

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer ('LoF') is sent to you as a Shareholder(s) of South India Projects Limited ("SIPL"/"Target Company"). 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 or Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer to the Members of the Stock Exchange(s) through whom the said sale was affected.

OPEN OFFER BY

Mr. Joseph Sudheer Reddy Thumma ('Acquirer 1')

Residing at 26, Paige Terrace, Sayreville, NJ-08872, United States of America ('USA')
Permanent Address: 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India
Telephone No.: 001-732-416-7645, **Fax No.:** 001-732-579-5515, **E-Mail ID:** jsthumma@gmail.com

Mr. Jagan Mohan Reddy Thumma ('Acquirer 2')

Residing at Flat No. 209, Sai Sri Homes, Malani Colony, New Bowenpally, Hyderabad-500 011, Telangana
Permanent Address: 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India
Contact No.: +91 96666 81340, **E-Mail ID:** jsthummaj@gmail.com

Mr. Dennis Reddy Thumma ('PAC 1')

Residing at 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India
Contact No.: +91 96666 81341, **E-Mail ID:** dennisreddy0210@gmail.com

Mrs. Innamma Thumma ('PAC 2')

Residing at 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India
Contact No.: +91 96666 81337, **E-Mail ID:** innamma2912@gmail.com

to the existing shareholders of

SOUTH INDIA PROJECTS LIMITED

(CIN: L72100WB1981PLC034342)

Registered Office: 5 & 6, 8th Floor, Fancy Lane, Kolkata-700 001

Telephone No.: +91 33 4006 9740; **Fax No.:** +91 33 4006 9762; **E-Mail ID:** southindiaprojectslimited@gmail.com;

Website: www.southindiaprojectslimited.in

to acquire upto 13,08,700 Equity Shares of ₹10 each representing 26% of Emerging Voting Capital of the Target Company at a price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share ('Offer Price') plus interest @ 10% per annum per Equity Share for delay in payment beyond the Scheduled Payment Date (as defined hereafter), payable in cash (For the purpose of clarification, an amount of ₹1.60 per share will be payable by way of interest to all the successful Shareholders, whose Shares are validly tendered and accepted in the Offer, on the basis of the current Offer Price, and assuming that the date of payment of consideration for such accepted Shares is March 16, 2017 (Thursday))

- This Offer is being made by the Acquirers and the PACs pursuant to Regulation 3(2) and 3(3) of SEBI (SAST) Regulations, 2011.
- This Offer is not conditional upon any minimum level of acceptance by the shareholder(s) of the Target Company.
- As on date of this Letter of Offer ("LoF"), there are no Statutory Approvals required to acquire Equity Shares that are validly tendered pursuant to this Open Offer, except for those mentioned under Statutory Approval in point no. 7.4 on page no. 18 of the LoF.
- If there is any upward revision in the Offer Price/Offer Size at any time up to three (3) working days prior to commencement of the Tendering Period i.e. February 09, 2017 (Wednesday) in terms of the SEBI (SAST) Regulations, 2011, the same would also be informed by way of an announcement in the same newspapers where the Detailed Public Statement ('DPS') was published. Such revised Offer Price would be payable to all the Shareholders, who have validly tendered their shares anytime during the Tendering Period to the extent their Shares have been verified and accepted under the Offer, by the Acquirers and the PACs. If the Offer is withdrawn pursuant to Regulation 23 of SEBI (SAST) Regulations, 2011, the same would be communicated within two (2) working days by an announcement in the same newspapers in which the DPS had been published.
- **There was no competitive bid.**
- A copy of the Public Announcement ("PA"), Detailed Public Statement ("DPS") and this Letter of Offer ("LoF") are also available on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

MANAGER TO THE OFFER		REGISTRAR TO THE OFFER	
	Mark Corporate Advisors Private Limited CIN: U67190MH2008PTC181996 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off W. E. Highway, Vile Parle (East), Mumbai-400 057. Maharashtra Tel No.: +91 22 2612 3207/08 E-Mail ID: openoffer@markcorporateadvisors.com Contact Person: Mr. Manish Gaur SEBI Reg. No.: INM000012128		Niche Technologies Private Limited CIN: U74140WB1994PTC062636 D-511, Bagree Market, 5 th Floor, 71, B. R. B. Basu Road, Kolkata-700 001 Tel No.: +91 33 2234 3576/2235 7270/71 Fax No.: +91 33 2215 6823 Contact Person: Mr. Shoab Abbas/ Mr. Aniruddha Dutta E-Mail ID: nichetechpl@nichetechpl.com SEBI Reg. No.: INR000003290
Offer Opens on:	February 15, 2017 (Wednesday)	Offer Closes on:	March 01, 2017 (Wednesday)

SCHEDULE OF ACTIVITIES PERTAINING TO THE OFFER:

Nature of Activity	Original Day & Date	Revised Day & Date
Date of the PA	Saturday, October 01, 2016	Saturday, October 01, 2016
Date of publishing the Detailed Public Statement	Friday, October 07, 2016	Friday, October 07, 2016
Last date for filing of Draft Letter of Offer with SEBI	Tuesday, October 18, 2016	Tuesday, October 18, 2016
Last date of a competing offer	Wednesday, November 02, 2016	Wednesday, November 02, 2016
Latest date by which SEBI's observations will be received	Wednesday, November 09, 2016	Friday, December 16, 2016
Receipt of Letter from Reserve Bank of India	-	Monday, January 30, 2017
Identified Date*	Friday, November 11, 2016	Wednesday, February 01, 2017
Last date by which the Letter of Offer will be dispatched to the Shareholders (<i>Except the Acquirers and the PACs</i>) as on the identified date	Monday, November 21, 2016	Wednesday, February 08, 2017
Last Date for revising the Offer Price/number of shares	Tuesday, November 22, 2016	Thursday, February 09, 2017
Last date by which the recommendation of the committee of Independent Directors of the Target Company will be given and published	Thursday, November 24, 2016	Monday, February 13, 2017
Date of Public Announcement for Opening the Offer	Friday, November 25, 2016	Tuesday, February 14, 2017
Date of Commencement of the Tendering Period (Offer opening date)	Monday, November 28, 2016	Wednesday, February 15, 2017
Date of Closing of the Tendering Period (Offer closing date)	Friday, December 09, 2016	Wednesday, March 01, 2017
Last date for communicating Rejection/acceptance and payment of consideration for accepted equity shares or equity share certificate/return of unaccepted share certificates/credit of unaccepted shares to Demat Account	Monday, December 26, 2016	Thursday, March 16, 2017

* *Identified Date is only for the purpose of determining the names of the shareholders as on such date to whom the Letter of Offer will be sent. It is clarified that all the Shareholders (registered or unregistered) of the Target Company (except the Acquirers and the PACs) are eligible to participate in this Offer any time during the tendering period of the Offer.*

RISK FACTORS:

Given below are the risks related to the proposed Offer and those associated with the Acquirers and the PACs:

Relating to the Proposed Offer:

- 1) The Offer is subject to receipt of approval from Reserve Bank of India, Kolkata (“RBI”). The RBI, pursuant to a letter dated January 30, 2017, has communicated that it has granted its approval to the Acquirers and the PACs for the proposed acquisition of Equity Shares of the Target Company. If any other statutory approvals are required or become applicable at a later date and therefore, in the event that either the statutory approvals or regulatory approvals, are not received in a timely manner, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers and the PACs, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers and the PACs for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers and the PACs agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.
- 2) In case of over-subscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.
- 3) Shareholders who tender their Equity Shares in acceptance of the Offer shall not be entitled to withdraw, even if the acceptance of equity shares under this Offer and despatch of consideration are delayed.

Relating to the Acquirers and the PACs:

- 1) The Acquirers and the PACs makes no assurance with respect to the financial performance of the Target Company and their investment/divestment decisions relating to their proposed shareholding in the Target Company.
- 2) The Acquirers and the PACs cannot provide any assurance with respect to the market price of the Equity Shares of the Target Company before, during or after the Offer and expressly disclaims any responsibility or obligation of any kind (except as required by applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in the Offer.
- 3) The Acquirers and PACs and the Manager to the Offer accepts no responsibility for the statements made otherwise than in the Public Announcement (‘PA’)/Detailed Public Statement (‘DPS’)/Draft Letter of Offer (‘LoF’)/Letter of Offer (‘LoF’) and anyone placing reliance on any other sources of information, not released by the Acquirers and the PACs, would be doing so at his / her / its own risk.

The Risk Factors set forth above pertain to the Offer and does not relate to the present or future business or operations of the Target Company or any other matters and are neither exhaustive nor intended to constitute a complete or comprehensive analysis of the risks involved in or associated with the participation by any Shareholder in the Offer. Each Shareholder of the Target Company is hereby advised to consult with legal, financial, tax, investment or other advisors and consultants of their choosing, if any, for further risks with respect to each such Shareholder’s participation in the Offer.

