 60,00,000 Equity Shares of TTL at a price of Rs. 13/50 per Equity Share, any time after date of allotment but before expiry of 18 months . The members, in their EGM on 2nd June 2006, through a Special Resolution resolved to approve the above preferential allotments. The preferential allotment is in accordance with Sec 81(1A) of the Companies Act 1956 and applicable provisions of the guidelines for preferential issue under SEBI (Disclosure and Investor Protection) Guidelines 2000 and subsequent amendments thereto. The Acquirer has also entered into an Agreement on May 4, 2006, with the present promoters of TTL to take control of TTL after complying with the requirements under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 as amended till date. This proposed preferential allotment and the agreement for taking over control of TTL has necessitated this open offer. The present paid up and voting capital of TTL is 1,48,49,875 Equity Shares. The paid up and voting capital of TTL post preferential allotment, post conversion of warrants will be 3,09,60,986 Equity Shares.

2.1.3 The Acquirer presently do not hold any Equity Shares in TTL The aggregate holding of UTL after the proposed preferential allotment of Equity Shares and conversion of Warrants will be 1,60,00,000 Equity Shares constituting 51.68% of the paid up and voting Capital of TTL. None of the persons who are deemed to be acting in Concert with the Acquirer as per the Regulations, hold Equity Shares in the Target Company.

2.1.4 The Acquirer proposes to take control over the Target Company.

2.1.5 The Acquirer, its promoters/Directors, the Target Company its promoters/Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

2.1.6 There is no person in the Board of the Target Company, representing the Acquirer.

2.1.7 Subject to satisfaction of the provisions under the Companies Act, 1956 and /or any other Regulation(s), the Acquirer intends to make changes in the management of TTL. It is proposed to induct new Directors on the Board of TTL. The Acquirer is yet to decide on the name of the persons who will be so inducted to the Board. The likely changes in the management of TTL shall be subject to compliance with Regulation 23(6) of the Regulations.

2.2 Details of the proposed Offer

2.2.1. A Public Announcement, as per Regulation 15 (1) of the Regulations, was made in the following Newspapers, as detailed below. The Public Announcement is also available at SEBI's Website : www.sebi.gov.in

Newspaper	Language	Editions	Date of PA
Business Standard (covers all editions)	English	Mumbai, Delhi, Kolkata, Bangalore, Chennai, Hyderabad & Ahmedabad editions	Monday, May 8, 2006
Prathakaal (covers all editions)	Hindi	Mumbai Edition Udaipur Edition Jaipur Edition	Monday, May 8, 2006
Sakal	Marathi	Mumbai	Monday, May 8, 2006

2.2.2 The Offer is to acquire 61,92,200 Equity Shares of representing 20.00 % of issued, subscribed and paid up Capital of TTL after the proposed preferential allotment of Equity Shares and conversion of Warrants.

2.2.3 The Offer price is Rs. 13/50 (Rupees Thirteen Paise Fifty Only) per each fully paid up Equity Share. There are no partly paid Shares or Shares outstanding where calls are in arrears.

2.2.4 The consideration will be paid in Cash. There is no differential price since entire consideration is payable in cash.

2.2.5 This is not a competitive bid.

2.2.6 This Offer is not conditional as to any minimum level of acceptance.

2.2.7 The Acquirer has not made any further acquisition of Shares since the Public Announcement was made.

2.2.8 Details of competitive bids, if any : **There is no competitive bid**

2.2.9 Fedex Securities Limited, Manager to the Offer do not hold any Equity Shares in the Target Company. They declare and undertake that they shall not deal in the Shares of the Target Company during the period commencing from the date of their appointment as Manager to the Offer till the expiry of fifteen days from the date of closure of the offer

2.2.10 There is no agreement by the Acquirer with any person/entity, in connection with this offer. The entire Shares proposed to be acquired under this Offer will be acquired by the Acquirer and no other person/entity proposes to take part in the acquisition.

2.2.11 In the event of any further acquisition of Equity Shares from the date of P.A. till 7 days prior to closure of Offer by the Acquirer at a price higher than the Offer Price, then the Offer price will be revised upwards to be equal to or more than the highest price paid for such acquisition. However, they shall not be acquiring any Equity Shares of TTL during the period of 7 working days, prior to the date of closure of the Offer.

2.3 OBJECT AND PURPOSE OF ACQUISITION AND FUTURE PLANS

2.3.1 The objects of the acquisition are substantial acquisition of Shares of TTL, followed by change in control. The Acquirer is proposing to take control of TTL. The likely changes in the management of TTL shall be subject to compliance with Regulation 23(6) of the Regulations.

2.3.2 Barring unforeseen circumstances, the Acquirer is confident of ensuring sustained growth. TTL has not been performing well in the last few years and has returned operating losses since FY 2001-02 . The Acquirer proposes, to continue with the existing activities. The promoters of the Acquirer are experienced in various businesses and had been in the manufacturing and marketing of Telecom related, Software related, Electronics related products and services . The promoters of the Acquirer propose to utilize their varied business experience to source business in existing activities of TTL and also look forward to entering new areas within the IT and ITeS businesses to ensure sustained growth of TTL and improve the performance of TTL.

2.3.3 Subject to satisfaction of the provisions under the Companies Act, 1956 and /or any other Regulation(s), the Acquirer intends to make changes in the management of TTL It is proposed to induct new Directors on the Board of TTL. The Acquirer is yet to decide on the name of the persons who will be so inducted to the Board.

2.3.4 The Acquirer do not have any plans to dispose off or otherwise encumber any assets of TTL in the succeeding two years from the date of closure of the Offer, except in the ordinary course of business as may be permissible. They undertake that they shall not sell, dispose of or otherwise encumber any substantial assets of the target company except with the prior approval of the Shareholders.

2.3. 5 There is conflict of interest or potential conflict of interest between the Acquirer and the Target Company since UTL Technologies Ltd, a Group Company of UTL is engaged in Software Development and training.

3. BACKGROUND OF THE ACQUIRER (INCLUDING PACS, IF ANY)

3.1.1 United Telecoms Ltd., (UTL) is a Company incorporated on 7th March 1984 at Madras (presently Chennai, Tamil Nadu State) under the Companies Act 1956 as a private limited Company. The registered office of the Company was shifted to Bangalore, Karnataka State vide Certificate issued by Registrar of Companies, Karnataka on 17th September 1986, after complying with the required formalities. UTL became a public limited Company in the year 1987. The registered office is situated at 18/A/19, Doddanekundi Industrial Area, Mahadevapura Post, Whitefield, Bangalore 560 048 (Tel No (080) 2852 4050, 2852 4088, 2852 4032 Fax No. (080) 2852 4073/4191, E Mail Id: chairman@utlindia.com.) UTL has as its main objects, to manufacture television sets of all types and descriptions and its components, to manufacture and deal in Electronic components, Instruments, equipment, transmitters, amplifiers, receivers, walkie talkie, systems circuit required in military and commercial, electrical industry, including heavy duty weather proof communications, telephones, radio frequency microphones, computers rack and panel printed circuits and television components, potentiometers, micro switches and trimmers, to manufacture, buy sell, deal in, export and import all electric goods, radios, radiograms, loudspeakers telecommunication sets of all kinds, intercommunication systems, answering devices etc. UTL is promoted by Shri. C. Basavapurnaiah, Dr. P. Raja Mohan Rao, Dr. Mrs. P Padmavathi and Shri. C V Rao.

3.1.2 UTL belongs to the UTL Group of Bangalore. The other Companies promoted by the promoters of UTL/belonging to the Group are (i) NSP Electronics Ltd, engaged in manufacture of Printed Circuit Boards (ii) Raja Magnetics Ltd, engaged in manufacture of Rotors and Motor parts for Pump Industry (iii) United Telelinks (Bangalore) Private Ltd , engaged in trading in mobile handsets of various manufacturers (iv) United Wireless Technologies Ltd, constituted to extend services in mobile telephony, wireless telephony etc. but yet to commence activity (v) Gujarat Online Limited, engaged in E-governance in the State of Gujarat (vi) UTL Technologies Ltd, engaged in Software Development and training (vii) Priyaraj Electronics Ltd, engaged in manufacture of Electronic Push Button Equipments, DCME equipments (including software) and (viii) Andhra Networks Ltd, engaged in Networking / e governance in State of Andhra Pradesh.

3.1.3 Dr. P Raja Mohan Rao, one of the promoters of UTL had, in the year 2002 acquired substantial stake in The Dhanalakshmi Bank Ltd., a Company listed in the Stock Exchanges. The Shares, aggregating to 1,17,30,206 representing 36.59% of the then post Rights Issue Paid Up Capital was acquired by subscribing to the unsubscribed portion (over and above his entitlement) of a Rights Issue by the Bank. The post acquisition holding was 37.02%. SEBI, vide order dated May 16, 2002 had held that the Acquisition will not trigger provisions of Regulations 10 & 12 and consequently no open offer was made to public Shareholders. In view of the restrictions under Sec 12(2) of The Banking Regulations Act , the promoters of UTL together exercise a voting right of 10.32 % only.

3.1.4 The Shares of UTL are closely held i.e. the Equity Shares are not listed.

3.1.5 The Directors of UTL are Shri. C. Basavapurnaiah (Chairman), Dr. C Rao Kasarabada (Whole time Director), Dr. Mrs. P Padmavathi (Whole time Director), Shi. Sudhir Hasija, Kumari. P. Bhavana Rao, Shri. P Bharat Rao and Shri. C V Rao (Whole time Director). Shri. C Basavapurnaiah, aged 80 years, B.A, FCA is residing at 319, Inner Circle, Whitefield, Bangalore 560 066. He is an Industrialist with over 50 year's experience in the field of manufacture of Electronic and telecommunication equipments. Shri. C Basavapurnaiah passed out as a Chartered Accountant in the year 1952. From the year 1953-59 was associated with Andhra Cements Limited as Chief Accountant and subsequently joined Krishna Mining Company . Left and then worked with M/s. Rao Insulating Company, Bangalore, for over 2 decades as its CEO since its inception. During this period under his control, this firm established itself as one of the leading supplier of telecom components / sub-assemblies to ITI and also as one of the leading manufacturer of Electrical Stampings for Rotors and Motors. Thereafter, in 1983 he promoted Group Companies, one by one and the earliest of them are Priyaraj Electronics Private Limited, NSP Electronics Private Limited and United Telecoms Limited**.** Dr. C Rao Kasarabada, aged 61 years, Ph.D in Electrical Engineering, residing at L /42, Diamond District, Airport Road, Bangalore 560 008 is a technocrat and whole time Director since 1999 and is looking after technical aspects in UTL. Dr. C Rao Kasabada completed BE in 1965, ME from BITS , Pilani in 1967 and took Ph.D in Electrical Engineering in 1974 from University of Minnesota, Minneapolis (USA). He has held positions of Chief Executive, Unit Head, Head of R&D, Head of Engineering & Quality Assurance. Headed the R&D Unit of ITI at Naini, Allahabad (1979-85) and since 1979 as the head of R&D at ITI Naini. He set up a Rs 200 crore 500 K Line Electronics Switching Exchange Assembly Plant (1985-88) with almost full vertical integration, and computer integrated manufacturing and management system , as well as the Quality plan of Alcatel France as part of the Electronics switching systems Project at ITI Mankapur (UP). Headed Electronic Switching System Unit of Indian Telephone Industries Mankapur (1987-88).Headed the Electronics Research & Development Centre (ER&DC), Thiruvananthapuram as Director (1988-92).Headed the Electronics Corporation of India Limited, as the Chairman & Managing Director (1992-98). Since October 1998, with UTL as Group Chairman. Dr. Mrs. P Padmavathi, aged 50 years, MBBS, MD, residing at 319, Inner Circle, Whitefield, Bangalore 560 066, was a practicing gynecologist till 1991. She joined Board of UTL in 1991 and presently she is Whole time Director in charge of production at UTL. Shri. Sudhir Hasija, aged 45 years, Degree in Management, residing at 7,Wellington Street, Richmond Town, Bangalore 560 025 is a businessman and is engaged in marketing of GSM handsets. Shri. Sudhir Hasija passed in Management Degree in the year 1979-80 and since then he was associated with Television Industry, manufacturing antennas and was supplying to Keltron and other public companies. He then set up his own firm in 1982-83 know as "Electronika Sales Corporation" where he imported equipments from Philips and was marketing them in India and later on entered into contract with Philips in India and was distributors for Philips products in South India. In the year 1983-84 promoted United Telelinks (Bangalore) Private Limited in association with the promoters of United Telecoms Limited , distributor of "Alcatel" EPABX products and later on took the all India distributorship of "Nokia" mobile phones and later on took "Samsung" Mobile India distributorship. Kumari. P. Bhavana, aged 23 years, residing at 319, Inner Circle, Whitefield, Bangalore 560 066 is doing her Engineering Degree in Electronics and Telecommunications. Shri. P Bharat, aged 21 years, residing at 319, Inner Circle, Whitefield, Bangalore 560 066is doing his Engineering Degree. Shri. C V Rao, aged 44 years, BE (Mechanical Engineering) residing at 14, Whitefield layout, Whitefield, Bangalore 560 066 is looking after R&D at UTL. Shri.. C.V. Rao passed out in the year 1984-85 holds Engineering Degree from Bangalore University. He first started his career in the year 1985-86 with Gr. Company, Raja Magnetics Limited and was involved in Tool development, Precision making, setting up of production unit for Stamping and lamination. When another group Company NSP Electronics Limited was formed in the year 1984, he associated with them and was instrumental in the development of market for PCBs. He is also instrumental in setting up manufacturing units of United Telecoms Limited. He is involved in Telecommunication/PCB/Computer industries for the past 15 years and was trained in Japan in the field of CNC Wire Cut and CNC Milling and CAD/CAM etc., He has rich experience in running computer aided manufacturing facilities, more specifically establishing manufacturing facilities for sockets for Integrated Circuits and Co-axial Connectors. He is involved in the Research and Development work and is responsible for developing several new products.

