

# LETTER OF OFFER

## THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder of Thinksoft Global Services Limited. If you require any clarifications about the action to be taken, you may consult your stock broker, investment consultant, the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in Thinksoft Global Services Limited, please hand over the Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement and transfer deed to the member of stock exchange through whom the said sale was effected.

### Open Offer ("Offer")

BY

### SQS Software Quality Systems AG ("Acquirer")

Registered office: Stollwerckstrasse, 11 D-51149, Cologne Germany; Tel.: +49 2203 91540; Fax: +49 2203 9154 55

### TO ACQUIRE

up to 3,051,475 (three million fifty one thousand four hundred and seventy five) fully paid-up equity shares of face value of Rs. 10 (Rupees ten) each ("Equity Shares"), constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the fully diluted voting equity share capital (which includes the Equity Shares and underlying vested employee stock options) as of the 10<sup>th</sup> (tenth) Working Day (as defined below) from the Closure of the Tendering Period (as defined below), as calculated in paragraphs 2.2.11 and 4.5 of this Letter of Offer ("Fully Diluted Share Capital")

OF

### Thinksoft Global Services Limited ("Target Company")

Registered office: 6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600096;

Tel.: +91 (44) 4392 3200; Fax: +91 (44) 4392 3258

### AT A PRICE OF

**Rs. 260.00 (Rupees two Hundred and sixty) per Equity Share ("Offer Price") payable in cash**

pursuant to the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto ("SEBI (SAST) Regulations")

#### Note:

- This Offer is being made by the Acquirer pursuant to regulations 3(1) and 4 of the SEBI (SAST) Regulations.
- This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations.
- The Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
- To the best of the knowledge of the Acquirer, no statutory approvals are required by the Acquirer to complete this Offer. However, in case of any statutory approvals being required by the Acquirer at a later date, before the closure of the Tendering Period, this Offer will be subject to such approvals. Non-resident Indian ("NRI"), foreign institutional investors ("FI") and overseas corporate body ("OCB") holders of the Equity Shares, must obtain all approvals required to tender the Equity Shares held by them in this Offer, including without limitation the approval from the Reserve Bank of India ("RBI"), and submit such approvals along with the Form of Acceptance-cum-Acknowledgement (as defined below) and other documents required to accept this Offer. Where statutory approval extends to some but not all of the Shareholders, the Acquirer shall have the option to make payment to such Shareholders in respect of whom no statutory approvals are required in order to complete the Offer.
- If there is any upward revision in the Offer Price or the number of Equity Shares sought to be acquired in this Offer, prior to commencement of 3 (three) Working Days before the commencement of the Tendering Period, i.e. up to February 11, 2014, the same will be notified to the public by way of a public announcement in the same newspapers where the detailed public statement in relation to this Offer ("DPS") appeared. Such revised amount of the Offer Price would be payable for all the Equity Shares validly tendered anytime during the Tendering Period.
- In the event that the number of Equity Shares validly tendered by the Shareholders under this Offer is more than the Offer Size (defined below), the Acquirer shall accept the Equity Shares received from the Shareholders on a proportionate basis in consultation with the Manager to the Offer.
- If there are competing offers, the public offers under all the subsisting bids shall open and close on the same date. As per the information available with the Acquirer/Target Company, no competitive bid has been announced as of the date of this Letter of Offer.**
- A copy of the public announcement in relation to this Offer ("PA"), the DPS, the First Corrigendum (as defined below) and this Letter of Offer are expected to be available on SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in).

Manager to the Offer	Registrar to the Offer
 <p><b>ICICI SECURITIES LIMITED</b>                      ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020, India                      Contact person: Mr. Mangesh Ghogle/ Ms. Neha Verma                      Tel: +91 22 2288 2460/70 Fax: +91 22 2282 6580                      Email: <a href="mailto:thinksoft.openoffer@icicisecurities.com">thinksoft.openoffer@icicisecurities.com</a>                      Website: <a href="http://www.icicisecurities.com">www.icicisecurities.com</a>                      SEBI Registration Number: INM000011179</p>	 <p><b>LINK INTIME INDIA PRIVATE LIMITED</b>                      C-13 Pannalal Silk Mills Compound, LBS Marg,                      Bhandup West, Mumbai - 400 078, India                      Contact person: Mr. Pravin Kasare                      Tel: +91 22 2596 7878 Fax: +91 22 2596 0329                      Email: <a href="mailto:thinksoft.offer@linkintime.co.in">thinksoft.offer@linkintime.co.in</a>                      Website: <a href="http://www.linkintime.co.in">www.linkintime.co.in</a>                      SEBI Registration Number: INR000004058</p>