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1. ABBREVIATIONS/DEFINITIONS

Acquirer 1	Mr. Joseph Sudheer Reddy Thumma
Acquirer 2	Mr. Jagan Mohan Reddy Thumma
Acquirers	Mr. Joseph Sudheer Reddy Thumma ('Acquirer 1') and Mr. Jagan Mohan Reddy Thumma ('Acquirer 2')
BSE	BSE Limited, Mumbai
CDSL	Central Depository Services (India) Limited
Companies Act	Companies Act, 1956 and Companies Act, 2013
CSE	Calcutta Stock Exchange Limited, Kolkata
DP	Depository Participant
DPS / Detailed Public Statement	Detailed Public Statement relating to the Offer published on October 07, 2016 (Friday)
Eligible Persons for the Offer	All owners (registered or unregistered) of Equity Shares of the Target Company who own the Equity Shares at any time before the Closure of the Offer (<i>except the Acquirers and the PACs</i>)
Emerging Voting Capital	Paid-up Equity Share Capital of ₹5,03,33,880 comprising of 50,33,388 Equity Shares of ₹10 each
Equity Shares	Fully paid-up Equity Shares of the Target Company of the Face Value of ₹10 (Rupees Ten only) each
Escrow Account	Shall have the meaning given to it in paragraph 6.2 of this Letter of Offer
Escrow Amount	Shall have the meaning given to it in paragraph 6.2 of this Letter of Offer
Escrow Bank	Kotak Mahindra Bank Limited
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investors registered with SEBI
Identified Date	February 01, 2017 (Wednesday) i.e. date falling on the tenth (10 th) Working Day prior to the commencement of Tendering Period, for the purposes of determining the Public Shareholders to whom this Letter of Offer shall be sent
IFSC	Indian Financial System Code
Income Tax Act	Income Tax Act, 1961, as amended from time to time
₹/ INR / Rs.	Indian Rupees, the legal currency of India
JNIT	JNIT Technologies Inc., USA
Letter of Offer/LoF	This Letter of Offer dated February 02, 2017
Manager / Manager to the Offer	Mark Corporate Advisors Private Limited
MICR	Magnetic Ink Character Recognition
NA/N.A.	Not Applicable
NBFC	Non-Banking Finance Company
Non-Resident Shareholder(s)	Persons resident outside India as defined under FEMA, holding Equity Shares of the Target Company
NRI	Non-Resident Indian
OCBs	Overseas Corporate Bodies
Offer period	Period from the date of entering into an agreement, to acquire Shares, Voting Rights in, or control over a Target Company requiring a Public Announcement, or the date of Public Announcement, and the date on which the payment of consideration to Shareholders who have accepted the Open Offer is made, or the date on which the Open Offer is withdrawn
Offer/Open Offer	The Open Offer is made by the Acquirers and the PACs to the Public Shareholders to acquire 13,08,700 Equity Shares, representing 26% of Emerging Voting Capital of the Target Company
Offer Price	₹130 (Rupees One Hundred and Thirty only) per Equity Share
Offer Size	Upto 13,08,700 Equity Shares representing 26% of Emerging Voting Capital of the Target Company at a price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share, plus interest @ 10% per

	annum per Equity Share for the delay in the payment beyond the Scheduled Payment Date, assuming full acceptance of this Offer unless there is any further revision in the Offer Price or Offer Size, aggregating to ₹17,22,24,920.00 (Rupees Seventeen Crores Twenty Two Lacs Twenty Four Thousand Nine Hundred and Twenty only)
PA / Public Announcement	Public Announcement of the Offer issued by the Manager to the Offer, on behalf of the Acquirers and the PACs on October 01, 2016 (Saturday)
PAC 1	Mr. Dennis Reddy Thumma
PAC 2	Mrs. Innamma Thumma
PACs	Mr. Dennis Reddy Thumma ('PAC 1') and Mrs. Innamma Thumma ('PAC 2')
Promoters	Promoters of South India Projects Limited as per Regulation 31(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) 2015
Preferential Allotment/ Preferential Issue	Issue and allotment of 20,00,000 Equity Shares to the Acquirers and the PACs of face value of ₹10.00 each at a price of ₹130.00 per Share.
Public Shareholder(s)	The Equity Shareholder(s) of the Target Company other than the Acquirers and the PACs
RBI	Reserve Bank of India
Registrar / Registrar to the Offer / RTA	Niche Technologies Private Limited
RTGS	Real Time Gross Settlement
Scheduled Payment Date	January 31, 2017 (Tuesday), being the last date for payment of consideration under the Offer in accordance with the timelines as stipulated in the SEBI (SAST) Regulations based on SEBI Observation Letter dated December 16, 2016
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended or modified from time to time
SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligation and Disclosure Requirement) Regulations, 2015, and subsequent amendments thereof
SEBI (SAST) Regulations, 2011/Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, and subsequent amendments thereof
SCRR	Securities Contract (Regulation) Rules, 1957, as amended thereof
Share Capital	30,33,388 Equity Shares of ₹10 each
Stock Exchange(s)	BSE Limited, Mumbai ('BSE') and The Calcutta Stock Exchange of India Limited, Kolkata ('CSE')
Target Company/SIPL	South India Projects Limited
Tendering Period	Period within which Shareholders of the Target Company may tender their Equity Shares in acceptance to the Offer, i.e. the period between and including February 15, 2017 (Wednesday) and March 01, 2017 (Wednesday)

2. DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE 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 SHAREHOLDERS OF SOUTH INDIA PROJECTS LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS/PACs OR THE COMPANY WHOSE SHARES AND 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 ACQUIRERS/PACs ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS/PACs DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, MARK CORPORATE ADVISORS PRIVATE LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED, OCTOBER 17, 2016 (MONDAY) TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THIS LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS/PACs FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

3. DETAILS OF THE OFFER

3.1 BACKGROUND OF THE OFFER

3.1.1. This Open Offer is being made by Mr. Joseph Sudheer Reddy Thumma ('Acquirer 1') & Mr. Jagan Mohan Reddy Thumma ('Acquirer 2') ("Acquirer 1" & "Acquirer 2" collectively being, the "Acquirers") and Mr. Dennis Reddy Thumma ("PAC 1") & Mrs. Innamma Thumma ("PAC 2") ("PAC 1" & "PAC 2" collectively being, the "PACs") to the Equity Shareholders of South India Projects Limited (hereinafter referred to as "SIPL"/"Target Company") pursuant to and in compliance with regulation 3(2) and 3(3) of the Regulations to acquire upto 13,08,700 Equity Shares of ₹10 each representing 26% of Emerging Voting Capital of the Target Company ('Offer Size') at a price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share ('Offer Price') plus interest @ 10% per annum per Equity Share for delay in payment beyond the Scheduled Payment Date, payable in cash, subject to the terms and conditions set out in the PA, DPS and the LoF that will be sent to the Public Shareholders of the Target Company.

3.1.2. As on date, the Acquirers hold 12, 29,346 Equity Shares of Face Value of ₹10 each, representing 24.42% of Emerging Voting Capital of the Target Company. The Acquirers and the PACs belongs to the Promoter/Promoter Group of the Target Company. The Object of the acquisition is to consolidate the Shareholding in the Target Company.

3.1.3. The details of the Transactions which triggered the Open Offer are as under:

3.1.3.1. The Board of Directors of the Target Company at their meeting held on October 01, 2016, has approved, subject to compliance with applicable laws and regulations, receipt of approval of the Shareholders and other necessary approvals including RBI, the issuance, by way of a Preferential Allotment pursuant to the provisions of Section 62 of the Companies Act, 2013 and other applicable legal provisions, including Chapter VII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ["SEBI (ICDR) Regulations, 2009"] of 20,00,000 Equity Shares of face value of ₹10 (Rupees Ten only) each at a price of ₹130 (Rupees One Hundred and Thirty only) each representing 39.73% of Emerging Voting Capital of the Target Company to the Acquirers and the PACs for consideration against swap of Shares of JNIT in the ratio of 2000:1 i.e. Two Thousand Equity Shares of the Target Company against One Share of JNIT and the details of the same are as under:

Sr. No.	Name of the Proposed Allottees	No of Shares held in JNIT	No of Equity Shares proposed to be allotted in SIPL
1)	Mr. Joseph Sudheer Reddy Thumma (Promoter of JNIT & SIPL and Acquirer 1)	520	10,40,000
2)	Mr. Jagan Mohan Reddy Thumma (Promoter of JNIT & SIPL and Acquirer 2)	160	3,20,000
3)	Mr. Dennis Reddy Thumma (Father of Acquirer 1 & Acquirer 2 and PAC 1)	160	3,20,000
4)	Mrs. Innamma Thumma (Mother of Acquirer 1 & Acquirer 2 and PAC 2)	160	3,20,000
	TOTAL	1000	20,00,000

As per the Valuation Report dated October 01, 2016 issued by Mr. Padam Jain, (Membership No. 071026), Partner of M/s PKJ & Co., Chartered Accountants (FRN: 124115W), the above mentioned Shareholders of JNIT proposed to be allotted Shares of SIPL in the ratio of 2000:1 (Two Thousand Equity Shares of SIPL against 1 Share of JNIT).

3.1.4. The details of the Shareholding & Financials of JNIT Technologies Inc (“JNIT”) are given as under:

Shareholding Pattern of JNIT:

Sr. No.	Name of the Shareholder	Number of Shares held	%
1)	Joseph Sudheer Reddy Thumma	520	52.00%
2)	Jagan Mohan Reddy Thumma	160	16.00%
3)	Dennis Reddy Thumma	160	16.00%
4)	Innamma Thumma	160	16.00%
	TOTAL	1,000	100.00%

Brief Financials of JNIT:

Income Statement:

Particulars	(Amount in \$)				
	2011	2012	2013	2014	2015
Revenue	1,324,593	4,327,578	7,943,284	11,115,046	15,136,334
Cost of Revenue	1,074,406	3,457,698	6,367,389	9,253,609	12,579,428
Gross Profit	250,187	869,880	1,575,895	1,861,437	2,556,906
Selling, General & Administrative Expenses	218,324	711,846	1,281,084	1,394,560	2,014,350
Net Operating Income	31,953	158,034	294,811	466,877	542,556
Other Income	-	-	2,281	14,,9987	21,715
EBITDA	31,953	158,034	297,092	481,875	564,271
Interest	-	-	1,094	12,771	36,723
Depreciation	-	-	-	5,599	8,991
EBT	31,953	158,034	295,998	463,505	518,557
Income Taxes	4,793	44,883	98,682	183,067	222,980
Net Income	27,160	113,151	197,316	280,438	295,577*

* Excludes one time additional tax provision pertaining to cash to accrual conversion.

Balance Sheet Statement:

Particulars	(Amount in \$)				
	2011	2012	2013	2014	2015
Cash	64,435	45,052	4,807	439,641	916,658
Account Receivable	113,768	423,966	1,407,701	2,063,081	3,567,696
Other Assets	271,915	208,533	564,353	772,887	720,190
Total Assets	450,118	677,551	1,976,862	3,275,609	5,204,544

Particulars	2011	2012	2013	2014	2015
Accounts Payable	-	20,124	663,663	1,015,891	2,166,259
Other Current Liabilities	4,793	98,951	546,116	523,488	717,226
Long Term Liabilities	-	-	11,893	700,000	1,085,000
Stockholders' Equity	445,325	558,476	755,190	1,036,230	1,236,059
Total Liabilities and Equity	450,118	677,551	1,976,862	3,275,609	5,204,544

Note: The above details have been extracted from the Valuation Report dated October 01, 2016.