3.1.6 UTL is engaged in manufacturing and marketing of Power Plants for Nortel and Nokia, manufacturing CDMA Exchanges, manufacture of conversion kits, Telephone Equipments, CDMA hand held terminals, CDMA equipments and lines, Fixed Wireless Terminals, Polent systems, BM Trunks, and extending services such as LAN/WAN networking etc. As on 31.03.2005, date of last audit, UTL had a Paid up Equity Share Capital of Rs. 1054.18 Lacs. The entire paid up Capital is held by promoters and their family members. The Reserves and Surplus as on 31.03.2005 was Rs. 12440.94 Lacs. In the year 2004-05, UTL had Gross Income of Rs. 14807.11 Lacs & the Total expenditure was Rs. 14394.54 Lacs. UTL had made provision for current taxes of Rs. 3.00 Lacs and added back deferred

Tax of Rs. 2.28 Lacs. An extraordinary income of Rs. 48.82 was also added back being excess tax for earlier years. The Post Tax Profit was Rs. 241.24 Lacs. The EPS (Shares of FV Rs.10/-) in the year 2004-05 was Rs. 2.29 and Return on Net Worth 1.79 % The Equity Shares of Rs.10 each had a Book Value of Rs. 128.02 as on 31.03.2005. Based on results for the 9 month's period ended 31.12.2005(certified by Auditor), UTL had a gross income of Rs. 10402.81 Lacs, Gross expenditure of Rs. 1016.96 Lacs, pre tax profit of Rs. 233.24 Lacs and post tax profit of Rs. 216.28 Lacs. The annualized EPS is Rs 2.74. The Net Worth, as on 31.03.2005 is Rs. 13479.07 Lacs and as on 31.12.2005, Rs. 13682.02 Lacs.

3.2.1. There is no Person Acting in Concert with the Acquirer.

3.2.2 The Acquirer do not have any representative on the Board of Directors of TTL. None of the Directors of TTL represent the Acquirer.

3.2.3. The Acquirer has not entered into any agreement with any other person/entity with regard to the Acquisition/Offer.

3.2.4 As per certificate dated May 5, 2006 from Shri B.S.S. Shetty, (Membership No. 6031 -F), partner, Ford, Rhodes, Parks & Co, Chartered Accountants (Auditors of UTL), No. 439, 18th Main, 6th Block, Koramangala, Bangalore 560 095 (Tel No. (080) 25532926 Fax No.. (080) 25535794, the Net Worth of UTL as on 31.03.2005 is Rs. 13479. 07 Lacs.

3.2.5 The applicable provisions of Regulation 6, 7 & 8 of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997 are not applicable to the Acquirer. The Acquirer, its/promoters or Directors have not been prohibited by SEBI from dealing in securities, in terms of direction issued u/s 11B of SEBI Act or under any of the regulations made under the SEBI Act.

3.2.6 The Board of Directors of UTL have, vide Resolution adopted on May 5, 2006 authorized Shri. C Basavapurnaiah, Chairman to sign the Letter of Offer, on behalf of UTL

3.2.7 BRIEF DETAILS OF THE ACQUIRER AS ON DATE OF LETTER OF OFFER ARE TABULATED BELOW :

Name, address and contact details	Relationship, if any, with any other Acquirer/ PACs	Net Worth as certified by Chartered Accountant	Companies in which is a full time Director
UNITED TELECOMS LTD. Registered Office and Factory, 18/A/19, Doddanekundi Industrial Area Mahadevapura Post, Whitefield, Bangalore 560 048 Tel. Nos.(080) 2852 4050, 2852 4088, 2852 4032 Fax No. (080) 2852 4073/4191 E Mail Id: chairman@utlindia.com	N.A.	Rs. 13479.07 Lacs as on 31.03.2005 (Certificate dated May 5, 2006)	N.A.

3.2.8 Board of Directors as on Monday, May 8, 2006, the date of PA :

Name	Qualification	Residential Address	Designation
Shri. C Basavapurnaiah,	B.A. FCA	319, Inner Circle, Whitefield, Bangalore 560 066.	Chairman
Dr. C Rao Kasarabada	Ph.D in Electrical Engineering	L /42, Diamond District, Airport Road, HAL Stage II, Bangalore 560 008	Whole time Director & Group Chairman
Dr. Mrs. P Padmavathi	MBBS, MD	319, Inner Circle, Whitefield, Bangalore 560 066	Whole time Director
Shi. Sudhir Hasija	Degree in Management	7,Wellington Street, Richmond Town, Bangalore 560 025	Director
Kumari. P. Bhavana	Doing her Engineering Degree in Electronics and Telecommunications	319, Inner Circle, Whitefield, Bangalore 560 066	Director
Shri. P Bharat	Doing Engineering Degree	319, Inner Circle, Whitefield, Bangalore 560 066	Director
Shri. C V Rao	BE (Mechanical Engineering)	14, Whitefield layout, Whitefield, Bangalore 560 066	Director (R&D)

There is no change in Board of Directors, since the date of PA.

3.2.9 There are no PACs. The promoters/Directors of UTL are not on the Board of Directors of any listed Company.

3.2.10 EQUITY SHARE CAPITAL STRUCTURE OF UNITED TELECOMS LIMITED (AS ON MAY 8, 2006, THE DATE OF P.A.)

Details	No. of Equity Shares	% of Shares
Promoters, family members & one Gr. Company, promoted by the promoters	1,05,41,819	100
Others	0	0
Public	0	0
Total	**1,05,41,819**	**100**

There is no change since the date of PA

3.2.11 AUDITED FINANCIALS OF UNITED TELECOMS LIMITED

Brief Audited Financial data for the last three years and for the 9 month's period ended 31.12.2005 (certified by the Auditor) are given hereunder :

(Rs. In Lacs)

Profit & Loss Statement	31.12.2005 (9 months, certified by auditor)	2004-05	2003-04	2002-03
Income from main operations (Sales and Services)	9944.75	14146.71	20251.18	19813.41
Other Income	458.06	660.41	189.17	163.58
Extra Ordinary Income	0.00	0.00	3673.76	0.00
Total Income	**10402.81**	**14807.12**	**20440.35**	**19976.99**
Materials consumed	6179.31	9528.29	15786.75	12603.43
Operating & other Expenses	2278.78	2478.14	2239.43	3795.75
Excise Duty	693.44	975.07	694.30	1655.29
Interest/Fin. Expenses	711.25	1018.07	774.78	446.70
Depreciation	306.79	394.98	233.73	146.70
Extraordinary Exp.	0.00	192.44	3114.93	0.00
Profit Before Tax before Extraordinary Income/Extraordinary exp.	233.24	412.58	711.35	1329.12
Profit Before Tax after Extraordinary Income/Extra ordinary exp.	233.24	220.13	1270.18	1329.12
Less: Provision for Current Tax	16.96	30.00	201.00	153.35
Less: Deferred Tax	0.00	(2.28)	923.19	444.32
Less: Taxation for earlier years adjusted (considered Extra ordinary)	0.00	(48.82)	0.00	43.04
Profit After Tax/Loss Before Extraordinary items, prior period tax adjustments	216.28	382.58	(412.84)	731.45
Profit After Tax after Extraordinary Items, prior period tax adjustments	216.28	241.24	145.99	688.41

(Rs. In Lacs)

Balance Sheet Statement	Period ended 31.12.2005 (9 months)	2004-05	2003-04	2002-03
Sources of funds				
Paid up Equity Share Capital	1054.18	1054.18	1054.18	1050.00
Reserves & Surplus (excluding Revaluation Reserves, if any)	12632.23	12440.94	12438.10	12292.10
Less: Misc. Expenses not written off	4.39	16.06	24.76	45.96
Net Worth	**13682.02**	**13479.06**	**13467.52**	**13296.14**
Share Application Money	0.00	0.00	97.00	471.00
Secured Loans	9089.37	8139.19	6518.59	3833.17
Unsecured Loans	702.66	737.11	783.90	840.15
Net Deferred Tax liability	581.42	581.42	583.71	0.00
Total	**24055.47**	**22936.78**	**21450.72**	**18440.46**
Uses of funds				
Net Fixed Assets	6880.05	6829.45	4955.74	3468.28
Investments	2189.87	2189.87	2345.17	2827.53
Advance for land, building, Capital	72.48	201.60	124.02	1009.16
Work in progress				
Net Current Assets	14913.07	13715.86	14025.79	10786.15
Deferred Tax Asset	0.00	0.00	0.00	349.34
Total	**24055.47**	**22936.78**	**21450.72**	**18440.46**
Other Financial Data				
Dividend (%)	N.A.	20%	NIL	NIL
Earnings per Share(Rs 10/-.) (Fully diluted), * annualized (Net profit X 12/9/ no. of subscribed Equity Shares	*2.74	2.29	1.38	6.56
Return on Net Worth (%) *(Annualized) (Net profit X 12/9 X 100 divided by Net Worth)	*2.11	1.79	1.08	5.18
Book Value Per Equity Share (F.V. Rs.10) Net Worth divided by number of subscribed Equity Shares	129.79	127.87	127.75	126.63

❖ Details of Other Income and Extra Ordinary Income/Exceptional Income, Extraordinary/exception expenditures etc. are given below :

DETAILS OF OTHER INCOME/EXTRAORDINARY INCOME/EXCEPTIONAL ITEMS DURING THE ABOVE PERIOD

(Rs. In Lacs)

OTHER INCOME	**9 months ended 31.12.2005**	**2004-05**	**2003-04**	**2002-03**
Exchange gain	3.92	268.24	0.00	93.51
Interest earned	10.27	85.82	167.31	62.64
Rent received	389.70	263.92	4.92	2.40
Profit on Sale of Assets	2.71	19.42	0.00	
Other Misc. Income	51.46	10.42	3.31	5.03
Excess provision reversed		12.46	12.16	
Dividend received		0.13	1.31	
Profit on redemption of units			0.16	
Total of Other Income	**458.06**	**660.41**	**189.17**	**163.58**

(Rs. In Lacs)

EXTRAORDINARY INCOME/ EXCEPTIONAL INCOME	**9 months ended 31.12.2005**	**2004-05**	**2003-04**	**2002-03**
Prior period taxes adjusted (Net)		48.82		
Profit on Sale of Investments		0.00	3673.76	
Total of Extraordinary Income / Exceptional Income		**48.82**	**3673.76**	

(Rs. In Lacs)

EXTRAORDINARY EXPENDITURE/ EXCEPTIONAL ITEMS UNDER EXPENDITURE	**9 months ended 31.12.2005**	**2004-05**	**2003-04**	**2002-03**
Diminution in Value of Investments		192.44		
Amalgamation Exp. Written off			54.16	
Goodwill written off			3060.77	
Prior period taxes adjusted (Net)				43.04
Total		**192.44**	**3114.93**	**43.04**

The above financials are furnished after

❖ Making adjustments / rectification for all incorrect accounting policies or failures to make provisions or other adjustments which resulted in Audit qualifications; Material amounts relating to adjustments for last three years, if any have been identified and adjusted in arriving at the profits of the years to which they relate.

❖ Where there has been a change in accounting policy during the last three years, the profits or losses of those years have been re-computed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years. However, in respect of any incorrect accounting policy being followed, the re-computation of the financial statements have been made in accordance with correct accounting policies;

❖ Statement of profit or loss discloses both the profit and loss arrived at before considering extraordinary items and after considering the profit or loss from extraordinary items.

❖ The statement of assets and liabilities have been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.

3.2.12 DETAILS OF LISTED COMPANIES, PROMOTED BY THE ACQUIRER/ PROMOTERS/ DIRECTORS OF THE ACQUIRER

The Acquirer has not promoted any Listed Company, nor have control over any Listed Company. The Promoters/Directors of the Acquirer have not promoted any Listed Company nor have control over any listed Company. The promoters of Acquirer hold 37.02% in The Dhanalakshmi Bank Ltd, a listed Company. However , they have aggregate voting rights of 10.32% only.