3.1.5. Upon completion of the aforementioned Preferential Allotment of Equity Shares to the Acquirers and the PACs, their individual holding as well as the Promoter Group aggregate holding would exceed threshold limit set out in Regulation 3(2) and 3(3) of the Regulations. The same is presented in the table below:

Particulars	Pre-Preferential Allotment Shareholding		No of Equity Shares proposed to be allotted under Preferential Issue	Post-Preferential Allotment Shareholding		Incremental % of Voting Capital
	No. of Equity Shares	% of Present Capital		No. of Equity Shares	% of Emerging Voting Capital	
Acquirer 1	10,79,346	35.58	10,40,000	21,19,346	42.11	6.53
Acquirer 2	1,50,000	4.94	3,20,000	4,70,000	9.34	4.40
PAC 1	Nil	N.A.	3,20,000	3,20,000	6.36	6.36
PAC 2	Nil	N.A.	3,20,000	3,20,000	6.36	6.36
TOTAL	12,29,346	40.52	20,00,000	32,29,346	64.17	-

3.1.6. There will be no change in Control of the Target Company pursuant to Preferential Allotment and Open Offer.

3.1.7. A Notice of Postal Ballot dated October 01, 2016 was dispatched to the Shareholders inter alia to approve the Preferential Allotment in accordance with the provisions of Section 62 of the Companies Act and other applicable provisions including the SEBI (SAST) Regulations, 2011. The result of which was announced on November 07, 2016.

3.1.8. The Target Company received In-Principle Approval from BSE Limited, Mumbai ("BSE") on November 01, 2016 for listing of Equity Shares to be allotted on Preferential Allotment basis to the Acquirers and the PACs and awaiting approval from The Calcutta Stock Exchange Limited, Kolkata ("CSE").

3.1.9. The Acquirers and the PACs have not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of SEBI Act or under any other regulations made under the SEBI Act.

3.1.10. As per Regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company is required to constitute a Committee of Independent Directors to provide reasoned recommendation on this Offer to the Eligible Shareholders. Such recommendation shall be published at least two (2) working days before the commencement of the Tendering Period in the same newspapers where the DPS was published in compliance with Regulation 26(7) of the SEBI (SAST) Regulations.

3.2 DETAILS OF THE PROPOSED OFFER

3.2.1 The PA announcing the Open Offer, under Regulations 3(2) and 3(3) read with Regulation 13, 14 and 15 of the SEBI (SAST) Regulations, 2011 was made on October 01, 2016 (Saturday) and was sent to BSE Ltd, Mumbai ('BSE'), The Calcutta Stock Exchange of India Limited, Kolkata ('CSE') and to the Target Company on October 01, 2016 and was filed with SEBI, Mumbai on October 03, 2016.

3.2.2 In accordance with Regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, the DPS was published on October 07, 2016 (Friday) in the following newspapers:

Publication	Language	Edition(s)
Financial Express	English	All Editions
Jansatta	Hindi	All Editions
Navshakti	Marathi	Mumbai Edition
Kalantar Patrika	Bengali	Kolkata Edition

The Public Announcement and Detailed Public Statement are also available on the website of SEBI at www.sebi.gov.in.

- 3.2.3 Simultaneously with the publication of DPS in the newspapers, a copy of the DPS was filed through the Manager to the Offer with SEBI, BSE, CSE and sent to the Target Company at its Registered Office.
- 3.2.4 This Offer is made by the Acquirers and the PACs to all Eligible Shareholders, to acquire up to 13,08,700 Equity Shares of Face Value of ₹10 (Rupees Ten only) each, representing 26% of Emerging Voting Capital, at a price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share plus interest @ 10% per annum per Equity Share i.e. ₹1.60 per Equity Share for delay in payment beyond the Scheduled Payment Date, to be paid in cash, in accordance with Regulation 9(1)(a) of the SEBI (SAST) Regulations and subject to the terms and conditions set out in the PA, the DPS and the Letter of Offer.
- 3.2.5 As of date of this Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company.
- 3.2.6 There is no differential pricing for the Offer.
- 3.2.7 This is not a Competing Offer in terms of Regulation 20 of the SEBI (SAST) Regulations. There has been no competing offer as of the date of this Letter of Offer
- 3.2.8 The Offer is unconditional and not subject to any minimum level of acceptance from the shareholders. In terms of Regulation 19(1) of the SEBI (SAST) Regulations, the Acquirers and the PACs will accept those Equity Shares of the Target Company which are tendered in valid form in terms of this Offer upto a maximum of 13,08,700 Equity Shares representing 26% of Emerging Voting Capital of the Target Company.
- 3.2.9 The Acquirers and the PACs did not acquire any shares of the Target Company after the date of PA i.e. October 01, 2016 (Saturday) up to the date of this LoF.
- 3.2.10 The Acquirers and the PACs will have the right not to proceed with this Offer in accordance with Regulation 23 of the SEBI (SAST) Regulations, in the event such Statutory Approvals as mentioned under Statutory Approval in point no. 7.4 on page no. 17 of the LoF are refused. In the event of withdrawal of this Offer, a public announcement will be made within Two (2) Working Days of such withdrawal, in the same newspapers in which the DPS has been published and such Public Announcement will also be sent to SEBI, BSE, CSE and the Target Company at its Registered Office.
- 3.2.11 As on date, the Manager to the Offer, Mark Corporate Advisors Private Limited does not hold any Equity Shares in the Target Company. The Manager to the Offer further declares and undertakes that they will not deal on their own account in the Equity Shares of the Target Company during the Offer Period as per Regulation 27(6) of the SEBI (SAST) Regulations.
- 3.2.12 The Equity Shares of the Target Company acquired by the Acquirers and the PACs shall be free from all liens, charges and encumbrances together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.
- 3.2.13 As per Regulation 38 of SEBI (LODR) Regulations, 2015 read with Rule 19A of the Securities Contract (Regulation) Rules, 1957, as amended ('SCRR'), the Target Company is required to maintain at least 25% Public Shareholding, on continuous basis for listing. Pursuant to completion of this Offer, assuming full acceptance, the public shareholding in the Target Company will fall below the minimum public shareholding requirement as per SCRR as amended and the Listing Agreement. However, the Acquirers and the PACs undertake to take necessary steps to facilitate Compliances of the Target Company with the relevant provisions of the Listing agreement within the time period mentioned therein.

3.3 OBJECT OF THE OFFER

- 3.3.1 This Offer is being made to the public shareholders of Target Company pursuant to and in compliance with regulation 3(2) and 3(3) of the Regulations.

3.3.2 The object of acquisition is to consolidate Shareholding in the Target Company and make JNIT Technologies, Inc (Company owned by the Acquirers and the PACs) as its Subsidiary Company. At present, the Acquirers and the PACs does not have any plans to make major changes to the existing line of business of the Target Company except in the ordinary course of business. The Acquirers and the PACs may expand the existing business of the Target Company.

3.3.3 The Acquirers does not have any plans to alienate any significant assets of the Target Company whether by way of sale, lease, encumbrance or otherwise for a period of two years except in the ordinary course of business of the Target Company. The Target Company's future policy for disposal of its assets, if any, for two years from the completion of Offer will be decided by its Board of Directors, subject to the applicable provisions of the law and subject to the approval of the shareholders through Special Resolution passed by way of postal ballot in terms of regulation 25(2) of Regulations.

4. BACKGROUND OF THE ACQUIRERS AND THE PACS

4.1 Information about Mr. Joseph Sudheer Reddy Thumma (“Acquirer 1”)

4.1.1 **Mr. Joseph Sudheer Reddy Thumma ('Acquirer 1')**, S/o Mr. Dennis Reddy Thumma, aged 41 years, Non-Resident Indian, is presently residing at 26, Paige Terrace, Sayreville, NJ-08872, United States of America ('USA') and having permanent address as 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District: Warangal, Telangana-506 167, India. Tel. No.: 001-732-416-7645, Fax No.: 001-732-579-5515, E-Mail ID: jsthumma@gmail.com. He is a Bachelor of Computer Science Engineering from Osmania University, Telangana, India. His Permanent Account Number (PAN) under Income Tax Act is AWLPT 4630 L.

4.1.2 Acquirer 1 has an overall experience of around 20 years in IT related services. He started his career at the age of 21. He worked for 4 years in Social Service Society, building up computer programs. Thereafter, he worked with IBM, Singapore & New York for 4 years and National Panasonic for 2 years. Subsequently, he worked for different organizations for 4 years. In the year 2010, he acquired a small IT based product Company in USA, namely JNITH Corporation and also started IT services firm namely JNIT Technologies Inc.

4.1.3 He is not part of any group.

4.1.4 As on date, Acquirer 1 is a Promoter of the Target Company and holds 10,79,346 Equity Shares representing 21.44% of Emerging Voting Capital of the Target Company. Additionally, he proposes to acquire 10,40,000 Equity Shares of Face Value of ₹10 each representing 20.66% of Emerging Voting Capital of the Target Company at ₹130 (Rupees One Hundred and Thirty only) per Equity Share on Preferential Issue basis against Swap of Shares of JNIT.

4.1.5 Acquirer 1 has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.

4.1.6 The Net Worth of Acquirer 1 is \$70,94,742 (US Dollar Seventy Lacs Ninety Four Thousand Seven Hundred and Forty Two only) as on September 01, 2016 as certified vide certificate dated September 16, 2016 issued by VBC & Company, CPA License No. 20CB00614000 having office at 97, Cedar Grove Lane, Suite 202, Somerset, New Jersey-08873, USA. Tel. No.: 732 572 4401, Fax No.: 732 807 7362, E-Mail ID: balav@vbccpa.com. The said Net Worth is equivalent to ₹47,42,83,502 (Rupees Forty Seven Crores Forty Two Lacs Eighty Three Thousand Five Hundred and Two only) (US \$1=INR 66.85).

4.1.7 The major entities promoted/controlled/managed by Acquirer 1 are as under:

Sr. No.	Name of the Company	Current Designation
1)	JNIT Technologies Private Limited, India	Director
2)	JNIT Technologies Inc, USA	President
3)	JNITH Corporation Inc, USA	President
4)	Vitalsigns SRO, USA	President

Note: None of the above entities are listed on any of the Stock Exchanges.