3.2.13 BRIEF DETAILS OTHER VENTURES /UNLISTED COMPANIES PROMOTED BY THE ACQUIRER/ITS PROMOTERS/DIRECTORS

(i)	Name of the Company	:	**GUJARAT ONLINE LIMITED**
	Date of Incorporation	:	December 5, 2000
	Board of Directors	:	Dr. P Raja Mohan Rao Shri. Sudhir Hasija Dr. C Rao Kasarabada
	Nature of activities	:	Extending e governance in the State of Gujarat

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	9 months ended 31.12.05	2005	2004	2003
Paid Up Equity Capital	100.00	100.00	100.00	100.00
Share Appl. Money pending allotment	0.00	0.00	0.00	139.00
Reserves & Surplus	756.24	618.15	453.28	254.25
Total Income	598.76	811.53	963.78	915.37
Profit after Tax	138.09	164.87	199.03	257.06
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.)	13.81	16.49	19.90	25.7
Book Value per Share of Rs.10/- each (Rs.)	85.62	71.82	55.33	35.43

The Company is not a Sick Industrial Company.

(ii) Name of the Company : **UTL TECHNOLOGIES LTD.**

Date of Incorporation : June 1, 2001.

Board of Directors : Dr. P Raja Mohan Rao
Shri. C Basavapurnaiah
Dr. C Rao Kasarabada

Nature of activities : Software Development and Training

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005(certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	9 months ended 31.12.05	2005	2004	2003
Paid Up Equity Capital	5.04	5.04	5.04	5.04
Reserves & Surplus	88.16	65.57	28.26	28.24
Total Income	115.80	188.92	84.18	96.58
Profit after Tax	16.69	37.31	0.02	1.28
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.)	33.12	74.05	0.04	2.54
Book Value per Share of Rs.10/- each (Rs.)	184.92	140.10	66.07	66.03

The Company is not a Sick Industrial Company.

(iii) Name of the Company : **NSP ELECTRONICS LTD.**

Date of Incorporation : October 12, 1983

Board of Directors : Shri. C Basavapurnaiah
Shri. C Venkateswara Rao
Shri. R K Kataria
Shri. Shital Kataria

Nature of activities : Manufacture of Printed Circuit Boards.

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005 ((certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	9 months ended 31.12.05	2005	2004	2003
Paid Up Equity Capital	399.93	399.93	399.93	300.00
Share Appl. Money pending allotment	0.00	0.00	0.00	1169.22
Reserves & Surplus	1380.08	1639.33	1813.53	752.86
Total Income	761.96	2666.28	3249.34	4160.13
Profit after Tax/ Loss	(259.25)	(167.25)	(15.56)	25.57
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.) (Figure in bracket means EPS is negative)	(6.48)	(4.18)	(0.39)	0.85
Book Value per Share of Rs.10/- each (Rs.)	44.51	50.99	55.35	35.10

The Company is not a Sick Industrial Company.

(iv)	Name of the Company	:	**ANDHRA NETWORKS LTD**
	Date of Incorporation	:	June 22, 2000.
	Board of Directors	:	Shri. P Appaji Rao Shri. S. Murugesan Shri. C V V Prasad
	Nature of activities	:	Networking/e governance etc.

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	**9 months ended 31.12.05**	**2005**	**2004**	**2003**
Paid Up Equity Capital	100.00	100.00	100.00	100.00
Reserves & Surplus	6575.15	6790.30	7035.63	7305.02
Total Income	195.50	553.43	1266.99	965.67
Profit after Tax/Loss	(215.15)	(245.33)	(9.65)	(181.12)
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.) (Figure in bracket means EPS is negative)	(21.52)	(24.53)	(0.97)	(18.11)
Book Value per Share of Rs.10/- each (Rs.)	66.75	68.90	71.35	74.05

The Company is not a Sick Industrial Company.

(v)	Name of the Company	:	**PRIYARAJ ELECTRONICS LTD**
	Date of Incorporation	:	April 8, 1985.
	Board of Directors	:	Shri. C Venkateswara Rao Shri. C Basavapurnaiah Smt. C Padmavathi
	Nature of activities	:	Electronic Push Button Equipments, DCME equipments etc.

Brief financials based on Audited Accounts for the last three years and for the 12 months ended 31.103.2006 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	**12 months ended 31.03.06**	**2005**	**2004**	**2003**
Paid Up Equity Capital	189.49	189.49	189.49	189.49
Reserves & Surplus	1293.91	1266.89	1240.57	1161.92
Total Income	264.14	1659.77	613.27	2663.72
Profit after Tax	27.03	26.31	78.65	59.08
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.)	1.43	1.39	4.15	3.12
Book Value per Share of Rs.10/- each (Rs.)	78.28	76.86	75.47	71.32

The Company is not a Sick Industrial Company.

(vi)	Name of the Company	:	**RAAJA MAGNETICS LTD**
	Date of Incorporation	:	June 01, 1983.
	Board of Directors	:	Shri. C Basavapurnaiah Shri. C Venkateswara Rao Shri. G Vijaya Rangaraj Shri. G R Govindarajan
	Nature of activities	:	Manufacture of Rotors and Motor parts for Pump Industry

Brief financials based on Audited Accounts for the last three years and for the12 months ended 31.03.2006 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	12 months ended 31.03.06	2005	2004	2003
Paid Up Equity Capital	116.25	116.25	116.25	116.25
Reserves & Surplus	1226.76	899.21	663.24	508.80
Total Income	5914.32	5261.20	4238.12	3855.08
Profit after Tax	327.54	235.97	154.44	123.81
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.)	28.18	20.29	13.29	10.65
Book Value per Share of Rs.10/- each (Rs.)	115.53	87.35	67.05	53.77

The Company is not a Sick Industrial Company.

(vii) Name of the Company : **UNITED WIRELESS TECHNOLOGIES LTD**

Date of Incorporation : MARCH 22, 2002.

Board of Directors : Shri. C Basavapurnaiah
Dr. C Rao Kasarabada
Shri. C Venkateswara Rao

Nature of activities : To extend services in mobile telephony, wireless telephony, manpower etc.

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	9 months ended 31.12.05	2005	2004	2003
Paid Up Equity Capital	5.04	5.04	5.04	5.04
Reserves & Surplus (less accumulated losses)	(33.97)	(30.20)	(18.49)	2.64
Total Income	0.18	18.33	476.90	465.19
Profit after Tax/ Loss	(3.76)	(11.71)	(21.13)	2.64
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.) (Figure in bracket means EPS is negative)	(7.46)	(23.23)	(41.92)	5.24
Book Value per Share of Rs.10/- each (Rs.) (In brackets, negative)	(57.40)	(49.92)	(36.69)	4.76

The Company is not a Sick Industrial Company.

(viii) Name of the Company : **UNITED TELELINKS (BANGALORE) PVT. LTD.**

Date of Incorporation : June 13, 1994

Board of Directors : Shri. C Basavapurnaiah
Shri. Sudhir Hasija
Shri. C Venkateswara Rao

Nature of activities : Networking/e governance etc.

Brief financials based on Audited Accounts for the last three years and for the 9 months ended 31.12.2005 (certified by the Group internal Auditors) are given below :

(Rs. in Lacs)

Details (Year ending March 31)	9 months ended 31.12.05	2005	2004	2003
Paid Up Equity Capital	24.00	24.00	24.00	24.00
Reserves & Surplus	1009.79	660.87	548.71	413.93
Total Income	35698.80	23146.35	17932.40	6902.63
Profit after Tax	348.92	112.16	134.78	134.70
Earnings per Share per Rs.10/- paid up Eq. Share (Rs.)	145.38	46.73	56.16	56.13
Book Value per Share of Rs.10/- each (Rs.)	430.75	285.36	238.63	182.47

The Company is not a Sick Industrial Company.

3.3 The Acquirer do not propose to dispose off or otherwise encumber any of the Assets of the Target Company in the next two years, except in the ordinary course of business. They undertake that they shall not sell, dispose of or otherwise encumber any substantial asset of the Target Company except with the prior approval of Shareholders.

4. BACKGROUND OF THE TARGET COMPANY

4.1.1 TTL was originally incorporated on 25th March 1986, at Mumbai, Maharashtra State, under the Companies Act, 1956 in the name and style "Leading Edge Systems Pvt. Ltd."(LES) The Company was converted to a Public limited Company consequent to a Special Resolution adopted by members on 25th July 1994 and fresh certificate to this effect was issued by the Registrar of Companies, Maharashtra. LES made its maiden public issue in January 1995 and got its Equity Shares listed at the Stock Exchange, Mumbai (BSE) and The Ahmedabad Stock Exchange (ASE). The Equity Shares were admitted for trading at NSE on March 24, 1998. LES commenced operations by extending services which included in-house software development, staff augmentation, reengineering and migration solutions etc. LES formed software solutions and products company known as Leading Edge Infotech Limited in July 1996 for generating local business in India. In April 2000, LES acquired a foreign Company, eCapital Solutions(Bermuda) Ltd (eCapital) and the various Information Technology Companies which were the subsidiaries of eCapital in UK, US, Germany, Mauritius and India became the subsidiaries of LES pursuant to this acquisition. The acquisition process resulted in allotment of 73,50,000 Equity Shares at a premium of Rs. 815/- on a 1:1 swap basis. The name of the Company was changed to "Trigyn Technologies Ltd." vide fresh certificate issued by Registrar of Companies, Maharashtra, Mumbai on 19th July 2000. In the year 2000, TTL acquired Applisoft Inc., a US Company specializing in web based software solutions in an all cash deal of USD 9 million.(around Rs.4200 Lacs)

The Registered Office and principal place of business of TTL is situated at 27, SDF-I, SEEPZ-SEZ, Andheri(East) ,Mumbai 400 096, Ph. No. (022) 2829 0929 Fax No. (022) 2829 1418 E-mail: rosec@trigyn.com

TTL is promoted by M/s. Ramkrishna Bhagwat, Late Shri. Atul Kamath & Shri. Tushar Vaidya. Shri.. Atul Kamath expired in August 2002 and his Equity Shareholding in TTL is currently being held by his relatives. As on date of this Public Announcement, the promoter group/ persons in control, holds 25,45,834 Equity Shares in the Target Company, constituting 17.14 % of the voting capital.

The Directors of TTL are Shri Sanjay Patkar (Non-Executive Chairman) ,Shri. Tushar Vaidya (Wholetime Director & CEO), Shri. Ramkrishna Bhagwat (Wholetime Director), , Shri. Nitin Palekar (Non-Executive / Independent Director) & Shri. Anil Kale (Non-Executive / Independent Director) .

4.1.2 The Authorized Capital of TTL as on date is Rs. 2500 Lacs, divided into 2,00,00,000 Equity Shares of Rs 10/- each & 50,00,000 preference Shares of Rs. 10/- each. The Issued subscribed and paid up Equity Share Capital is 1,48,49,875 Equity Shares of Rs. 10/- each aggregating to Rs. 1484.99 Lacs. All the Equity Shares are fully paid up. All the Equity Shares are listed. Of the listed Capital, 375 Equity Shares which were allotted under ESOP are yet to be admitted for trading by NSE and ASE. TTL has submitted application for trading permission with the NSE & ASE on February 7, 2006. An amount of Rs. 3,97,500 is outstanding as Share Application money since October 27, 1998, being amount paid by Leading Edge Infotech Ltd, a wholly owned Subsidiary, towards ESOP entitlements to its employees. No Shares have been allotted against this so far.

4.1.3 The Equity Shares of TTL is in compulsory demat mode. The Marketable lot for the Shares of TTL is 1(one) only. The ISIN Number of Equity Shares in dematerialized form is INE 948A01012.

4.1.4 TTL has, as its main objects, "to carry on the business of designing, developing, selling, installing and maintaining all kinds of Computer Software and Hardware on Home, personal, micro, mini and mainframe computer systems for the domestic and software export market".

4.1.5 TTL is presently engaged in extending customized IT solutions and services.

4.1.6 TTL has the following Subsidiaries (i) eCapital Solutions (Bermuda) Ltd, Bermuda, an Investment Company(ii) Applisoft Inc, USA engaged in web based software technologies (iii) Leading Edge Infotech Ltd, Mumbai engaged in development of software solutions and products for local markets in India. eCapital Solutions (Bermuda Ltd) has a few subsidiaries viz. (a) Trigyn Technologies Inc., New Jersey, USA, engaged in software solutions and services (b) Trigyn Technologies Europe GmbH, Germany engaged in software solutions and services(c) eCapital Solutions (Mauritius) Ltd , is primarily an investment company which has a subsidiary Trigyn Technologies (India) Pvt. Ltd at Mumbai engaged in Software solutions and services Except for Trigyn Technologies Inc. & Applisoft Inc., all other Subsidiaries have returned Net Losses (after adjusting for any extraordinary/exceptional Income) in the year 2004-05.

4.1.7. TTL has a development centre at 27 SDF I, SEEPZ-SEZ, Andheri (E), Mumbai 400096 and branch offices at New Jersey, USA and Singapore. The premises occupied by TTL across all these locations are on lease / rented basis. TTL engages about 200 employees, including consultants, through self and its operating subsidiaries. The Fixed Assets owned are Computers & peripherals, Improvements/ interior works done on Lease hold premises, Office Equipments, communication facilities, Motors Vehicles, Furniture and fixtures.