4.2 Mr. Jagan Mohan Reddy Thumma ('Acquirer 2')

- 4.2.1 **Mr. Jagan Mohan Reddy Thumma ('Acquirer 2')**, S/o Mr. Dennis Reddy Thumma, aged about 39 years, is residing at Flat No. 209, Sai Sri Homes, Malani Colony, New Bowenpally, Hyderabad-500 011, Telangana, India and having permanent address as 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon-506 167, District-Warangal, Telangana-506 167, India. Contact No.: +91 96666 81340, E-Mail ID: jsthummaj@gmail.com. He completed Masters of Information Technology from Sydney International College of Computing, Sydney, Australia. His Permanent Account Number (PAN) under Income Tax Act is ACPPT 6939 C.
- 4.2.2 Acquirer 2 has an overall experience of around 15 years in Information Technology sector. He is working as a correspondent in St. Francis Institute of Management since 2001.
- 4.2.3 He is not part of any group.
- 4.2.4 As on date, Acquirer 2 is a Promoter of the Target Company and holds 1,50,000 Equity Shares representing 2.98% of Emerging Voting Capital of the Target Company. Additionally, he proposes to acquire 3,20,000 Equity Shares of Face Value of ₹10 each representing 6.36% of Emerging Voting Capital of the Target Company at ₹130 (Rupees One Hundred and Thirty only) per Share on Preferential Issue basis against Swap of Shares of JNIT.
- 4.2.5 He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act or any other regulations made under the SEBI Act.
- 4.2.6 The Net Worth of Mr. Jagan Mohan Reddy Thumma is ₹9,25,32,600 (Rupees Nine Crores Twenty Five Lacs Thirty Two Thousand and Six Hundred only) as on August 31, 2016 as certified vide certificate dated September 02, 2016 issued by Mr. E Madhusudhana Reddy (Membership No. 202308) Partner of M/s. RSM & Associates, Chartered Accountants, (FRN: 2813S) having office at "Azam Manzil", 1-2-597/20/6. Lower Tank Bund Road. Hyderabad-500 029. E-Mail ID: rsmassociates2813@gmail.com, Contact No.: +91 98480 31074, Fax No.: +91 40 2322 8561.
- 4.2.7 The major entities promoted/controlled/managed by Mr. Jagan Mohan Reddy Thumma are as under:

Sr. No.	Name of the Company	Current Designation
1)	Jade Solar Energy Private Limited	Director
2)	JNIT Technologies Private Limited	Director

Note: None of the above entities are listed on any Stock Exchanges.

4.3 Mr. Dennis Reddy Thumma ('PAC 1')

- 4.3.1 **Mr. Dennis Reddy Thumma ('PAC 1')**, S/o Late Anthoni Reddy Thumma, aged about 60 years, is residing at 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India Contact No.: +91 96666 81341, E-Mail ID: dennisreddy0210@gmail.com. He is an undergraduate. His Permanent Account Number (PAN) under Income Tax Act is ACZPT 4012 C.
- 4.3.2 PAC 1 has been looking after administration of St. Mary's High School and St. Mary's PG College since past 25 years and is currently working as a correspondent at St. Mary's College of Education, Jangaon, Telangana.
- 4.3.3 He is not part of any group.
- 4.3.4 As on date, PAC 1 does not hold any Equity Shares of the Target Company. PAC 1 proposes to acquire 3,20,000 Equity Shares of Face Value of ₹10 each representing 6.36% of Emerging Voting Capital of the Target Company at ₹130 (Rupees One Hundred and Thirty only) per Equity Share on Preferential Issue basis against the Swap of Shares of JNIT.
- 4.3.5 He has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.

4.3.6 The Net Worth of Mr. Dennis Reddy Thumma is ₹5,79,55,224 (Rupees Five Crores Seventy Nine Lakhs Fifty Five Thousand Two Hundred and Twenty Four only) as on August 31, 2016 as certified vide certificate dated September 02, 2016 issued by Mr. E Madhusudhana Reddy (Membership No. 202308) Partner of M/s. RSM & Associates, Chartered Accountants, (FRN: 2813S) having office at “Azam Manzil”, 1-2-597/20/6. Lower Tank Bund Road. Hyderabad-500 029. E-Mail ID: rsmassociates2813@gmail.com, Contact No.: +91 98480 31074, Fax No.: +91 40 2322 8561.

4.3.7 Mr. Dennis Reddy Thumma has not promoted any Company/Ventures/Entities, etc.

4.4 Mrs. Innamma Thumma ('PAC 2')

4.4.1 **Mrs. Innamma Thumma ('PAC 2')**, W/o Mr. Dennis Reddy Thumma, aged about 57 years, is residing at 6-2-7/1, Near St. Mary's School, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India. Contact No.: +91 96666 81337, E-Mail ID: innamma2912@gmail.com. She is a Non-matriculate. Her Permanent Account Number (PAN) under Income Tax Act is AJLPT 7221 N.

4.4.2 PAC 2 is a Housewife.

4.4.3 She is not part of any group.

4.4.4 As on date, PAC 2 does not hold any Equity Shares of the Target Company. PAC 2 proposes to acquire 3,20,000 Equity Shares of Face Value of ₹10 each representing 6.36% of Emerging Voting Capital of the Target Company at ₹130 (Rupees One Hundred and Thirty only) per Equity Share on Preferential Issue basis against the Swap of Shares of JNIT.

4.4.5 She has not been prohibited by SEBI from dealing in securities, in terms of directions issued under section 11B of the SEBI Act or any other regulations made under the SEBI Act.

4.4.6 The Net worth of Mrs. Innamma Thumma is ₹5,56,00,000 (Rupees Five Crores Fifty Six Lakhs only) as on August 31, 2016 as certified vide certificate dated September 02, 2016 issued by Mr. E Madhusudhana Reddy (Membership No. 202308) Partner of M/s. RSM & Associates, Chartered Accountants, (FRN: 2813S) having office at “Azam Manzil”, 1-2-597/20/6. Lower Tank Bund Road, Hyderabad-500 029. E-Mail ID: rsmassociates2813@gmail.com, Contact No.: +91 98480 31074, Fax No.: +91 40 2322 8561.

4.4.7 Mrs. Innamma Thumma has not promoted any Company/Ventures/Entities, etc.

4.5 Acquirer 1 & Acquirer 2 are Brothers and PAC 1 & PAC 2 are the parents of the Acquirers.

4.6 The Acquirers and the PACs did not acquire any Equity Shares of the Target Company during twelve (12) months period prior to Public Announcement made to the Shareholders of the Target Company, except for 12,29,346 Equity Shares representing 24.42% of Emerging Voting Capital of the Target Company acquired in FY 2015-2016 pursuant to Open Offer triggered under the Regulations.

4.7 There is an informal arrangement between the Acquirers and the PACs with regard to the acquisition of Shares through this Open Offer.

4.8 Neither the Acquirers and the PACs nor any of the entities with which they are associated, are in securities related business and registered with SEBI as a Market Intermediary.

4.9 None of the entities promoted or controlled by the Acquirers as mentioned in point no. 4.1.7 and 4.2.7 above are either participating or acting in Concert with the Open Offer.

4.10 Acquire 1 and Acquirer 2 are the Directors of the Target Company, holding 24.42% of Emerging Voting Capital of the Target Company and presently controlling the Management of the Target Company. They shall recuse themselves and not participate in any matter concerning or relating to the Open Offer including any preparatory steps leading to the Offer.

5. BACKGROUND OF THE TARGET COMPANY-SOUTH INDIA PROJECTS LIMITED

- 5.1 The Target Company, bearing CIN L45209WB1981PLC034342 was incorporated on December 04, 1981 in the name of South India Projects Limited in the State of West Bengal under the provisions of the Companies Act, 1956 and certificate for Commencement of Business was obtained on January 08, 1982. There has been no change in the name of the Target Company since its Incorporation.
- 5.2 The Registered Office of the Target Company is situated at 5 & 6, 8th Floor, Fancy Lane, Kolkata-700 001.
- 5.3 The Target Company is registered with Reserve Bank of India (“RBI”) as a Non-Deposit taking Non-Banking Finance Company (“NBFC”) (Certificate of Registration bearing Number B-05.04715 dated December 05, 2001) and engaged in the business of investment in shares and securities and providing loans and advances. Further, the Main Object Clause of the Target Company had been altered w.e.f. May 03, 2016 and currently the Target Company is also engaged in the business of Development and Designing of Software Applications.
- 5.4 The Authorized Share Capital of the Target Company is ₹4,00,00,000 comprising 40,00,000 Equity shares of ₹10 each. The paid-up Share Capital of the Target Company is ₹3,03,33,880, comprising of 30,33,388 Equity Shares of ₹10 each. However, the Target Company in its Board Meeting held on October 01, 2016 has approved the Increase in Authorized Share Capital from ₹4,00,00,000 (Rupees Four Crores only) to ₹6,50,00,000 (Rupees Six Crores and Fifty Lacs only) comprising of 65,00,000 Equity Shares of ₹10 (Rupees Ten only) each.
- 5.5 The Equity Shares of the Target Company are listed on BSE Limited, Mumbai (“BSE”), w.e.f January 21, 2015 with Scrip Code as 538891, and The Calcutta Stock Exchange Limited, Kolkata (“CSE”) with Scrip Code as 029373. The ISIN of the Target Company is INE613C01018.

5.6 Share Capital Structure:

The Equity Share Capital Structure of the Target Company is as follows:

Paid-up Shares	No. of Equity Shares/ Voting Rights	% of Equity Shares/ Voting Rights
Fully Paid-up Equity Shares	30,33,388	30,33,388
Partly Paid-up Equity Shares	Nil	N.A.
Total Paid-up Equity Shares	30,33,388	30,33,388

Emerging Voting Capital (As on 10 th working day from the closure of the tendering period)	
Equity Shares on the date of Public Announcement	30,33,388
Add: Equity Shares proposed to be issued pursuant to Preferential Issue	20,00,000
Emerging Voting Capital (A) + (B)	50,33,388
Offer Size (26% of Emerging Voting Capital)	13,08,700

- 5.7 The present Promoters acquired Shares and took Control over the Target Company in the FY 2015-2016 pursuant to SEBI (SAST) Regulations, 2011 and thereafter they have been complying with Chapter V of the SEBI (SAST) Regulations, 2011.
- 5.8 The Equity Shares of the Target Company are frequently traded within the meaning of explanation provided in Regulation 2(j) of the SEBI (SAST) Regulations, 2011.
- 5.9 As on date, the Target Company is fully compliant with the listing requirements and there has not been any non-listing of Equity Shares on any of the Stock Exchanges.
- 5.10 As of the date of this Letter of Offer, there are no: (i) partly paid-up Equity Shares; and (ii) outstanding convertible instruments (warrants/fully convertible debentures/partially convertible debentures) issued by the Target Company. Further, there is no differential pricing for the Offer. There has been no merger/ de-merger or spin off in the Target Company during the past three years.

5.11 Details of the Board of Directors of the Target Company:

As on the date, the Directors representing the Board of the Target Company are:

Sr. No.	Name of Director, DIN, PAN & Designation	Address	Date of Appointment	Experience in years & field	No. of shares held in Company
1)	Mr. Joseph Sudheer Reddy Thumma <i>DIN:</i> 07033919 <i>PAN:</i> AWLPT 4630 L <i>Designation:</i> Director	<i>Correspondence Address:</i> 26, Paige Terrace, Sayreville, NJ-08872, USA <i>Permanent Address:</i> 6-2-7/1, Hyderabad Road, Jangaon, District: Warangal, Telangana-506 167, India	29/12/2015	Around 20 years' experience in the field of Information Technology	10,79,346
2)	Mr. Jagan Mohan Reddy Thumma <i>DIN:</i> 06554945 <i>PAN:</i> ACPPT 6939 C <i>Designation:</i> Director	<i>Correspondence Address:</i> Flat No. 209, Sai Sri Homes, Malani Colony, New Bowenpally, Hyderabad-500 011, Telangana, India <i>Permanent Address:</i> 6-2-7/1, Hyderabad Road, Jangaon, District-Warangal, Telangana-506 167, India	29/12/2015	Around 15 years' experience in the field of Information Technology	1,50,000
3)	Mr. Subhash Samala Babu <i>DIN:</i> 03614804 <i>PAN:</i> BIZPS 9162 D <i>Designation:</i> Independent Director	House No. 319, Raigir Bhongir, Nalgonda-508 116 Andhra Pradesh	26/02/2016	Around 15 years' experience in the field of Accounting	Nil
4)	Ms. Tiparnapally Nikitha <i>DIN:</i> 07399613 <i>PAN:</i> AQBPT 1210 E <i>Designation:</i> Independent Director	Plot No. 95, Flat No. 202 Kalpana Society, Chintal, Rangareddy, Hyderabad-500 055 Telangana	26/02/2016	Around 2 years' experience in the field of Information Technology	Nil
5)	Mr. Surya Narayan Tripathy <i>DIN:</i> 07452145 <i>PAN:</i> ADLPT 4630 L <i>Designation:</i> Independent Director	Plot No. 8/2452, Behind Reo Rasulgarh Industrial Estate, Bhubaneswar-751 010	26/02/2016	Around 15 years' experience in the field of Accounting	Nil

5.12 The key financial information of the Target Company based on the Audited Financial Statements for the Financial Year ended March 31, 2016, March 31, 2015 and March 31, 2014 and Certified Un-Audited Financials, as certified by the Statutory Auditor, for the three months period ended June 30, 2016, are as follows:

Profit & Loss Statement:

(Amount in Lacs)

Particulars	Period ended	FY	FY	FY
	June 30, 2016	2015-16	2014-15	2013-14
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Income from Operations	65.80	77.41	186.92	70.62
(+) Other Income	-	-	0.81	5.67
Total Income	65.80	77.41	187.74	76.29
Total Expenditure	54.42	12.57	23.41	16.38
Profit before Depreciation, Interest and Tax	11.38	64.84	164.32	59.91
(-) Depreciation	-	-	-	1.71
(-) Interest and Financial Charges	-	30.00	0.11	0.30
Exceptional Items	-	-	-	-
Profit before Tax	11.40	34.84	164.21	58.20
Tax Expenses	4.54	7.50	34.65	15.78
Profit after Tax	6.80	27.34	129.56	42.42

Balance Sheet Statement:

(Amount in Lacs)

Particulars	Period ended	FY	FY	FY
	June 30, 2016	2015-16	2014-15	2013-14
	(Un-Audited)	(Audited)	(Audited)	(Audited)
Sources of Funds	303.34	303.34	303.34	199.57
Paid up Equity Share Capital	546.86	540.01	512.68	495.54
Reserves & Surplus (Excluding Revaluation Reserve)	-	-	-	-
(-) Miscellaneous Expenditure	850.20	843.35	816.01	695.10
Net Worth	-	-	-	-
Secured Loans	0.50	-	-	-
Unsecured Loans	0.30	0.30	0.30	0.30
Current Liabilities	34.36	15.25	12.89	2.53
TOTAL	885.37	858.90	829.21	697.93
Uses of Funds				
Net Fixed Assets	0.73	0.53	0.53	0.53
Investments	-	0.29	772.28	460.47
Net current assets	884.64	858.08	56.40	236.94
TOTAL	885.37	858.90	829.21	697.93

Other Financial Data:

(Amount in Lacs, except EPS)

Particulars	Period ended	FY	FY	FY
	June 30, 2016	2015-16	2014-15	2013-14
Dividend (%)	0.00%	0.00%	0.00%	0.00%
Earnings Per Share (Basic)	0.23	0.90	4.27	2.13
Earnings Per Share (Diluted)	0.23	0.90	4.27	2.13
RoNW (%)	0.80%	3.24%	15.88%	6.10%
Book Value	28.03	27.80	26.90	34.83

(Source: Annual Accounts for the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and Certified Un-Audited financials for the period ended June 30, 2016 subject to limited review by the Statutory Auditors).

5.13 Pre and Post-Offer Shareholding Pattern of the Target Company as on date of LoF are as follows:

Shareholders' Category	Equity Shareholding & Voting Rights prior to Pref Issue and offer		Equity Shares/Voting Rights agreed to be acquired through Pref Issue which triggered off the Regulations		Equity Shares/Voting Rights to be acquired in open offer (Assuming full acceptances)		Equity Shareholding/Voting Rights After Pref Issue/ and Offer	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%*	No.	%*	No.	%*	No.	%*
1) Promoter/ Promoter Group (including Acquirers)								
Joseph Thumma	10,79,346	21.44	10,40,000	20.66	13,08,700	26.00	45,38,046	90.16
Jagan Thumma	1,50,000	2.98	3,20,000	6.36				
2) Promoters other than (a) above (PACs)								
(a) Dennis Reddy Thumma ('PAC 1')^	Nil	N.A.	3,20,000	6.36				
(b) Innamma Thumma ('PAC 2')^	Nil	N.A.	3,20,000	6.36				
Total (1+2)	12,29,346	24.42	20,00,000	39.73	13,08,700	26.00	45,38,046	90.16
3) Parties to agreement other than 1(a) & 2	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4) Public (other than parties to agreement and Acquirers)								
a) FIs/MFs/FIIs/Banks	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Others	18,04,042	35.84	Nil	Nil	(13,08,700)	(26.00)	4,95,342	9.84
Total 4 (a+b)	18,04,042	35.84	Nil	Nil	(13,08,700)	(26.00)	4,95,342	9.84
GRAND TOTAL (1+2+3+4)	30,33,388	60.27	20,00,000	39.73	Nil	Nil	50,33,388	100.00

* The above percentages are calculated on the basis of Emerging Voting Capital.

^ PACs will form part of Promoter Group.

Note: Total Number of Public Shareholders as on the Identified Date are 750.

5.14 Details of the Compliance Officer:

Name : Mr. Jagan Mohan Reddy Thumma
Registered Office : Flat No. 209, Sai Sri Homes, Malani Colony, New Bowenpally, Hyderabad-500 011, Telangana
Contact No. : +91 96666 81340
E-Mail : jsthummaj@gmail.com

6. OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 JUSTIFICATION OF OFFER PRICE

6.1.1 The Equity Shares of the Target Company are presently listed on BSE Ltd, Mumbai ("BSE") having a scrip code as 538891 and The Calcutta Stock Exchange Limited, Kolkata ("CSE") with Scrip Code as 029373. The Equity Shares are presently traded on BSE only. The Equity Shares are frequently traded on BSE during the twelve (12) calendar months preceding the month in which PA was made as set out under Regulation 2(1) (j) of SEBI (SAST) Regulations.

6.1.2 The annualized trading turnover of the equity shares of the Target Company during Twelve calendar months preceding the month of PA (October'2015 to September'2016) on the Stock Exchange on which the equity shares of the Target Company are mostly traded is detailed below:

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
BSE Ltd	69,27,084	30,33,388	228.36%

Name of the Stock Exchange	Total Number of shares traded during the preceding 12 calendar months prior to the month of PA	Total No. of Equity Shares listed	Annualized trading turnover (as % of total number of listed shares)
CSE	Nil	30,33,388	Nil

(Source: www.bseindia.com)

6.1.3 The Offer Price of ₹130 (Rupees One Hundred and Thirty only) is justified in terms of Regulation 8(2) of the SEBI (SAST) Regulations on the basis of the following:

Sr. No.	Particulars	Amount (In. ₹)
a)	Negotiated Price as per SPA	: N.A.
b)	Shares proposed to be acquired through Preferential Allotment	: 130.00
c)	The volume-weighted average price paid or payable for acquisition whether by the Acquirers and the PACs, during 52 weeks preceding the date of PA	: N.A.
d)	The highest price paid or payable for any acquisition, whether by the Acquirers and the PACs, during 26 weeks preceding the date of the PA	: N.A.
e)	The volume-weighted average market price of Equity shares of the Target Company for a period of sixty trading days immediately preceding the date of public announcement as traded on BSE, being the Stock Exchange where the maximum volume of trading in the shares of the Target Company are recorded during such period	: 128.43
f)	Other Financial Parameters as at:	31.03.2016
		(Audited)
	(i.) Return on Net Worth	: 3.24%
	(ii.) Book Value Per Share	: 27.80
	(iii.) Earnings Per Share (Diluted)	: 0.90

Note: The Trading data has been obtained from the website of BSE, i.e. www.bseindia.com.

It may be noted that in accordance with the directions of SEBI pursuant to their Letter No. CFD/DCR/OW/2016/35428 dated December 30, 2016, the payment in respect of all the valid acceptances in the Open Offer, shall be made along with an interest @ 10% per annum per Equity Share for the delay in the payment beyond the Scheduled Payment Date. For the purposes of clarification, it may be noted that an amount of ₹1.60 per Equity Share will be payable by way of interest to all the successful Shareholders, whose Shares are validly tendered and accepted in the Offer, on the basis of current Offer Price, and assuming that the date of payment of consideration for such accepted Shares is March 16, 2017 (Thursday) (Last date for making payment to the successful shareholders who have validly tendered their shares in the Open Offer).