4.1.8. TTL has not declared any Dividend in the last 5 years.

4.1.9 The Equity Shares of TTL are listed at The Stock Exchange, Mumbai (BSE), National Stock Exchange of India Ltd (NSE) and The Ahmedabad Stock Exchange (ASE). The Shares are not admitted as a permitted security at any other Stock Exchange. All the issued Equity Shares of TTL are listed and except for 375 Equity Shares are admitted for trading. . The trading permission in respect of these is awaited from the NSE and ASE only and the Target Company has applied for permission. There are no outstanding warrants or options or similar instruments, convertible into Equity There are no outstanding warrants or options or similar instruments, convertible into Equity Shares, other than stock option warrants issued to the employees of TTL and its subsidiaries under the ESOP scheme of TTL. None of the Equity Shares are subject to lock in.

4.1.10 TTL has been paying listing fee regularly and there are no arrears of listing fee. TTL has been complying with the listing requirements of the Stock Exchanges, except for filing returns under Chapter II of SEBI(SAST) Regulations. The filing of returns under Chapter II of SEBI (SAST) Regulations were not made as per the Regulations in the years 1997 to 2002 (both inclusive). No action has so far been taken by the Stock Exchanges or SEBI against TTL, its Directors or promoters. For non compliance with Regulations 6 & 8 by the Target Company for the years 1997 to 2002 & Regulation 7(3) for the years 2000 & 2001, SEBI may initiate suitable action in terms of the Regulations and provisions of SEBI Act. The promoters/major Shareholders of TTL have not complied with the requirements under Regulations 6, 7 & 8 from 1997 to 2002 and SEBI may initiate suitable action in terms of the Regulations and SEBI Act for the non compliance. The Target Company/its promoters have complied with provisions under Chapter II of the Regulations in the years 2003, 2004, 2005 & 2006.

4.1.11 TTL is not a Sick Company

4.1.12 There has not been any merger or demerger or spin off of activity in the preceding 3 years. TTL has, in the year 2004-05 transferred (for consideration) to i-flex group, some business contracts procured by TTL and its subsidiary , for a consideration of US $ 2.32 Million (approx. 1065 Lacs)

4.1.13 There are no pending Litigations against the Target Company. One of the clients of eTender.com, to whom one of the Subsidiaries of TTL has developed software has filed an injunction in the High Court of Delhi , in the FY 2004-05 , in which Shri. Ram Bhagwat, one of the Directors of TTL is also a party. The claim amounts to approx. Rs. 58.00 Lacs at current Exchange rates. The Subsidiary of TTL has filed its responses and documentary proofs giving evidence in TTL's Subsidiary's favor.

4.1.14 The provisions of Corporate Governance and provisions under Clause 49 of the Listing Agreement are complied with by TTL. The details of compliance are given hereunder :

	Particulars		Clause of Listing agreement	Compliance Status Yes / No	Remarks
I.	**Board of Directors**		491		
	(A)	Composition of Board	49 (IA)	Yes	
	(B)	Non-executive Directors' compensation & disclosures	49 (IB)	Yes	
	(C)	Other provisions as to Board and Committees	49 (IC)	Yes	
	(D)	Code of Conduct	49 (ID)	Yes	
II.	**Audit Committee**		49 (II)		
	(A)	Qualified & Independent Audit Committee	49 (IIA)	Yes	
	(B)	Meeting of Audit Committee	49 (IIB)	Yes	
	(C)	Powers of Audit Committee	49 (IIC)	Yes	
	(D)	Role of Audit Committee	49 II(D)	Yes	
	(E)	Review of Information by Audit Committee	49 (IIE)	Yes	
III.	**Subsidiary Companies**		49 (III)	Yes	
IV.	**Disclosures**		49 (IV)		
	(A)	Basis of related party transactions	49 (IV A)	Yes	
	(B)	Disclosure of Accounting Treatment	49 (IV B)	Yes	
	(C)	Board Disclosures	49 (IV C)	Yes	
	(D)	Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	N.A.	
	(E)	Remuneration of Directors	49 (IV E)	N.A	Non-executive Directors are not being paid any remuneration other than the sitting fees
	(F)	Management	49 (IV F)	Yes	MD & A would form part of the Annual Report
	(G)	Shareholders	49 (IV G)	Yes	
V.	**CEO/CFO Certification**		49 (V)	-	complied in the audited Financials 2005-06 and forms of the Annual Report 2005-06
VI.	**Report on Corporate Governance**		49 (VI)	Yes	
VII.	**Compliance**		49 (VII)	-	Forms part of the Annual Report 2005-06

4.1.15 The Compliance Officer of the Target Company is Shri. Samir Kamat, Company Secretary who will be available at the address of the Registered Office of TTL.

4.2.1 Share Capital structure of the Target Company

Paid up Equity Shares of TTL	No. of Shares	% of Shares	Voting Rights	% of voting rights
Fully paid up Equity Shares	1,48,49,875	100	1,48,49,875	100
Partly paid up Equity Shares	0	0	0	0
Total paid up Equity Shares	1,48,49,875	100	1,48,49,875	100
Total voting rights in Target Company	1,48,49,875	100	1,48,49,875	100

4.2.2 Build Up of Current Capital

4.2.2 1 Build up of Authorized capital

(In Rs.)

Date	From	To	Authorized Capital after enhancement
On Incorporation	0	5,00,000	5,00,000
Year 1993	5,00,000	20,00,000	20,00,000
Year 1994	20,00,000	3,50,00,000	3,50,00,000
Year 1998 (AGM Resolution dated 04.08.1998)	3,50,00,000	8,00,00,000	8,00,00,000
Year 1998 (EGM Resolution dated 27.10.1998)	8,00,00,000	10,00,00,000	10,00,00,000
13-01- 2000	10,00,00,000	20,00,00,000	20,00,00,000
23-01- 2001	20,00,00,000	25,00,00,000	25,00,00,000

4.2.2.2 Build up of current paid up Capital

Date of allotment	No. and % of Shares Issued	Cumulative paid up capital	Mode of allotment	Identity of allottees (e.g.-promoters /others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992
On Incorporation Allotted on 04-03-1986	400 0.003% of current capital	400	Signatories to the Memorandum, for cash	Signatories to the Memorandum	Provisions of Companies Act, complied with
In the year 1986 & 1992	3,600 0.024% of current Capital	4,000	Allotted to promoters, for Cash	Promoters / promoter group, Directors	Provisions of Companies Act, complied with
18-01-1993	1,46,000 0.983% of current Capital	1,50,000	Bonus issue of Shares, by capitalizing free reserves/profits	Promoters / promoter group, Directors	Provisions of Companies Act, complied with
04-06-1994	12,00,000 8.08% of Current Capital	13,50,000	Bonus issue of Shares, by capitalizing free	Promoters / promoter group, Directors reserves/profits	Provisions of Companies Act, complied with
09-07-1994	5,00,000 3.37% of Current Capital	18,50,000	Private placement of Shares with NRIs	NRIs, other than promoters / promoter group	Provisions of Companies Act, complied with
01-08-1994	6,16,666 4.15% of Current Capital	24,66,666	Bonus Issue by capitalizing Share premium	Promoters, NRIs etc (All existing Shareholders)	Provisions of Companies Act, complied with
03-03-1995	8,22,334 5.538% of Current Capital	32,89,000	Allotment to public consequent to public issue	Indian Public	Provisions of Companies Act, complied with
27-10-1998	32,89,000 22.15% of Current Capital	65,78,000	Bonus Issue by capitalizing free	Existing Shareholders, including promoters, reserves	Provisions of Companies Act, complied with NRIs, public etc. SEBI Disclosures & investor Protection guidelines (including various clarifications then issued by SEBI), complied with.

Date of allotment	No. and % of Shares Issued	Cumulative paid up capital	Mode of allotment	Identity of allottees (e.g.-promoters /others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992
01-04-1999	4,08,000 2.75% of Current Capital	69,86,000	Preferential allotment to private Equity Funds	Allotted to The India Private Equity Fund	Provisions of Companies Act, complied with. Provisions under SEBI Guidelines complied with
03-04-2000	5,12,000 3.45% of Current Capital	74,98,000	Preferential allotment to private Equity Funds	Allotted to The India Private Equity Fund	Provisions of Companies Act, complied with Provisions under SEBI Guidelines complied with
11-04-2000	73,50,000 49.495% of Current Capital	1,48,48,000	Allotment consequent to acquisition of eCapital Solutions (Bermuda) Ltd	Allotted to Shareholders of eCapital Solutions (Bermuda) Ltd., viz. eCapital Holdings (Bermuda) Limited	Provisions of Companies Act, complied with Provisions under SEBI Guidelines complied with Filing under Chapter II of Takeover Regulations not complied with.
31-07-2000	1,500 0.01% of Current Capital	1,48,49,500	Allotted under ESOP	Allotted to 7 Employees	Provisions of Companies Act, complied with ESOP guidelines issued by SEBI complied with.
30-01-2001	375 0.003% of Current Capital	1,48,49,875	Allotted under ESOP	Allotted to 3 Employees	Provisions of Companies Act, complied with ESOP guidelines issued by SEBI complied with.

4.2.2.3 Change in Shareholding of promoters and position of Compliance

Date of allotment / Transfer / acquisition / Sale	No. of Shares Issued / acquired / sold	Cumulative Share Holding	Mode of allotment / Acquisition	Identity of allottees (e.g.-promoters / others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
Total allotments to promoters from date of Incorporation till 01.08.1994		36,00,000 Equity Shares	On Inc., allotments by way of private placement, Bonus Shares	Promoters, promoter Group.	Complied with provisions of Companies Act.
Prior to 1997 on various dates	Net sales of 1760633 Shares	18,39,367	Net Sales by promoter group Shareholders	Promoters and promoter group Shareholders	SEBI (SAST) Regulations or other Regulations under SEBI Act not applicable. Complied with other statutes.
Sold & bought between 31.3.1997 & 31.3.1998	Sold 25,100 Shares. Bought 9800 Shares. Net effect sale of 15,300 Shares	18,20,867	Net sale by promoter group.	Sale & purchase by promoter group Shareholders	Provisions under SEBI (SAST) Regulations not applicable. Filing under Chapter II of SEBI (SAST) Regulations not done within the prescribed time. SEBI (Insider Trading) Regulations not applicable. No other statutory requirements are there.

Date of allotment / Transfer / acquisition / Sale	No. of Shares Issued / acquired / sold	Cumulative Share Holding	Mode of allotment / Acquisition	Identity of allottees (e.g.-promoters / others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
Net Change in Shareholding between 31.3.1998 & 31.3. 1999	17, 25,667 Shares added to holding. By way of Bonus Shares. Promoters have resorted to sale/purchase but individual details not available.	35,49,734	Allotted Equity Shares by way of Bonus Shares + Net change in Sale and purchase is Sale of Shares.	Promoters, promoter group Shareholders.	Provisions under SEBI (SAST) Regulations not applicable at that time, for the change in Shareholding of promoters.(Sale or purchase of 2% and above). Reporting under the provisions under SEBI (Insider Trading) Regulations not complied with, in respect of purchases. Filing under Chapter II of SEBI(SAST) Regulations not done within the prescribed time. No other statutory requirements are there.
Sales between 31.3.1999 & 31.3.2000	Sold aggregate of 3,52,200 Shares.	31,97,534	Sales by promoter group Shareholders	Sales by promoter group Shareholders	Provisions under SEBI (SAST) Regulations not applicable for the change in Shareholding pattern. Provisions under SEBI(Insider Trading Regulations) not complied with (Sales is 2% or above) Filing under Chapter II of SEBI(SAST) Regulations not done within the prescribed time. No other statutory requirements are there.
Net Purchase and Sales between 31.3.2000 & 31.3.2001	Purchased 23,900 Shares and sold 12,200 Shares by promoter group. Net effect, addition of 11700 Shares.	32,09,234	Purchase & sale by promoter group	Purchase & sale by promoter group	SEBI (SAST) Regulations not applicable for the change in Shareholding pattern. Provisions under SEBI (Insider Trading) Regulations not applicable as the sale/purchase is less than 2%. Filing under Chapter II of SEBI(SAST) Regulations done within the prescribed time. No other statutory requirements are there.
Sale between 31.3.2001 & 31.3. 2002	Sold 6,03,400 Shares.	26,05,834	Sale by promoter group	Sale by promoter group	SEBI (SAST) Regulations not applicable for the change in Shareholding pattern. Provisions under SEBI(Insider Trading Regulations not Complied with. The sale/ purchase is more than 2%. Filing under Chapter II of SEBI(SAST) Regulations not done within the prescribed time. No other statutory requirements are there.

Date of allotment / Transfer / acquisition / Sale	No. of Shares Issued / acquired / sold	Cumulative Share Holding	Mode of allotment / Acquisition	Identity of allottees (e.g.-promoters / others	Status of compliance With SEBI (SAST) Regulations other Regulations under SEBI Act 1992 & other statutory requirements, as applicable
Sale between 31.3.2002 & 31.3.2003	Net Sale of 6,63,400 Shares. There is inter se transfer of 53114 Shares as one promoter expired	25,45,834	Sale by promoter group	Sale by promoter group	Filings under SEBI (SAST) Regulations , Chapter II, done within the time limits, for the change in Shareholding pattern of promoters. Provisions under SEBI (Insider Trading Regulations) not complied with . Sale in excess of 2%. No other statutory requirements are there.