6.1.4 Calculation of the volume-weighted average market price of the Shares for a period of sixty (60) trading days immediately preceding the date of PA as traded on BSE (as the maximum volume of trading in the Shares of the Target Company was recorded on BSE during such period) as per regulation 8(2) (d) of the Regulations is as follows:

Sr. No.	Dates	Total Traded Quantity	Turnover (in Lacs)
1.)	5-Jul-16	26,359	4,325,689.00
2.)	7-Jul-16	27,233	4,487,276.00
3.)	8-Jul-16	33,840	5,581,089.00
4.)	11-Jul-16	37,035	6,138,090.00
5.)	12-Jul-16	33,346	5,479,348.00
6.)	13-Jul-16	34,129	5,649,075.00
7.)	14-Jul-16	31,717	5,250,105.00
8.)	15-Jul-16	27,361	4,521,858.00
9.)	18-Jul-16	29,698	4,906,690.00
10.)	19-Jul-16	35,263	5,629,755.00
11.)	20-Jul-16	36,232	5,267,013.00
12.)	21-Jul-16	34,827	4,609,962.00
13.)	22-Jul-16	31,582	3,987,132.00
14.)	25-Jul-16	32,123	4,065,214.00

Sr. No.	Dates	Total Traded Quantity	Turnover (in Lacs)
15.)	26-Jul-16	34,646	4,323,729.00
16.)	27-Jul-16	31,981	3,924,264.00
17.)	28-Jul-16	31,255	3,834,346.00
18.)	29-Jul-16	30,889	3,797,047.00
19.)	1-Aug-16	34,230	4,176,322.00
20.)	2-Aug-16	30,838	3,773,738.00
21.)	3-Aug-16	35,260	4,304,075.00
22.)	4-Aug-16	32,249	3,935,454.00
23.)	5-Aug-16	30,746	3,773,713.00
24.)	8-Aug-16	31,402	3,886,861.00
25.)	9-Aug-16	35,650	4,403,681.00
26.)	10-Aug-16	29,093	3,562,640.00
27.)	11-Aug-16	27,866	3,395,899.00
28.)	12-Aug-16	33,485	3,691,863.00
29.)	16-Aug-16	30,273	3,294,899.00
30.)	17-Aug-16	43,442	4,774,411.00
31.)	18-Aug-16	35,311	3,623,534.00
32.)	19-Aug-16	32,198	3,241,177.00
33.)	22-Aug-16	30,588	3,037,637.00
34.)	23-Aug-16	31,103	3,083,858.00
35.)	24-Aug-16	30,711	3,055,438.00
36.)	25-Aug-16	27,732	2,777,461.00
37.)	26-Aug-16	26,094	2,740,514.00
38.)	29-Aug-16	26,394	2,903,734.00
39.)	30-Aug-16	28,969	3,317,430.00
40.)	31-Aug-16	27,008	3,163,946.00
41.)	1-Sep-16	29,898	3,720,184.00
42.)	2-Sep-16	26,966	3,539,662.00
43.)	6-Sep-16	27,089	3,388,990.00
44.)	7-Sep-16	26,230	3,319,815.00
45.)	8-Sep-16	29,723	3,774,246.00
46.)	9-Sep-16	31,231	3,972,516.00
47.)	12-Sep-16	27,051	3,435,555.00
48.)	14-Sep-16	27,372	3,460,197.00
49.)	15-Sep-16	27,228	3,513,758.00
50.)	16-Sep-16	28,893	3,800,059.00
51.)	19-Sep-16	31,094	4,297,865.00
52.)	20-Sep-16	32,354	4,273,626.00
53.)	21-Sep-16	25,915	3,309,161.00
54.)	22-Sep-16	30,313	3,922,524.00
55.)	23-Sep-16	27,541	3,363,720.00
56.)	26-Sep-16	28,719	3,538,056.00
57.)	27-Sep-16	26,698	3,324,579.00
58.)	28-Sep-16	24,823	3,094,278.00
59.)	29-Sep-16	27,342	3,417,691.00
60.)	30-Sep-16	26,669	3,295,866.00
		1,833,307	235,458,315.00
Volume Weighted Average Market Price (Total Turnover divided by the Total Number of Shares Traded)			128.43

6.1.5 In view of the parameters considered and presented in the table above and in the opinion of the Acquirers, the PACs and the Manager to the Offer, the Offer Price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share is justified in terms of Regulation 8 (2) of the SEBI (SAST) Regulations, 2011.

6.1.6 There have been no corporate actions in the Target Company warranting adjustment of relevant price parameters.

- 6.1.7 In the event of further acquisition of Equity Shares of the Target Company by the Acquirers and the PACs during the Offer Period, at a price higher than the Offer Price, the Offer Price will stand revised equal to or more than the highest price paid for such acquisition in terms of regulation 8(8) of the SEBI (SAST) Regulations. However, the Acquirers and the PACs will not be acquiring any Equity Shares of the Target Company after the third working day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.
- 6.1.8 If the Acquirers and the PACs acquire Equity Shares of the Target Company during the period of twenty-six (26) weeks after the Tendering Period at a price higher than the Offer Price, they will pay the difference between the highest acquisition price and the Offer Price, to all shareholders whose shares have been accepted in the Offer within sixty (60) days from the date of such acquisition. However, no such difference shall be paid in the event that such acquisition is made under another open offer under the SEBI (SAST) Regulations, or pursuant to SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the Stock Exchanges, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.
- 6.1.9 As on date, there is no revision in Open Offer Price or Open Offer Size. In case of any revision in the Open Offer Price or Open Offer Size, the Acquirers and the PACs are permitted to revise the Offer Price upward at any time up to three (3) working days prior to the commencement of the Tendering Period in accordance with Regulation 18(4) of the SEBI (SAST) Regulations. If there is any such upward revision in the Offer Price by the Acquirers and the PACs or in the case of withdrawal of Offer, the same would be informed by way of the Public Announcement in the same newspapers where the original Detailed Public Statement has appeared. Such revision in the Offer Price would be payable by the Acquirers and the PACs for all the shares validly tendered in the Offer.
- 6.1.10 In the event that the number of Equity Shares validly tendered by the Public Shareholders of the Target Company under the Offer is higher than the Offer Size, the Equity Shares received from the public shareholders shall be accepted on a proportionate basis, in consultation with the Manager to the Offer.

6.2 DETAILS OF FIRM FINANCIAL ARRANGEMENTS

- 6.2.1 The total funds required for implementation of the Offer (assuming full acceptance), i.e., for the acquisition of 13,08,700 Equity Shares at a price of ₹130 (Rupees One Hundred and Thirty only) per Equity Share plus interest @ 10% per annum per Equity Share i.e. ₹1.60 for the delay in the payment beyond the Scheduled Payment Date, assuming full acceptance of this Offer and the same is not subject to differential pricing is ₹ 17,22,24,920.00 (Rupees Seventeen Crores Twenty Two Lacs Twenty Four Thousand Nine Hundred and Twenty only) (“**Maximum Consideration**”).
- 6.2.2 In accordance with regulation 17(4) of SEBI (SAST) Regulations, 2011, the Acquirers and the PACs have opened a Cash Escrow Account under the name and style of “SIPL-Open Offer-Cash Escrow Account” (“**Escrow Account**”) with Kotak Mahindra Bank Limited (“**Escrow Banker**”), Mittal Court, Nariman Point Branch, bearing account number 9911987738 and deposited an amount of ₹426.00 Lacs (Rupees Four Hundred and Twenty Six Lacs only), in cash, being more than 25% of the Maximum Consideration, on October 04, 2016. The cash deposit in the Escrow Account has been confirmed vide certificate dated October 04, 2016 issued by the Escrow Banker. Further, The Acquires and the PACs have deposited an additional amount of ₹7.00 Lacs on February 01, 2017 aggregating to ₹433.00 Lacs due to change in the size of the Offer. The cash deposit in the Escrow Account has been confirmed vide certificate dated February 01, 2017 by the Escrow Banker.
- 6.2.3 The Acquirers and the PACs have empowered the Manager to the Offer i.e. Mark Corporate Advisors Private Limited to operate and to realize the value of the Escrow Account in terms of the SEBI (SAST) Regulations.
- 6.2.4 The Acquirers and the PACs have adequate financial resources and have made firm financial arrangements for implementation of the Open Offer. No funds are borrowed from banks or financial institutions for the purpose of this Offer by the Acquirers and the PACs. Mr. E Madhusudhana Reddy (Membership No. 202308) Partner of M/s. RSM & Associates, Chartered Accountants, (FRN: 2813S) having office at “Azam Manzil”, 1-2-597/20/6. Lower Tank Bund Road. Hyderabad-500 029. E-Mail ID: rsmassociates2813@gmail.com, Contact No.: +91 98480 31074, Fax No.: +91 40 2322 8561, has

confirmed and certified that the Acquirers and the PACs have sufficient resources for fulfilling the obligations under this 'Offer' in full.

6.2.5 Based on the above, the Manager to the Offer is satisfied about the ability of the Acquirers and the PACs to implement the offer in accordance with the SEBI (SAST) Regulations. Further, the Manager to the Offer confirms that the funds / money are in place to fulfil the Open Offer obligations.

6.2.6 In case of any upward revision in the Offer Price or the Offer Size, the value of the Escrow Amount shall be computed on the revised consideration calculated at such revised Offer Price or Offer Size and any additional amounts required will be funded via cash in the Escrow Account by the Acquirers and the PACs prior to effecting such revision, in terms of Regulation 17(2) of the SEBI (SAST) Regulations.

7. TERMS AND CONDITIONS OF THE OFFER

7.1 OPERATIONAL TERMS AND CONDITIONS

7.1.1 This Offer is not conditional upon any minimum level of acceptance by the shareholder(s) of the Target Company.

7.1.2 The Offer is subject to the terms and conditions set out in this LoF, the PA, the DPS and any other Public Announcements that may be issued with respect to the Offer.

7.1.3 The Letter of Offer is being mailed to those Shareholders of the Target Company whose names appear on the Register of Members of the Target Company and to the Beneficial Owners of the Equity Shares of the Target Company whose names appear as beneficiaries on the beneficial record of the respective depositories, at the close of business on the Identified Date i.e. February 01, 2017 (Wednesday). Owners of Equity Shares who are not registered as Shareholder(s) are also eligible to participate in the Offer at any time prior to the Date of Closure of the Offer i.e. March 01, 2017 (Wednesday).

7.1.4 Accidental omission to dispatch this Letter of Offer to any member entitled to this Open Offer or non-receipt of this Letter of Offer by any member entitled to this Open Offer shall not invalidate the Open Offer in any manner whatsoever.

7.1.5 Eligible persons can write to the Registrar/Manager to the Offer requesting for the Letter of Offer. Alternatively, the Letter of Offer would also be available on the website of SEBI, www.sebi.gov.in.

7.1.6 This Offer is subject to receipt of the statutory and other approvals as mentioned under paragraph 'Statutory Approvals' of this Letter of Offer. In terms of Regulation 23 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.1.7 The Public Shareholders who tender their Equity Shares under the Open Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends, bonus and rights declared thereafter.

7.1.8 The Acquirers and the PACs will not be responsible in any manner for any loss of equity share certificate(s) and Offer acceptance documents during transit. The Public Shareholders are advised to adequately safeguard their interest in this regard.

7.1.9 Any Equity Shares that are subject matter of litigation or are held in abeyance due to pending court cases/attachment orders/ restriction from other statutory authorities wherein the shareholder may be precluded from bidding of such Equity Shares during pendency of the said litigation and are liable to be rejected if Directions/Orders regarding the free transferability of such equity shares tendered under the Offer are not received prior to the date of Closing of the Offer.

7.1.10 Incomplete acceptances, including non-submissions of necessary enclosures, if any, are liable to be rejected. Further, in case the documents/forms submitted are incomplete and/or if they have any defect or modifications, the acceptance is liable to be rejected.

7.1.11 In terms of Regulation 18(9) of the SEBI (SAST) Regulations, the Public Shareholders who tendered their Equity Shares in acceptance of the Open Offer shall not be entitled to withdraw such acceptance.

7.2 LOCKED-IN SHARES

As on date, the Target Company does not have any Equity Shares under lock-in. However, the Equity Shares proposed to be allotted on Preferential basis will attract lock-in as per the SEBI (ICDR) Regulations, 2009.

7.3 ELIGIBILITY FOR ACCEPTING THE OFFER

All the shareholders (registered or unregistered) of the Target Company (*except the Acquirers and the PACs*) who own Shares any time before the Date of Closure of the Offer, i.e. March 01, 2017 (Wednesday) is eligible to participate in the Offer.

7.4 STATUTORY APPROVALS

7.4.1 The Offer is subject to receipt of approval from Reserve Bank of India, Kolkata (“RBI”). The RBI, pursuant to a letter dated January 30, 2017, has communicated that it has granted its approval to the Acquirers and the PACs for the proposed acquisition of Equity Shares of the Target Company. If any other statutory approvals are required or become applicable at a later date and therefore, in the event that either the statutory approvals or regulatory approvals, are not received in a timely manner, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the public shareholders of Target Company, whose shares have been accepted in the Offer as well as the return of shares not accepted by the Acquirers and the PACs, may be delayed. In case of delay in receipt of any statutory approval, SEBI has the power to grant extension of time to the Acquirers and the PACs for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to the Acquirers and the PACs agreeing to pay interest for the delayed period, if directed by SEBI, in terms of Regulation 18(11) of the SEBI (SAST) Regulations.

7.4.2 As on date, no statutory approvals other than as stated above are required to be obtained for the purpose of this Offer.

7.4.3 If any statutory or other approvals are required or become applicable prior to completion of the Offer, the Offer would also be subject to the receipt of such statutory or other approvals. The Acquirers and the PACs will not proceed with the Offer in the event that such statutory or other approvals becoming applicable prior to completion of the Offer are finally refused in terms of regulation 23 of SEBI (SAST) Regulations, 2011. In the event of withdrawal, a public announcement will be made within two working days of such withdrawal, in the same newspapers in which this DPS has been published.

7.4.4 In case of delay in receipt of any statutory approvals becoming applicable prior to completion of the Offer, SEBI has the power to grant extension of time to the Acquirers and the PACs for payment of consideration to the public shareholders of the Target Company who have accepted the Offer within such period, subject to Acquirers and the PACs agreeing to pay interest for the delayed period if directed by SEBI in terms of Regulation 18(11) of the SEBI (SAST) Regulations, 2011. Provided where the statutory approvals extend to some but not all equity shareholders, the Acquirers have the option to make payment to such shareholders in respect of whom no statutory approvals are required in order to complete this Open Offer. Further, in case the delay occurs on account of wilful default by the Acquirers and the PACs in obtaining any statutory approvals in time, the amount lying in the Escrow Account will be liable to be forfeited and dealt with in the manner provided in clause (e) of sub-regulation (10) of Regulation 17 of SEBI (SAST) Regulations, 2011.

7.4.5 No approval is required from any bank or financial institutions for this Offer.

8. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF OFFER

8.1 The Acquirers and the PACs have appointed Niche Technologies Private Limited as the Registrar to the Offer.

8.2 The Registrar would be accepting the documents by Hand Delivery/Regd. Post/Speed Post/Courier at the following specified centre:

Name & Address	Contact Person	Mode of Delivery
Niche Technologies Private Limited CIN: U74140WB1994PTC062636 D-511, Bagree Market 71, B. R. B. Basu Road, Kolkata-700 001, West Bengal, Tel. No.: +91 33 2234 3576/+91 33 2235 7270/71 Fax No.: +91 33 2215 6823 E-Mail ID: nichetechpl@ nichetechpl.com	Mr. Shoab Abbas/ Mr. Aniruddha Dutta	Hand Delivery / Registered Post / Speed Post / Courier

- 8.3** The Target Company is presently having connectivity with Central Depository Services (India) Limited ('CDSL') and National Securities Depositories Limited ('NSDL').
- 8.4** This Open Offer will be implemented by the Acquirers and the PACs through Stock Exchange Mechanism made available by BSE Limited, Mumbai ('BSE') in the form of a separate window ('Acquisition Window') as provided under SEBI (SAST) Regulations, 2011 and SEBI Circular No. CIR/CFD/POLICY/CELL/1/2015 dated April 13, 2015.
- 8.5** BSE Limited, Mumbai ('BSE') shall be the Stock Exchange for the purpose of tendering the Equity shares in the Open Offer.
- 8.6** The Acquirers and the PACs have appointed Sparkle Securities Solutions Private Limited ('**Buying Broker**') for the Open Offer through whom the purchases and settlement of the Offer Shares tendered in the Open Offer shall be made.

The Contact Details of the Buying Broker are mentioned below:

Name of the Broker : Sparkle Securities Solutions Private Limited
Address : E-501, Remi Bizcourt, Off Veera Desai Road, Andheri (W), Mumbai-400 053
Tel No. : +91 22 6759 2033
Contact Person : Ms. Kunjal Anjaria

- 8.7** All the Shareholders who desire to tender their Shares under the Open Offer would have to approach their respective Stock Broker ("**Selling Broker**"), during the normal trading hours of the secondary market during tendering period.
- 8.8** Separate Acquisition window will be provided by the Stock Exchange to facilitate placing of Sell Orders. The Selling Members can enter Orders for Demat Shares as well as Physical Shares.
- 8.9** The cumulative quantity tendered shall be displayed on the website of the Exchange throughout the trading session at specific intervals by the Stock Exchange during tendering period.

8.10 Procedure for tendering Equity Shares held in Dematerialised Form:

- 8.10.1** The Equity Shareholders who are holding the Equity Shares in Demat form and who desire to tender their Equity Shares in this Offer shall approach their Stock Broker/Selling Member indicating details of Shares they wish to tender in the Open Offer.
- 8.10.2** The Seller Member would be required to transfer the number of Equity Shares to the Special Account of the Clearing Corporation by using the settlement number and the procedure prescribed by the Clearing Corporation of India Ltd. ('Clearing Corporation'), before placing the bids/order and the same shall be validated at the time of order entry. The details of the Special Account of Clearing Corporation shall be informed in the issue opening circular that will be issued by BSE /Clearing Corporation.
- 8.10.3** Shareholders will have to submit Delivery Instruction Slips ('DIS') duly filled in specifying market type as "Open Offer" and execution date along with other details to their respective broker so that Shares can be tendered in Open Offer.
- 8.10.4** For Custodian participant Order for Demat Equity Shares, early pay-in is mandatory prior to confirmation of order by the Custodian. The Custodians shall either confirm or reject Orders not later than the close of trading hours on the last day of the offer period. Thereafter, all unconfirmed Orders shall be deemed to be

rejected. For all confirmed Custodian Participant Orders, Order modification shall revoke the custodian confirmation and the revised Order shall be sent to the custodian again for confirmation.

8.10.5 Upon placing the bid, the Seller Member(s) shall provide Transaction Registration Slip (“TRS”) generated by the Exchange Bidding System to the Shareholders. TRS will contain details of Order submitted like Bid ID No., DP ID, Client ID, No of Shares tendered, etc.

8.10.6 In case of receipt of Shares in the Special Account of the Clearing Corporation and a valid bid in the exchange bidding system, the Open Offer shall be deemed to have been accepted, for demat Shareholders.

8.10.7 The Eligible Persons will have to ensure that they keep the DP Account active and unblocked to receive credit in case of return of Equity Shares due to rejection or due to pro-rata acceptance in the Open Offer.

8.11 Procedure for tendering Equity Shares held in Physical Form:

8.11.1 The Equity Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer shall approach Selling Member and submit complete set of documents for verification procedure as mentioned below:

- (a) Original Share Certificate(s)
- (b) Valid share transfer deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with the Target Company and duly witnessed at the appropriate place.
- (c) Self-attested PAN Card copy (in case of Joint holders, PAN card copy of all Transferors)
- (d) Any other relevant document such as Power of Attorney, corporate authorization (including Board Resolution/Specimen Signature)
- (e) Self-attested copy of address proof such as valid Aadhar Card, Voter ID, Passport

8.11.2 The Seller Member(s) should place bids on the Exchange Platform with relevant details as mentioned on Physical Share Certificate(s). The Seller Member(s) to print the Transaction Registration Slip (TRS) generated by the Exchange Bidding System. TRS will contain the details of order submitted like Folio No., Certificate No., Dist. Nos., No. of shares, etc.