Notes :

a. **Old data pertaining to period prior to 1997 not available with the Company.**

b. **Individual details of Sales/Purchase prior to 31.3.1997, not available. The cumulative effect is, given in the Table above. In respect of Sales/purchases during the period 1997 to 31. 03. 2003, the actual dates are not available. Hence the period (year beginning 31st March previous year to 31st March next year) in which the changes such as Sales/ purchases have taken place is furnished.**

c. **SEBI, vide their letter No. CFD/DCR/RC/TO/13060/04 dated September 10, 2004, under consent order scheme, imposed a penalty of Rs. 1,75,000/- against the Target Company for violation of Regulation 6(2) & 6(4) for the year 1997 and Regulation 8(3) for the years 1998 till 2002 respectively. The Target Company has not responded to the letter so far.**

4.3 There are no outstanding warrants or options or similar instruments, convertible into Equity Shares except 10,32,650 stock options granted under TTL ESOP.

4.4. The Target Company and the promoters/major Shareholders have not complied with the applicable provisions of Chapter II of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997(as amended till date) from 1997 to 2002 as The declarations/ filings under Regulations 6 ,8 & 7 have not been done by the promoters and the Target Company within the time limits specified under the Regulations. The promoters have also not complied with SEBI (Insider Trading) Regulations in respect of few sales by them as indicated in Table above. SEBI may take appropriate actions in respect of non compliances with Chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations. For non compliance with Regulations 6 , 8 & 7 by the Company, for the years 1997 to 2002, SEBI may initiate suitable action in terms of the Regulations and provisions of SEBI Act. The Target Company/its promoters have complied with Chapter II of the Regulations in the years 2003 to 2006 (both inclusive)

4.5. 1 The Equity Shares of the Target Company has not been suspended by the Stock Exchanges, in the past.

4.5. 2 All the Issued Equity Shares of TTL are listed and except for 375 Equity Shares allotted under ESOP have been admitted for trading. The Target Company has already filed application with NSE and ASE for trading permission. The said Equity Shares are already admitted for trading by BSE.

4.5.3. Subject to disclosure under 4.4 above, the Company has been complying with the Listing requirements of the Stock Exchange. The Stock Exchange has not awarded any penalties against the Target Company, its promoters/Directors.

4.6.1 **Board of Directors as on Monday, May 8, 2006, the date of PA :**

Name	Date of appointment	Residential Address	Designation
Shri. Ramakrishna B Bhagwat	25-03-1986	501, Wagh Apartment, Park Road, Vile Parle (East) Mumbai 400 057	Whole time Director
Shri. Tushar C Vaidya	25-03-1986	29, Eddison Drive, Short Hils, New Jersey N.J. 07078	Whole time Director
Shri. Sanjay A Patkar	01-10-2002	10/130, Sita Sadan, Sion (West), Mumbai 400 052.	Chairman & Non Executive Director
Shri. Nitin D Palekar	30-07-2004	B 27-28, Nikas Skies, Someshawar Wadi, Off. Baner Road, Pune 411 008	Non Executive (Independent) Director
Shri. Anil Kale	18-03-2005	A-8 Satkar, Nath Pai Nagar, Ghatkopar (East), Mumbai 400 077	Non Executive (Independent) Director

There has been no change in the Board of Directors since the date of PA.

4.6.2 There have been the following changes in Directors in the last three years.

Name	Date of change	Nature of change
Shri. Nitin D Palekar	30-07-2004	Appointed as Non Executive (Independent) Director
Shri. Anil Kale	18-03-2005	Appointed as Non Executive (Independent) Director
Shri. Madhav Kale	03-06-2004	Resigned as Director
Shri. Pingali Radhakrishna	08-01-2004	Resigned as Director

4.6.3 Experience, Qualification and date of appointment of the Board of Directors

Name	Date of appointment	Age, Qualification, Occupation	Experience, in brief
Shri. Ramakrishna B Bhagwat	25-03-1986	Age : 53 years. B Tech in Electrical Engineering from IIT, Mumbai. One of the promoters and presently Administrative head and Global Director in charge of delivery and quality in Trigyn Technologies Ltd.	Has 25 about year's experience in IT and software sector, most of which is at Trigyn Technologies Ltd.
Shri. Tushar C Vaidya	25-03-1986	Age : 52 years. Graduate in Physics from Mumbai University. CEO of TTL, now based in US. In charge of Sales and Marketing.	Has 22 about year's experience in IT and software sector, most of which is at Trigyn Technologies Ltd. Prior to promoting TTL, had worked in ICIM Computers and Patni Computer Systems.
Shri. Sanjay A Patkar	01-10-2002	Age : 52 years. B.Com (Hons.), LL.B A practicing Advocate and Company Law and Taxation consultant. Is Chairman of TTL	Has over 20 year's experience as an Advocate at Mumbai High Court. An expert in Company Law, Taxation and FEMA
Shri. Nitin D Palekar	30-07-2004	Age : 49 years. Graduate in Commerce, Law and FCA. Director Finance in Sansui Software Pvt. Ltd and involved with other Sansui group Companies.	Was a practicing Chartered Accountant from 1984 to 1993. Moved to Jakarta and after returning to India , is Director – Finance at Sansui Software Pvt. Ltd. Is involved with other Sansui group of Companies.
Shri. Anil Kale	18-03-2005	Age : 70 years Graduate in Commerce and CAIIB. Retired RBI Official.	Was with RBI for a log time in various departments.Took Voluntary retirement in 1995. Currently carrying on liaison and consultancy services on Forex matters.

4.7 There has not been any mergers/demergers involving the Target Company nor was there any spin off of activity during the last three years. There has been change of name since Incorporation on 18th May 1985. The name of the target Company was " Leading Edge Technologies Ltd." at the time of initial listing, which was changed to " Trigyn Technologies Ltd " at the time of acquisition of an overseas Company, eCapital Solutions(Bermuda) Ltd and fresh certificate issued by Registrar of Companies, Maharashtra, Mumbai on 19th July 2000.

4.8.1 Brief published Audited Financial data for the last three years and results for the 9 month's period ended 31.12.2005 (limited audit done, certified by auditor), (Stand alone) are given hereunder :

(Rs. In Lacs)

Profit & Loss Statement	9 months 31.12.05	2004-05	2003-04	2002-03
Income from main operations	207.62	485.72	787.37	1468.64
Other Income	71.85	224.36	163.88	137.16
Extra ordinary Income	11.60	1065.34	194.50	
Income for earlier years		0.46		
Exceptional item of Income		216.30		
Income tax refund for earlier years.			101.05	
Total Income	**291.07**	**1992.18**	**1246.80**	**1605.80**

(Rs. In Lacs)

Profit & Loss Statement (Contd..)	9 months 31.12.05	2004-05	2003-04	2002-03
Total Expenditure/excl. Extraordinary exp.	333.72	974.42	1204.17	2194.95
Exceptional Expenditure	0.00	0.00	2122.85	25945.38
Extraordinary Expenditure	0.00	43.08	227.18	427.84
Interest & Bank charges	500.11	258.63	798.19	949.34
Depreciation	23.22	59.07	210.48	370.06
Profit/Loss Before Tax before Extra ordinary/Exceptional items	(577.58)	(582.04)	(1067.10)	(1908.54)
Profit Before Tax/Loss after Extraordinary income/Extraordinary exp/Exceptional items	(565.98)	656.07	(3316.08)	(28281.78)
Provision for Tax	1.57	0.00	0.00	0.00
Provision for deferred Tax/FBT	0.25	0.00	0.00	0.00
Profit After Tax/Loss Before Extraordinary Income/Exp.	(579.40)	(582.04)	(1067.10)	(1908.54)
Profit After Tax /Loss after Extraordinary Income	(567.80)	656.07	(3316.08)	(28281.78)

(Rs. In Lacs)

Balance Sheet Statement	As on 31.12.05	2004-05	2003-04	2002-03
Sources of funds				
Paid up Equity Share Capital	1484.99	1484.99	1484.99	1484.99
Reserves and Surplus (excluding Revaluation reserves, if any) but including profits earned till date in the case of interim period/Acc. Losses	(592.73)	(24.92)	(667.64)	2659.59
Less: Misc Exp. Not written off	5.41	7.73	10.82	15.35
Net Worth	**886.85**	**1452.34**	**806.53**	**4129.23**
Paid up Preference Share Capital	500.00	500.00	500.00	500.00
Share Application Money pending allotment	3.98	3.98	3.98	3.98
Secured loans	2160.46	2334.85	3275.41	3412.25
Unsecured loans		0	60.00	0.00
Total	**3551.29**	**4291.17**	**4645.92**	**8045.46**
Uses of funds				
Net Fixed Assets	45.54	67.28	125.63	412.46
Capital Work in progress	0			14.61
Investments	4794.24	4794.24	4794.24	6486.88
Net Current Assets (Negative in brackets)	(1288.49)	(570.35)	(273.95)	1131.51
Total	**3551.29**	**4291.17**	**4645.92**	**8045.46**
Other Financial Data				
Dividend (%)	NIL	NIL	NIL	NIL
Earnings per Share(Rs.) (Fully diluted), * annualized (Profit after Tax X12/No. of Issued and subscribed Shares/9) Negative EPS in brackets. Return on Net Worth (%)	*(5.10)	4.42	(22.33)	(190.46)
* Annualized (Profit after Tax X100*12/Net Worth/9) (Negative RNW in Brackets)	(85.37)	45.17	(411.15)	(684.92)
Book Value Per Share (Rs.) (Net Worth/No. of Issued and subscribed Shares)	5.97	9.78	5.43	27.81

DETAILS OF OTHER INCOME/EXTRAORDINARY INCOME/EXCEPTIONLA ITEMS DURING THE ABOVE PERIOD

(Rs. In Lacs)

OTHER INCOME	9 months ended 31.12.05	2004-05	2003-04	2002-03
Interest on Deposits	5.29	2.92	2.98	67.07
Interest on Income tax refund	0.45		24.12	
Exchange gain	8.24	131.88	0.00	0.00
Lease Rental Income	57.18	82.28	99.75	69.99
Dividend received	0.07	0.07	0.07	0.07
Misc. Income		0.00	0.09	0.03
Sundry balance written back	0.62	6.06	31.82	
Profit on sale of fixed assets	0.00	1.15	5.05	
Total of Other Income	**71.85**	**224.36**	**163.88**	**137.16**

(Rs. In Lacs)

	9 months ended 31.12.05	2004-05	2003-04	2002-03
EXTRAORDINARY INCOME/EXCEPTIONAL INCOME				
Provision for bad debts no longer required, written back	11.60			
Recovery in due from client which was written off in previous year		216.30		
Provision for doubtful debts written back			194.50	
Profit on sale of business consideration (transfer of a material business contract)		1065.34		
Total of Extraordinary Income / Exceptional Income		**1281.64**	**194.50**	**0.00**

(Rs. In Lacs)

EXTRAORDINARY EXPENDITURE/ EXCEPTIONAL ITEMS UNDER EXPENDITURE	9 months ended 31.12.05	2004-05	2003-04	2002-03
Provision for Income tax for earlier years written back				
Provision for Loan given to Subsidiary Income Tax for earlier years				102.84
Interest in lieu of preference Share dividend				325.00
Provision in decline in value of investment in subsidiary.			1692.64	25945.38
Dues from customer written off			430.21	
Directors' remuneration and pay roll contribution for earlier years		43.08	227.18	
Total		**43.08**	**2350.03**	**26373.22**

The above financials are furnished after

- ❖ Making adjustments / rectification for all incorrect accounting policies or failures to make provisions or other adjustments which resulted in Audit qualifications; Material amounts relating to adjustments for last three years, if any have been identified and adjusted in arriving at the profits of the years to which they relate.
- ❖ Where there has been a change in accounting policy during the last three years, the profits or losses of those years have been re-computed to reflect what the profits or losses of those years would have been if a uniform accounting policy was followed in each of these years. However, in respect of any incorrect accounting policy being followed, the re-computation of the financial statements have been made in accordance with correct accounting policies;
- ❖ Statement of profit or loss discloses both the profit or loss arrived at before considering extraordinary items and after considering the profit or loss from extraordinary items.
- ❖ The statement of assets and liabilities have been prepared after deducting the balance outstanding on revaluation reserve account from both fixed assets and reserves and the net worth arrived at after such deductions.
- ❖ There is no unusual fall or rise in Total Income and PAT in the above period except for steadily declining revenues on account of decline in business , normal variations and on account of extraordinary income/extraordinary expenditure and exceptional items, which are disclosed in the tables above.

4.9. Pre and Post- Offer Share holding pattern of TTL shall be as follows :

Shareholders' category	Shareholding prior be to the agreement/ Acquisition and offer. (As on dt. Of P.A.) (A)		Shares agreed to Acquired which Triggered off the Regulations in respect of the Acquirer. (Preferential allotment) % on post pref. allotment capital (B)				Shares to be Acquired in Open Offer (Assuming full acceptances) (C)		Share holding after The acquisition and Offer and after pref. allotment / conversion of warrants (D)	
	No.	% to subsc. Capital (Present)	Shares No.	%	Warrants No.	%	No.	%	No.	%
1. Promoter group										
a. Parties to sale agreement, If any	0	0	0	0	0	0	0	0	0	0
b. Promoters other than (a) above	25,45,834	17.14	1,11,111	0.36	0	0	0	0	26,56,945	8.58
Total 1(a+b)	25,45,834	17.14	1,11,111	0.36	0	0	0	0	26,56,945	8.58
2. Acquirer										
a. Acquirer UTL	0	0	1,00,00,000	32.30	60,00,000	19.38	61,92,200	20	2,21,92,200	71.68
b. PACs, if any	0	0	0	0	0	0	0	0	0	0
Total 2(a+b)	0	0	1,00,00,000	32.30	60,00,000	19.38	61,92,200	20	2,21,92,200	71.68
3. Parties to agreement Other than(1)(a)& (b)	0	0	0	0	0	0	0	0	0	0
4										
a. Public (other than Parties to Agreement, Acquirer & PACs)	1,17,60,040	79.19					(61,92,200) Also see note below.	(20)		
b. FIIs/FIs/Mutual Funds/UTI Banks, SFIs/LIC	1,60,134	1.08								
(Banks)	3,100	0.02								
c. NRIs 3,53,937	2.39									
d. Foreign Nationals	26,830	0.18								
Total 4(a+b)	1,23,04,041	82.86					(61,92,200)	(20)	61,11,841	19.74
Total (1+2+3+4)	1,48,49,875	100	1,01,11,111		60,00,000				3,09,60,986	100

Note : Post Offer, the holding of the erstwhile promoters will be clubbed with public Shareholding.

Other Notes :

i. There are no Shares, which are subject to Lock in.

ii. There are no partly paid Shares or Shares where calls are in arrears.

iii. The Acquirer has not acquired any Shares from the date of the Public Announcement, till date of this Letter of Offer.

4.10. The number of Shareholders under Public Category, i.e. under 4 above, on the Specified Date is 16520

5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

5.1 **Justification of Offer price**

5.1.1. The Equity Shares of TTL are listed at the Stock Exchange, Mumbai (BSE), The National Stock Exchange of India Ltd (NSE) and Ahmedabad Stock Exchange (ASE) .The Shares are not admitted as permitted Security in any other Stock Exchange

5.1.2 The annualized trading turnover of Shares of TTL, during the preceding 6 calendar months prior to the month in which Public Announcement was made, i.e. during the months, November 2005 to April 2006 (both inclusive) is given below. The Shares are not infrequently traded in terms of Regulation 20 (5), explanation (i) at the Stock Exchange, Mumbai (BSE) and The National Stock Exchange of India Ltd (NSE). The Shares are infrequently traded in terms of Regulation 20 (5), explanation (i) at the Ahmedabad Stock Exchange, Ahmedabad (ASE)

The trading data is as under :

Name of stock exchange(s)	Total no. of Shares traded during the 6 calendar months prior to the month in which the P A was made. (in terms of % to total listed Shares)	Total No. of listed Shares	Annualized Trading turnover
The Stock Exchange, Mumbai (BSE)	26,14,686	1,48,49,875	35.21
The National Stock Exchange of India Ltd (NSE)	20,13,306	1,48,49,875	27.12
Ahmedabad Stock Exchange (ASE)	NIL	1,48,49,875	NIL

The trading volume data in respect of BSE & NSE have been taken from the BSE's website www.bseindia.com & NSE's website www.nseindia.com. In respect of Ahmedabad Stock Exchange, the same has been confirmed by the Exchange, in writing.

5.1.3 Since the Equity Shares of the Target Company has not been infrequently traded as per explanation (i) to Regulation 20(5) at BSE & NSE during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer price has been justified, taking into account, the following parameters, as set out under Regulations 20(4) :

1.	Negotiated price paid by the Acquirers or persons acting in concert under the Agreement referred to in sub regulation (1) of Regulation 14.	N.A.
2.	Highest price paid by the Acquirers or PAC for acquisition including by way of allotment in a Public or Rights issue, if any, during the twenty-six week period prior to the date of PA.	N.A.
3.	Price paid by the Acquirers under a preferential allotment made to them or Persons Acting in Concert with them, at any time during the twenty six weeks prior to the date of PA.	N.A.
4.	The average of the weekly high and low of the traded prices at BSE in the 26 weeks preceding the date of Board meeting which authorized the preferential allotment	Rs .13/23
5.	The average of the daily high and low prices at BSE in the 2 weeks preceding the date of Board meeting which authorized the preferential allotment	Rs. 12/49
6.	The price at which preferential allotment of Equity Shares is being proposed to made to the Acquirer , including conversion price of warrants being allotted on preferential basis	Rs. 13/50
7.	Highest of the above	Rs. 13/50

5.1.3.1. Trading data at BSE

a. The Weekly High and Low of the quoted prices of the Equity Shares at BSE during the 26 Weeks preceding the date of the Board meeting which authorized the Preferential allotment is as under :

(Price in Rs.)

Week Nos.	Week ended	High	Low	Average	Volume
Part of the week	03-Nov-05 & 04-Nov-05 (2 trading days)	NoTrading During the week			
1	11-Nov-05	18.05	16.10	17.08	150591
2	18-Nov-05	18.50	16.80	17.65	137369
3	26-Nov-05	17.30	15.45	16.38	85240
4	2-Dec-05	16.85	15.75	16.30	83305
5	9-Dec-05	16.40	15.40	15.90	56753
6	16-Dec-05	16.25	14.65	15.45	94546
7	23-Dec-05	15.50	13.50	14.50	103850
8	30-Dec-05	13.80	12.80	13.30	87603

(Price in Rs.)

Week Nos.	Week ended	High	Low	Average	Volume
9	6-Jan-06	16.73	13.85	15.29	122948
10	13-Jan-06	15.50	14.50	15.00	48314
11	20-Jan-06	14.94	14.00	14.47	81087
12	27-Jan-06	14.80	13.57	14.19	93312
13	3-Feb-06	13.99	12.02	13.01	80914
14	10-Feb-06	12.80	11.65	12.23	95179
15	17-Feb-06	13.60	12.60	13.10	94230
16	24-Feb-06	13.00	11.69	12.35	54820
17	3-Mar-06	12.30	11.05	11.68	91803
18	10-Mar-06	11.25	9.95	10.60	130852
19	17-Mar-06	10.25	8.92	9.59	112122
20	24-Mar-06	9.40	7.80	8.60	210090
21	31-Mar-06	9.57	7.70	8.64	116549
22	7-Apr-06	11.61	10.04	10.83	92593
23	13-Apr-06	12.19	10.52	11.36	115860
24	21-Apr-06	11.97	10.52	11.25	73143
25	29-Apr-06	13.83	12.26	13.05	176624
26	3-May-06 (2 trading days, May 1st, holiday)	12.98	11.63	12.31	64117
	Total	**363.36**	**324.72**	**344.04**	
	Average Price		**13.232**	**13.232**	
	Total Volume				**2653814**

b. The daily High and Low of the Prices of TTL at BSE in the two Weeks preceding the date of the Board which authorized the Preferential allotment is as under :

(Price in Rs.)

Day	Date	High	Low	Average	Volume
1	20-Apr-06	11.63	11.00	11.32	30904
2	21-Apr-06	11.97	11.71	11.84	10906
3	24-Apr-06	12.56	12.5	12.53	12122
4	25-Apr-06	13.18	12.72	12.95	51137
5	26-Apr-06	13.83	12.6	13.22	28025
6	27-Apr-06	13.48	12.77	13.13	22593
7	28-Apr-06	13.00	12.27	12.64	45917
8	29-Apr-06	12.9	12.26	12.58	16830
9	2-May-06	12.98	12.05	12.52	29500
10	3-May-06	12.79	11.63	12.21	34617
	TOTAL	**128.32**	**121.51**	**124.935**	**282551**
	AVERAGE	**12.49**			

c. Since the Equity Shares of the Target Company has been infrequently traded as per explanation (i) to Regulation 20(5) at the ASE during the 6 calendar months preceding the month in which the Public Announcement is made, the Offer price has been justified, taking into account, the following parameters, as set out under Regulations 20(5)©:

1.	Negotiated price paid by the Acquirers or Persons Acting in Concert under the any Agreement referred to in sub regulation (1) of Regulation 14.	N.A.
2.	Highest price paid by the Acquirers or PAC for acquisition including by way of allotment in a Public or Rights issue, if any, during the twenty-six week period prior to the date of Public Announcement.	N.A.

3.	Price paid by the Acquirers under a Preferential allotment made to them or Persons Acting in Concert with them, at any time during the twenty six weeks preceding the date of PA	N.A.
4.	Book Value of the Equity Shares as on 31.03.2005(audited)	Rs. 9/78
5.	Earrings Per Share(EPS)(annualized) as on 31.03.2005	Rs.4/42
6.	Return on Net Worth during the preceding Financial year ended 31.03.2005 (based on Audited results)	45.17%
7.	Book Value of Shares as on 31.12.2005 (based on limited audit).	Rs.5.97
8.	Earnings Per Share for the 9 months period ended 31.12.2005, (annualized) (based on limited audit).	Negative
9.	P/E Multiple Industry Average (Capital Market. Vol. XXI/05, May 8-21, Category Software- Medium/Small)	27.3
10.	Return on Net Worth during the 9 months period ended 31.12.2005 (based on limited audit).	Negative
11.	Price at which the proposed preferential allotment of Equity Shares and Warrants are being made to the Acquirer	Rs. 13/50

(Source of Information: 1. Audited Accounts as on 31.03.2005 & limited audited accounts published by TTL for the period ended 31.12.2005 2. Price at which preferential allotment is proposed 3. Capital Market Vol. XXI/05 , May 8-21, 2006)

5.1.4. This is not an indirect acquisition/control.

5.1.5 **Non Compete Fee:** There is no non-compete agreement for payment to any person.

5.1.6 The Offer price is justified in terms of Regulation 20(11) of the Regulations. In the opinion of the Manager to the Offer and the Acquirer, the Offer price is justified. The Offer price of Rs. 13/50 per Equity Share(fully paid up) is more than the average of the weekly high and low prices as quoted at BSE, during the 26 weeks preceding this Public Announcement and also higher than the average of the daily high and low prices as quoted at BSE during the 2 weeks preceding the date of the Board resolution which authorized the preferential allotment, the Book Value as on 31.03.2005, Book Value as on 31.12.2005 and is equal to the price at which the proposed preferential allotment of Equity Shares & conversion price of Warrants being allotted on preferential basis. The Offer price is also justified considering PE Ratio of Industry, Return on Net Worth, EPS, Book Value etc.

5.1.7 In the event of any further Acquisition by the Acquirer or Persons Acting in Concert with them any time till Friday, July 7, 2006 and in the event of such acquisition price being higher than the price offered under this Offer, the Offer price will be revised upwardly to ensure that the price offered under this Offer is not less than the highest price paid for any such acquisitions. Any such upward revision will be notified through an announcement in all dailies where the original Public Announcement was made. The last date for any upward revision is Friday, July 7, 2006.

5. 2 Financial arrangements :

5.2.1 Assuming full acceptance, the total funds requirements to meet this Offer is Rs.8,35,94,700/- (Rupees Eight Crores Thirty five Lacs Ninety four Thousand Seven hundred only).

5.2.2. In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created an Escrow Account in the form of Deposit of acceptable Securities being Equity Shares listed at Stock Exchanges, with a margin of 50 % on Market Value as on 4th May 2006, with the Merchant Banker to the Offer. The value of the Escrow Account , based on Market Price as on 4th May 2006 with a margin of 50% is Rs. 2, 19,45,000, which is more than 25% of the consideration payable under this Offer, assuming full acceptance.

5.2.3 The Escrow Account has been made by depositing with Fedex Securities Ltd, Merchant Banker to the Offer, 1,04,500 Equity Shares of Bharti Televentures Ltd., the closing market Value of which at NSE on May 4, 2006 was Rs. 422/- per Equity Share. Fedex Securities Ltd, Merchant Banker to the Offer undertakes that they will not return the securities offered, till after completion of all obligations under the Regulations

5.2.4 In addition, the Acquirer has created a Security Deposit for Rs. 8,50,000/- (Rupees Eight Lacs Fifty thousand only) , with The Dhanalakshmi Bank Ltd., M.G. Road Branch, 1A, Nilesh Broadway, 9/3 , M G Road, Bangalore 560 001 on May 5, 2006 , which is more than 1% of the consideration payable, and a lien has been marked on the said account in favor of Fedex Securities Ltd., Manager to the Offer.

5.2.5 The Acquirer has authorized Fedex Securities Ltd., Managers to the Offer to realize the value of the Escrow Account by sale or otherwise, in terms of the Regulations. Fedex Securities Ltd , Merchant Banker to the Offer undertake that they shall ensure that the Acquirer meets any shortfall in value of security forthwith to ensure that the value of Escrow Account do not fall below 25% of the consideration payable, at any time, assuming full acceptance. Fedex Securities Ltd , Merchant Banker to the Offer state that they are aware that if there is any deficit on realization of the value of the securities, they shall be liable to make good any such deficit and undertake to make good any such deficit.

5.2.6 The Acquirer has adequate resources to meet the financial requirements of the Offer. The funds requirements will be met from own sources/Net Worth and no borrowings from Banks / FIs or Foreign sources such as NRIs or otherwise is envisaged. The Acquirer hereby declares and confirms that they have adequate and firm financial resources to fulfill the obligations under the Offer.