8.11.3 The Seller Members have to deliver the shares & documents along with TRS to the RTA. Physical Share Certificates to reach RTA within 2 days of bidding by Seller Member.

8.11.4 Shareholders holding Physical Equity Shares should note that physical Equity Shares will not be accepted unless the complete set of documents is submitted. Acceptance of the Physical Shares in Open Offer shall be subject to verification by RTA. On receipt of the confirmation from RTA, the bid will be accepted else rejected and accordingly the same will be depicted on the exchange platform.

8.11.5 In case, any person has submitted Equity Shares in physical form for dematerialisation, such Equity Shareholders should ensure that the process of getting the Equity Shares dematerialised is completed well in time so that they can participate in the Open Offer before Closing Date.

8.12 Procedure for tendering the shares in case of non-receipt of Letter of Offer:

Persons who have acquired Equity Shares but whose names do not appear in the Register of Members of the Target Company on the Identified Date, or unregistered owners or those who have acquired Equity Shares after the Identified Date, or those who have not received the Letter of Offer, may also participate in this Offer.

In case the Equity Shares are in dematerialised form:

An Eligible Person may participate in the Offer by approaching Stock Broker/Selling Member and tender Shares in the Open Offer as per the procedure mentioned in this Letter of Offer.

In case the Equity Shares are in Physical form:

An Eligible Persons may participate in the Offer by confirming their consent to participate in this Offer on the terms and conditions of this Offer as set out in the PA, DPS and the Letter of Offer. Equity Shareholders must ensure that the TRS and requisite documents such as Physical Share Certificate, etc., should reach the RTA before 5:00 PM on the Closing Date. If the signature(s) of the Equity Shareholders provided in the plain paper application differs from the specimen signature(s) recorded with the RTA or are not in the same order (although attested), such applications are liable to be rejected under this Open Offer.

8.13 Settlement Process

- 8.13.1 On closure of the Offer, reconciliation for acceptances shall be conducted by the Manager to the Offer and the Registrar to the Offer and the final list shall be provided to the Stock Exchange to facilitate settlement on the basis of Shares transferred to the account of Clearing Corporation.
- 8.13.2 The settlement of trades shall be carried out in the manner similar to settlement of trades in the secondary market.
- 8.13.3 The payment will be made to or by the Buying Broker for settlement. For Equity Shares accepted under the Open Offer, the Seller Member/Custodian Participant will receive funds pay-out in their settlement bank account. The Seller Members/Custodian Participants would pay the consideration to their respective clients.
- 8.13.4 Trading Members should use the settlement number to be provided by the Clearing Corporation to transfer the Shares in favour of Clearing Corporation.
- 8.13.5 Excess demat shares or unaccepted demat Shares, if any, tendered by the Shareholders would be returned to the respective Seller Members by Clearing Corporation as part of the Exchange pay-out process. In case of Custodian Participant Orders, excess demat shares or unaccepted demat Shares, if any, will be returned to the respective Custodian Participant. The Seller Members / Custodian Participants would return these unaccepted shares to their respective clients on whose behalf the bids have been placed.
- 8.13.6 Physical Shares, to the extent tendered but not accepted, will be returned back to the Shareholders directly by RTA.
- 8.13.7 Every Seller Member, who puts in a valid bid on behalf of an eligible Person, would issue a contract note & pay the consideration for the Equity Shares accepted under the Open Offer and return the balance unaccepted demat Equity Shares to their respective clients. Buying Broker would also issue a contract note to the Acquirers and the PACs for the Equity Shares accepted under the Open Offer.
- 8.13.8 Shareholders who intend to participate in the Offer should consult their respective Seller Member for payment to them of any cost, charges and expenses (including brokerage) that may be levied by the Seller Member upon the Selling Shareholders for tendering Equity Shares in the Offer (secondary market transaction) . The consideration received by the selling Shareholders from their respective Seller Member, in respect of accepted Equity Shares, could be net of such costs, charges and expenses (including brokerage) and the Acquirers and the PACs accepts no responsibility to bear or pay such additional cost, charges and expenses((including brokerage) incurred solely by the Selling Shareholder.
- 8.14** Equity shares that are subject to any charge, lien or encumbrance are liable to be rejected except where 'No Objection Certificate' from lenders is attached.
- 8.15** The Letter of Offer would also be available at SEBI's website, www.sebi.gov.in, and shareholders can also apply by downloading such forms from the said website.
- 8.16** The Letter of Offer will be dispatched to all the eligible shareholders of the Target Company. In case of non-receipt of the Letter of Offer, such eligible shareholders of the Target Company may download the same from the website of SEBI i.e. www.sebi.gov.in or obtain a copy of the same from the Registrar to the Offer on providing suitable documentary evidence of holding of the equity shares of the Target Company\
- 8.17** In case of delay in receipt of any statutory approval(s), SEBI has the power to grant extension of time to the Acquirers and the PACs for payment of consideration to the shareholders of the Target Company who have accepted the Open Offer within such period, subject to Acquirers and the PACs agreeing to pay interest for

the delayed period if directed by SEBI in terms of Regulation 18 (11) of the SEBI (SAST) Regulations, 2011.

9. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection to the Public Shareholders of Target Company at the office of the Manager to the Offer, Mark Corporate Advisors Private Limited at 404/1, The Summit Business Bay, Sant Janabai Road (Service Lane), Off Western Express Highway, Vile Parle (East), Mumbai- 400 057, on any day (except Saturdays, Sundays and Public Holidays) between 10.30 AM to 2.00 PM from the Date of Opening of the Offer till the Date of Closure of the Offer:

- 1) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.
- 2) Certified Un-Audited Financials for the period ended June 30, 2016 and Annual Accounts for the financial years ended March 31, 2016, March 31, 2015, and March 31, 2014 of the Target Company.
- 3) Certificate dated September 16, 2016, issued by Balachander Venkataramanan of VBC & Company, CPA License No. 20CB00614000 certifying the Networth of the Acquirer 1 as on September 01, 2016.
- 4) Certificate dated September 02, 2016, issued by Mr. E. Madhusudhana Reddy, Partner of M/s RSM & Associates, Chartered Accountants (Membership No. 202308) (FRN: 2813S) certifying the Networth of the Acquirer 2 as on August 31, 2016.
- 5) Certificate dated September 02, 2016, issued by Mr. E. Madhusudhana Reddy, Partner of M/s RSM & Associates, Chartered Accountants (Membership No. 202308) (FRN: 2813S) certifying the Networth of the PAC 1 as on August 31, 2016.
- 6) Certificate dated September 02, 2016, issued by Mr. E. Madhusudhana Reddy, Partner of M/s RSM & Associates, Chartered Accountants (Membership No. 202308) (FRN: 2813S) certifying the Networth of the PAC 2 as on August 31, 2016.
- 7) Certificate dated October 01, 2016, issued by Mr. E. Madhusudhana Reddy (Membership No. 202308), Partner of M/s RSM & Associates, Chartered Accountants (FRN: 2813S), certifying that the Acquirers and the PACs have firm and adequate financial resources to meet the financial obligations under the Open Offer.
- 8) Valuation Report dated October 01, 2016 issued by Mr. Padam Jain, (Membership No. 071026), Partner of M/s PKJ & Co., Chartered Accountants (FRN: 124115W), certifying the Fair Value of JNIT Technologies, Inc and South India Projects Limited and the Swap Ratio.
- 9) Memorandum of Understanding between the Manager to the Offer i.e. Mark Corporate Advisors Private Limited and the Acquirers & the PACs.
- 10) Copy of Postal Ballot Notice for increase in Authorized Capital of the Target Company and issue of shares on Preferential Allotment basis.
- 11) Letter from Kotak Mahindra Bank Limited dated October 04, 2016 and February 01, 2017 confirming the balance of ₹4,26,00,000 and ₹4,33,00,000 respectively in the Cash Escrow Account.
- 12) Due Diligence Certificate dated October 17, 2016 submitted to SEBI by Mark Corporate Advisors Private Limited, Manager to the Offer.
- 13) Undertaking from the Acquirers and the PACs for unconditional payment of the consideration within 10 working days from the last date of the tendering period to all the Shareholders of the Target Company whose applications are accepted in the Open Offer.
- 14) Undertaking from the Acquirers and the PACs with regard to Responsibility under Regulation 2(o) and Regulation 7(4) of SEBI (SAST) Regulations.
- 15) NOC from Reserve Bank of India, Kolkata ("RBI") vide letter no. DNBS.RO.Kol.No.4723/02.02.300/2016-17 dated January 30, 2017.

- 16) Copies of the Public Announcement ('PA') dated October 01, 2016 (Saturday) and a published copy of the Detailed Public Statement ('DPS') which appeared in the newspapers on October 07, 2016 (Friday).
- 17) A copy of the Recommendations to be published on February 13, 2017 (Monday) issued by the Board of Independent Directors of the Target Company as required in terms of Regulation 26(7) of SEBI (SAST) Regulations.
- 18) Copy of the Observation Letter no CFD/DCR/OW/2016/33905 dated December 16, 2016 issued by SEBI and their subsequent letter dated December 30, 2016.

10. DECLARATION BY THE ACQUIRERS AND THE PACS

The Acquirers and the PACs, accepts full responsibility, for the information contained in this Letter of Offer and also for ensuring the compliance with the obligations of the Acquirers and the PACs as laid down in the SEBI (SAST) Regulations, 2011.

We, the Acquirers and the PACs, have made all reasonable inquiries, accept responsibility jointly and severally, and confirm that this Letter of Offer is in compliance with the SEBI (SAST) Regulations, 2011, and that it contains all information with regard to the Offer, which is material in the context of the issue, that the information contained in this Letter of Offer are true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

The Manager to the Offer hereby states that the person(s) signing this Letter of Offer are the Acquirers and the PACs:

**Sd/-
Joseph Sudheer Reddy
Thumma
("Acquirer 1")**
*(signed by duly constituted
Power of Attorney holder Jagan
Mohan Reddy Thumma)*

**Sd/-
Jagan Mohan Reddy
Thumma
("Acquirer 2")**

**Sd/-
Dennis Reddy Thumma
("PAC 1")**
*(signed by duly constituted
Power of Attorney holder Jagan
Mohan Reddy Thumma)*

**Sd/-
Innamma Thumma
("PAC 2")**
*(signed by duly constituted
Power of Attorney holder Jagan
Mohan Reddy Thumma)*

Date : February 02, 2017

Place : Hyderabad