5.2.7. As per Certificate dated May 5, 2006 from Shri B.S.S. Shetty, (Membership No. 6031 -F), Partner, Ford, Rhodes, Parks & Co, Chartered Accountants (Auditors of UTL), No. 439, 18th Main, 6th Block, Koramangala, Bangalore 560 095 (Tel No. (080) 25532926 Fax No. (080) 25535794), the Net Worth of UTL as on 31.03.2005 is Rs. 13479. 07 Lacs

5.2.8 Shri B.S.S. Shetty, (Membership No. 6031 -F) , Partner, Ford, Rhodes, Parks & Co, Chartered Accountants (Auditors of UTL), No. 439, 18th Main, 6th Block, Koramangala, Bangalore 560 095 (Tel No. (080) 25532926 Fax No.. (080) 25535794), Auditors of UTL, vide their Certificate dated May 5, 2006, have certified that the Acquirer has adequate liquid resources to meet the funds requirements of the Offer, including expenses thereof.

5.2.9 Fedex Securities Limited, Merchant Banker to the (Manager to the) Offer certify and confirm that firm arrangements for funds and money for payment through verifiable means are in place to fulfill the Offer obligations.

6. TERMS AND CONDITIONS OF THE OFFER

6.1

a. This Offer will open on Thursday, June 29, 2006 and will close on Tuesday, July 18, 2006. The Equity Shares offered under this Offer should be free from all liens, charges, equitable interests, encumbrances and are to be offered together with, if any, of all rights of dividends, bonuses or rights from now on and hereafter.

b. This is not a conditional Offer and there is no stipulation as to the minimum level of acceptance.

c. The Specified date for this Offer is Monday, May 29, 2006.

d. 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 Shares of TTL anytime before the closure of the Offer, are eligible to participate in the Offer.

e. The Acquirer will comply with the Takeover Regulations and complete the offer formalities irrespective of the compliance or fulfillment or outcome of any Agreement for acquisition of Shares entered into subsequent to the Public Announcement and its related conditions. As on date of this Letter of Offer, there are no such Agreement.

f. In case of non-compliance with any of the provisions of the Takeover Regulations, any such Agreement for acquisition of Shares shall not be acted upon by the seller or the Acquirer.

g. The ISIN Number of Equity Shares of TTL in dematerialized form is INE 948A01012.

6.2 **Locked in Shares:** There are no Shares, which are subject to lock in.

6.3. Eligibility for accepting the Offer

6.3.1 The Letter of Offer shall be mailed to all Equity Shareholders/ Beneficial Owners holding Shares in dematerialized form (except the present promoters/Directors of TTL, parties to the agreement and the Acquirer) whose names appear in register of Target Company as on Monday, May 29, 2006, the Specified Date.

6.3.2 This Offer is also open to persons who own Equity Shares in TTL but are not registered Shareholders / beneficial owners holding Shares in dematerialized form ,as on the “Specified date”.

6.3.3 All Equity Shareholders/ Beneficial Owners holding Shares in dematerialized form (except the present promoters/Directors of TTL, parties to the Agreement and the Acquirer) who own Equity Shares of Target Company anytime before the closure of the Offer are eligible to participate in the Offer.

6.3.4 The Form of acceptance and other documents required to be submitted herewith, will be accepted by the Registrar to the Offer, M/s. Sharepro Services (India) Pvt. Ltd., 3rd Floor, A wing, Satam Industrial Estate, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099, Telephone Nos. (022) 2821 5168, 2821 5169, Fax No. (022) 2837 5646 E mail Id: ashokgupta@Shareproservices.com (Contact Person: Shri. Ashok Gupta)between 10 a.m. to 4 p.m. on working days and between 10. a.m. to 2 p.m. on Saturdays, during the period, the Offer is open.

6.3.5 The Public Announcement, Letter of Offer, the Form of Acceptance and Form of Withdrawal will also be available at SEBI’s website: www.sebi.gov.in. In case of non-receipt of Letter of Offer, all Shareholders including unregistered Shareholders, if they so desire, may download the Letter of Offer, the Form of Acceptance or Form of Withdrawal from the SEBI website for applying in the Offer or to withdraw from the Offer.

6.3.6 Unregistered Equity Shareholders who have sent the Share Certificates for transfer to TTL/its Share Transfer Agent, and not received them back or hold Shares of TTL without being submitted for transfer or those who hold in Street Name shall also be eligible to participate in this Offer.

6.3.7 Unregistered Equity Shareholders and those who apply in plain paper will not be required to provide any Indemnity.

6.3.8 Unregistered Shareholders may follow the same procedure mentioned above for registered Shareholders.

6.3.9 The acceptance of this Offer by the Equity Shareholders of TTL must be absolute and unqualified. Any acceptance to this Offer which is conditional or incomplete in any respect will be rejected without assigning any reason whatsoever.

6.3.10 The acceptance of this Offer is entirely at the discretion of the Equity Shareholders of TTL.

6.3.11 The Acquirer, Manager to the Offer or Registrar to the Offer accept no responsibility for any loss of Equity Share Certificates, Offer Acceptance Forms etc. during transit and the Equity Shareholders of TTL are advised to adequately safeguard their interest in this regard.

6.3.12 The acceptance of Shares tendered in the Offer will be made by the Acquirer in consultation with the Manager to the Offer.

6.3.13 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute part of the terms of the Offer.

6.3.14 The Manager to the Offer shall submit a final report to SEBI within 45 days of closure of the Offer in accordance with Regulation 24 (7) of the Regulations.

6.3.15 For any assistance please contact Fedex Securities Limited, Manager to the Offer or the Acquirer, or the Registrar to the Offer.

6.4 **Statutory Approvals :**

6.4.1 As on the date of this Letter of Offer, no approvals are required to acquire the Equity Shares that are tendered pursuant to the Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

6.4.2 Barring unforeseen circumstances, the Acquirer would endeavor to obtain all approvals within 15 days from the date of closure of the Offer. In terms of Regulation 22(12) of the Regulations, in the case of non-receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days.

6.4.3 In case the Acquirer fail to obtain requisite statutory approval in time, on account of any willful default or neglect or inaction or no-action, then action in terms of Regulation 22(13) will be initiated by SEBI.

6.4.4 No approval is required to be obtained from Banks/Financial Institutions for the Offer.

7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

ACCEPTANCE OF THE OFFER

7.1.1 Name and Address of the persons (Registrars to the Offer) to whom the Equity Shares alongwith documents required to be submitted therewith, should be sent including name of the contact person, telephone no., fax no. etc.

Registrars to the Offer	Working days and timings	Mode of delivery
Sharepro Services (India) Pvt. Ltd. 3rd Floor, A Wing, Satam Industrial Estate Cardinal Gracious Road, Chakala Andheri (East), Mumbai 400 099 Telephone Nos. (022) 2821 5168, 2821 5169 Fax No. (022) 2837 5646 E mail Id: ashokgupta@Shareproservices.com **Contact Person:** Shri. Ashok Gupta	**Monday to Friday** 11.00 A. M to 4.00 P.M. Saturday 11.00 A M to 2.00 P M	By Post/Courier/ Hand delivery

7.1.2 Share holders holding Equity Shares in physical form and wishing to tender their Equity Shares will be required to send their form of acceptance, original Share certificates and transfer deeds to the Registrar to the Offer: M/s. Sharepro Services (India) Pvt. Ltd., 3rd Floor, A wing, Satam Industrial Estate, Cardinal Gracious Road, Chakala, Andheri (East), Mumbai 400 099, Telephone Nos. (022) 2821 5168, 2821 5169, Fax No. (022) 2837 5646 E mail Id: ashokgupta@Shareproservices.com (Contact Person: Shri. Ashok Gupta) either by hand delivery or by Registered Post, to reach them on or before the closure of the Offer, i.e. Tuesday, July 18, 2006 in accordance with the instructions specified in this Letter of Offer and in the Form of Acceptance. In case the Share Certificate(s) and Transfer Deeds are lodged with TTL/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by TTL/its transfer agents for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of the Memorandum & Articles of Association and copy of the Board Resolution authorizing the signatory, shall also be sent along with.

7.1.3 Beneficial owners (holders of Equity Shares in Dematerialized Form) who wish to tender their Equity Shares will be required to send their Form of Acceptance-cum-acknowledgement along with a photocopy of the delivery instructions in “Off –market” mode or counterfoil of the delivery instruction in “Off –market” mode, duly acknowledged by the Depository Participant (DP) in favor of the Special Depository Account opened by the Registrar to the Offer, in accordance with instructions specified in this Letter of Offer and in the Form of Acceptance-cum-acknowledgement. The details of the Special Depository Account is given below :

DP Name	:	Stock Holding Corporation of India Ltd
DP ID	:	IN301330
Client Name	:	Sharepro Escrow A/c TTL Open Offer
Client ID	:	19731105

7.1.4 The Acceptance Form alongwith Share Certificates/copy of delivery instruction to DP and other relevant documents shall be sent to the Registrars only. The same shall not be sent to the Acquirer, Target Company or Manager to the Offer.

7.2. Procedure for acceptance of the Offer by unregistered Shareholders, owners of Shares who have sent them for transfer or those who did not receive the Letter of Offer.

7.2.1. Accidental omission to dispatch the Letter of Offer to any person will not invalidate the Offer in any way.

7.2.2 In case of non-receipt of the letter of Offer, the eligible person(s), holding Equity Shares of TTL in physical form, may send his/her/their consent on plain paper stating the name, address, number of Shares held, distinctive numbers, certificate numbers and the number of Equity Shares Offered along with the Share certificates, duly signed transfer forms and other required documents to the Registrar to the Offer so as to reach them on or before the closure of the Offer.

7.2.3 In case of non receipt of the Letter of Offer, beneficial owners holding Equity Shares in dematerialized form, may send their applications 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 photocopy of the delivery instruction in “Off-market”, or counterfoil of the delivery instruction in Off-market” mode, duly acknowledged by the DP, in favor of the special depository account, so as to reach the Registrar to the Offer on or before the closure of the Offer.

7.2.4 In case the Share Certificate(s) and Transfer Deeds are lodged with TTL/its Share Transfer Agent for transfer and have not been received back, then the acceptance shall be accompanied by (i) The Share Transfer Deed(s) and (ii) The acknowledgement of the lodgment with, or receipt issued by TTL/its Share Transfer Agent, for the Share Certificate(s) so lodged. Where the Transfer Deeds are signed by a constituted Attorney, a certified copy of the Power of Attorney shall also be lodged. In the case of body corporate/limited Companies, certified copy of memorandum & Articles of Association, shall also be sent along with.

Unregistered owners holding Equity Shares in physical Form should enclose

(i) Form of Acceptance-cum-acknowledgement duly completed and signed in accordance with instructions contained therein, by all Shareholders whose names appear on the Share certificates.

(ii) Original Share Certificates.

(iii) Original broker contract note of a registered broker of a recognized Stock Exchange

(iv) Valid Share transfer form as received from the market. The details of the buyer should be left blank. If the details of buyer are filled in, the tender will not be valid under the Offer. All other requirements for valid transfer will be pre-conditions for valid acceptance.

7.3 The Acquirer shall accept all valid fully paid up Shares tendered (except those, which are withdrawn, within the date specified for withdrawal).

7.4 If the number of Equity Shares offered by the Shareholders are more than the Offer size, then the acquisition from each Shareholder will be as per Regulation 21 (6) of the SEBI (SAST) Regulations. The market lot for TTL’s Shares is 1(one only).

7.5 Consideration for Equity Shares accepted will be paid by Crossed Account Payee Cheque drawn at Mumbai and sent by Registered Post/ Under Certificate of Posting.

7.6 The Equity Shares Certificate(s) and the transfer form (s) or Shares transferred to the Special Depository Account together with the Acceptance Form submitted by the acceptors of the Offer, will be held by the Registrars in trust for the acceptors of the Offer until the Acquirer pay the Offer Price.

7.7 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in case of non receipt of statutory approvals, SEBI has the power to grant extension of time beyond 15 days from the date of closure of offer, for the purpose of making payment subject to, the Acquirer agreeing to pay interest to the Shareholders for delay beyond 15 days.

7.8 In case of acceptance on proportionate basis/or rejection for any reason, the unaccepted Share Certificates, Transfer deeds and other documents, if any, will be returned by Registered Post at the Share holder’s / unregistered holder’s sole risk as per the details furnished in the form of acceptance-cum-acknowledgement. Shares held in demat form to the extent not accepted will be returned to the beneficial owner to the credit of the beneficial owner’s DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

7.9 Shareholders who are desirous of withdrawing their acceptances tendered in the Offer can do so upto three working days prior to the date of closure of the Offer, in terms of Regulation 22(5A).

7.10 The Withdrawal option can be exercised by submitting the Form of Withdrawal attached to the Letter of Offer duly filled in, with relevant particulars, so as to reach the Registrar to the Offer on or before Thursday, July 13, 2006

7.11 The Withdrawal option can also be exercised by making an application on plain paper alongwith the following details:

Name, Address, Distinctive numbers, Folio nos., No. of Shares tendered/ withdrawn, if held in physical form

Name, Address, DP Name, DP ID, Beneficiary Account/Client ID No. of the Account from where Shares were tendered, photocopy of the delivery instruction in " Off Market Mode" duly acknowledged by the DP in favor of the Special Depository Account in the name of Registrar and number of Shares tendered /withdrawn.

7.12. The Shares withdrawn by Shareholders, which are in physical form will be returned by Registered Post. Shares tendered in dematerialized form and withdrawn will be returned by credit to the beneficial owner's DP Account with the respective DP as per the details furnished by the beneficial owner in the form of acceptance cum acknowledgement.

7.13 The marketable Lot for the target Company's Shares is 1(one only)

7.14. SETTLEMENT/ PAYMENT OF CONSIDERATION

7.14.1 The Acquirer shall arrange to pay the consideration on or before Wednesday, August 2, 2006. Payment will be made to the person named by the acceptors in the relevant box in the Acceptance Form by "Account Payee" crossed Cheque payable at Mumbai as indicated in the form of acceptance. If no such details are filled in by the acceptor(s), then the same will be sent by registered post to the Sole/ First holder at their registered address at the Equity Share holder's own risk. Tax at applicable rate(s) will be deducted, in those cases where Tax Deduction at Source (TDS) is applicable.

7.14.2 Consideration for Equity Shares accepted will be paid by Cheque crossed "Account Payee" and drawn at Mumbai. Payment Cheques upto Rs. 1,500/- will be sent by Certificate of Posting and for amount of Rs.1,500/- above by Registered Post.

7.14.3 In terms of Regulation 22(12) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations 1997, in the case of non receipt of statutory approvals, SEBI has the power to grant extension of time for the purpose of making payment subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond the last date mentioned for payment of consideration.

8. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at 18/A/19, Doddanekundi Industrial Area, Mahadevapura Post, Whitefield, Bangalore 560 048, the place where the Registered Office of UTL, the Acquirer situates. The documents can be inspected during normal business hours (10.00 A.M. to 5.00 P.M.) on all working days (except Saturdays and Sundays) during the period from the date of this Letter of Offer, till date of closure of the Offer.

1. Copy of Certificate dated 05.05.2006 from Shri B.S.S. Shetty, (Membership No. 6031 -F), Partner, Ford, Rhodes, Parks & Co, Chartered Accountants, No. 439, 18th Main, 6th Block, Koramangala, Bangalore 560 095 certifying the Net Worth of UTL as on 31.03.2005.
2. Copy of Certificate from Shri B.S.S. Shetty, (Membership No. 6031 -F), Partner, Ford, Rhodes, Parks & Co, Chartered Accountants, No. 439, 18th Main, 6th Block, Koramangala, Bangalore 560 095, dated 05.05. 2006, certifying that the Acquirer has adequate liquid resources to meet the funds requirements of the Offer.
3. Published Audited accounts of TTL for the years 2002-03, 2003-04 & 2004 -2005 and results for the 9 month's period ended 31.12.2005 (limited audit by Auditors)
4. A copy of the resolution adopted by Board of Directors of UTL, in their meeting held on May 5, 2006, regarding the Offer and also authorizing Shri. C. Basavapurnaiah, Chairman, to sign the Letter of Offer on behalf of UTL.
5. Copy of letter addressed by the Acquirer, to Board of Directors of TTL, dated 4th May 2006, expressing willingness to acquire Equity Shares and warrants on preferential basis, to take control over TTL and TTL's acceptance thereof.
6. Copy of transaction statement on 05-05-06 in Beneficiary Account No. 10158596, with IL&FS, maintained by Fedex Securities Ltd, Manager to the Offer, indicating receipt of Equity Shares of Bharti Televentures Ltd, deposited by Acquirer towards Escrow Account.
7. Copy of letter dated May 5, 2006 from with The Dhanalakshmi Bank Ltd., confirming the opening of Special Deposit Account and certifying that lien has been noted in favor of Fedex Securities Limited, Manager to the Offer.
8. Copy of Board Resolution dated May 4, 2006, adopted by Board of Directors of Trigyn Technologies Ltd, for the preferential allotment
9. Copy of Special Resolution adopted by members of TTL in EGM held on June 2, 2006 approving the preferential allotment.
10. Audited Accounts of UTL for the years 2002-03, 2003-04 & 2004-05 & Accounts as on 31.12.2005 (certified by Auditor)
11. Audited accounts for the years 2002-03, 2003-04, 2004-05 & certified results for interim period, Memorandum & Articles of Association, Certificate of Incorporation & Certificate for Commencement of Business of all group Companies of UTL/other Companies promoted by promoters of UTL
12. Order dated May 16, 2002 issued by SEBI on the Acquisition of Shares in The Dhanalakshmi Bank Ltd. by Dr. Raja Mohan Rao.
13. Published Copies of the Public Announcement made in newspapers on May 8, 2006
14. Due Diligence letter dated may 12, 2006 submitted to SEBI by Fedex Securities Ltd., Manager to the Offer
15. Certified Copies of Certificate of Incorporation and Certificate for Commencement of Business of TTL, the Target Company.
16. Copy of MOU dated May 5, 2006, between the Acquirer and Manager to the Offer.
17. Copy of letter dated May 5, 2006 addressed to the Acquirer by the Registrar to the Offer, offering their services and acknowledged by the Acquirer.
18. SEBI Observation letter No. CFD/DCR/NM/TO/68334/06 dated June 01, 2006.

9. DECLARATION

The Acquirer and each of its Directors jointly and severally accepts full responsibility for the information contained in this Letter of Offer and Form of Acceptance. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

The Acquirer shall be responsible for ensuring compliance of the Regulations.

Signed by

The Acquirer

For United Telecoms Ltd.

Shri. C Basavapurnaiah
Chairman

Place : Mumbai
Date : June 15, 2006

Encl. :

1. Form of Acceptance cum Acknowledgement
2. Form of Withdrawal
3. Share Transfer Deed

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

(Please send this Form with enclosures to the Registrars to the Offer)

Offer opens on	Thursday, June 29, 2006
Offer closes on	Tuesday, July 18, 2006

From :

Unique identification No. under MAPIN ___________________

To,

United Telecoms Ltd.
Registered Office and Factory
18/A/19, Doddanekundi Industrial Area
Mahadevapura Post, Whitefield, Bangalore 560 048
Tel. Nos.(080) 2852 4050, 2852 4088, 2852 4032

Dear Sir,

Sub: Open Offer for purchase 61,92,200 Equity Shares of Trigyn Technologies Limited Representing 20.00 % of the Issued, Subscribed and paid up Equity Capital(post pref. allotment) by United Telecoms Ltd.

I/We refer to the Letter of Offer dated June 15, 2006 for acquiring the Equity Shares held by me/us in Trigyn Technologies Limited.

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Shares in the physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

I/We, the undersigned have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein. I/We, hold Equity Shares of Trigyn Technologies Ltd in physical form, accept the offer and enclose the original Share certificate(s) and duly signed transfer deed(s) in respect of my/our Shares as detailed below:

(In the case of Shares in Physical Form)

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate	No. of Share Certificates	Distinctive Numbers	
					From	To

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Trigyn Technologies 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 note and understand that the original Share certificate(s) and valid Share transfer deed will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

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ACKNOWLEDGEMENT RECEIPT

Received from Mr/Ms.____
Form of Acceptance cum Acknolwledgement, in connection with open offer to Shareholders of **Trigyn Technologies Limited.**

Folio No _________________________ No. of Share Certificates enclosed ___________

Certificate No.____________________ Total No. of Shares Enclosed:_______________

Copy of Delivery Instruction to DP ______________________

(Delete whichever is not applicable)

Stamp of Collection Centre, Signature of Official, Date of Receipt

I/We hold the following Equity Shares of Trigyn Technologies Ltd in Dematerialized Form and accept the Offer and enclose a photocopy of the Depository Delivery instruction(s) duly acknowledged by the DP in respect of my/our Equity Shares, details of which are given below :

Sr. No.	DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

I/We have done an Off market transaction for crediting the Shares to the Special Depository Account, "Sharepro Escrow Account TTL Open Offer " whose particulars are DP Name: Stock Holding Corporation of India Ltd , DP ID IN301330, Client ID 19731105

I/We note and understand that the Shares transferred to the above Special Depository Account, will be held in trust for me/us by the Registrars to the Offer until the time the Acquirers makes payment of the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the consideration only after verification of the documents and signatures.

I/We confirm that the Equity Shares of Trigyn Technologies Limited which are transferred by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorize the Acquirer to accept the Shares so offered which they may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We further authorize the Acquirer to return to me/us, Equity Share certificate(s) in respect of which the offer is not found valid /not accepted, specifying the reasons thereof. I/We authorize the Acquirer or the Manager to the Offer or the Registrars to the Offer to send by registered post/under certificate of posting, the Cheque, in settlement of the amount to the sole/first holder at the address mentioned below :

The permanent Account No. (PAN/GIR No.) Allotted under the Income Tax Act 1961 is as under

	PAN / GIR No.
1st Shareholder	
2nd Shareholder	
3rd Shareholder	
4th Shareholder	

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place: ————————

Date: ————————

So as to avoid fraudulent encashment in transit, the applicants are requested to provide details of Bank account of the sole/first Shareholder and the consideration Cheque will be drawn accordingly.

Name of the Bank	
Full address of the Branch	
Nature of Account	
Account Number	

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

SHAREPRO SERVICES (INDIA) PVT. LTD.
3rd Floor, A Wing, Satam Industrial Estate, Cardinal Gracious Road, Chakala,
Andheri (East), Mumbai 400 099
Telephone Nos. (022) 2821 5168, 2821 5169, Fax No. (022) 2837 5646
E mail Id: ashokgupta@Shareproservices.com
Contact Person: **Shri. Ashok Gupta**

FORM OF WITHDRAWAL

Offer opens on	Thursday, June 29, 2006
Offer closes on	Tuesday, July 18, 2006

From :

Unique identification No. under MAPIN ___________________

To,

United Telecoms Ltd.
Registered Office and Factory
18/A/19, Doddanekundi Industrial Area
Mahadevapura Post, Whitefield, Bangalore 560 048
Tel. Nos.(080) 2852 4050, 2852 4088, 2852 4032

Dear Sir,

Sub: Open Offer for purchase 61,92,200 Equity Shares of Trigyn Technologies Limited Representing 20.00 % of the Issued, Subscribed and paid up Equity Capital(post pref. allotment) by United Telecoms Ltd.

I/We refer to the Letter of Offer dated June 15, 2006 for acquiring the Equity Shares held by me/us in Trigyn Technologies Limited

I/We, hereby consent to unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorize the Acquirers to return to me/us, the tendered Equity Shares at my/our sole risk.

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

I/We note that the Acquirers/Manager to the Offer/Registrar to the Offer shall not be liable for any postal delay /loss in transit of the Share Certificate(s) due to incomplete or inaccurate particulars.

I/We also note and understand that the Acquirers will return the original Share Certificate(s) , Share Transfer Deed(s) or credit back the Shares to my/our Beneficiary Account for Shares held in dematerialized form, only on completion of verification of the documents .

The particulars of Share Certificate(s) tendered and duly signed Transfer Deeds which are wished to be withdrawn from the Offer are as given below:

(In the case of Shares in physical form)

Sl. No.	Ledger Folio No.	No. of Shares	Share Certificate	No. of Share Certificates	Distinctive Numbers	
					From	To

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ACKNOWLEDGEMENT RECEIPT

Received from Mr/Ms.____
Form of Withdrawal cum Acknolwledgement, in connection with open offer to Shareholders of **Trigyn Technologies Limited.**

Folio No _________________________ No. of Share Certificates enclosed ___________

Certificate No.____________________ Total No. of Shares Enclosed:_______________

Copy of Delivery Instruction to DP ______________________
(Delete whichever is not applicable)

Stamp of Collection Centre, Signature of Official, Date of Receipt

The particulars of Shares held in Dematerialized Form, which were transferred to Special Depository account "Sharepro Escrow Account TTL Open Offer " whose particulars are DP Name: Stock Holding Corporation of India Ltd , DP ID IN301330, Client ID 19731105, and proposed to be withdrawn are as follows. I wish to withdraw the under noted Shares so transferred.

Sr. No.	DP Name	DP ID	Client ID	Name of Beneficiary	No. of Equity Shares

(In case of insufficient space, please attach a separate sheet.)

I/We confirm that the Equity Shares of Trigyn Technologies Limited, which were tendered by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

Please find a photocopy of the Delivery instructions duly acknowledged by the DP.

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

Yours faithfully

Signed and delivered

	Full Name	Holder's Signature
Sole / First Holder		
Joint Holder 1		
Joint Holder 2		
Joint Holder 3		
Joint Holder 4		

Place: ———————

Date: ———————

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

SHAREPRO SERVICES (INDIA) PVT. LTD.
3rd Floor, A Wing, Satam Industrial Estate, Cardinal Gracious Road, Chakala,
Andheri (East), Mumbai 400 099
Telephone Nos. (022) 2821 5168, 2821 5169, Fax No. (022) 2837 5646
E mail Id: ashokgupta@Shareproservices.com
Contact Person: **Shri. Ashok Gupta**