### SCHEDULE OF MAJOR ACTIVITIES RELATING TO THE OFFER

Activity	Original Schedule	Revised Schedule
Date of the PA	Friday, November 8, 2013	Friday, November 8, 2013
Date of publishing the DPS	Monday, November 18, 2013	Monday, November 18, 2013
Date of publishing the First Corrigendum	Tuesday, November 19, 2013	Tuesday, November 19, 2013
Last date for public announcement of a competing offer(s)	Monday, December 9, 2013	Monday, December 9, 2013
Date of publication of the recommendation of the committee of independent directors of the Target Company	Not Applicable	Friday, December 13, 2013
Identified Date*	Wednesday, December 18, 2013	Friday, January 31, 2014
Date by which Letter of Offer will be dispatched to the Shareholders (except the Sellers) as on the Identified Date	Thursday, December 26, 2013	Friday, February 07, 2014
Last date for upward revision of Offer Price and / or Offer Size	Monday, December 30, 2013	Tuesday, February 11, 2014
Last date by which the recommendation of the committee of independent directors of the Target Company will be published	Tuesday, December 31, 2013	Wednesday, February 12, 2014
Date of public announcement for opening of the Offer in the newspapers where the DPS has been published	Wednesday, January 1, 2014	Thursday, February 13, 2014
Date of commencement of the Tendering Period (Offer opening date)	Thursday, January 2, 2014	Friday, February 14, 2014
Date of expiry of the Tendering Period (Offer closing date)	Thursday, January 16, 2014	Monday, March 03, 2014
Last date of communicating rejection / acceptance and payment of consideration for accepted Equity Shares and / or share certificate(s) / demat delivery instruction for rejected Equity Shares will be dispatched / issued	Thursday, January 30, 2014	Tuesday, March 18, 2014

\*Date falling on the 10th (tenth) Working Day prior to the commencement of the Tendering Period, for the purpose of determining the Shareholders of the Target Company to whom the Letter of Offer shall be sent. It is clarified that all the Shareholders (registered or unregistered) of the Target Company (except the Sellers) are eligible to participate in this Offer at any time during the Tendering Period of the Offer.

## **RISK FACTORS**

**The risk factors set forth below pertain to the underlying transaction, this Offer and the Acquirer and are not in relation to the present or future business operations of the Target Company or other related matters. These are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a Shareholder in this Offer, but are merely indicative. Shareholders are advised to consult their stockbrokers, investment consultants and/or tax advisors, for analyzing all risks with respect to their participation in this Offer.**

### **A. Risks relating to this Offer**

1. To the best of the knowledge and belief of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. If any statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of regulation 23 of the SEBI (SAST) Regulations. In case of delay in receipt of any statutory approvals, SEBI may, if satisfied that such delay in receipt of the requisite statutory approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer to delay the commencement of the Tendering Period for the Offer pending receipt of such statutory approvals or grant an extension of time to the Acquirer to make the payment of the consideration to the public shareholders whose Equity Shares have been accepted in the Offer. Accordingly, in case of delay in receipt of any such statutory approvals, this Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer, as well as the return of Equity Shares not validly accepted in this Offer, may be delayed. Where the statutory approvals extend to some but not all the Shareholders, the Acquirer will have the option to make payment of the consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Offer. The Acquirer will have the right, under regulation 23 of the SEBI (SAST) Regulations to withdraw this Offer in the event any statutory approval, as may be required, is not granted.
2. NRI, FII and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including without limitation, the approval from the RBI) and submit such approvals along with the documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer.
3. In the event that either: (a) there is any litigation that leads to an injunction on this Offer or restricts the Acquirer from performing its obligations hereunder; or (b) SEBI instructs the Acquirer not to proceed with this Offer, then this Offer process may not proceed or may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer as well as the return of the Equity Shares not validly accepted in this Offer by the Acquirer, may be delayed.

4. The Shareholders who have lodged their acceptance to this Offer are not entitled to withdraw such acceptance during the Tendering Period, even if the acceptance of the Equity Shares in this Offer and dispatch of consideration are delayed.
5. The Registrar to the Offer will hold in trust the Equity Shares, by holding the share certificates pertaining to the Equity Shares held in physical form and the Equity Shares held in demat form in the Depository Escrow Account (as defined below), along with the documents submitted by the Shareholders, on behalf of the Shareholders who have tendered their Equity Shares, till the completion of the formalities of this Offer, and the Shareholders will not be able to trade in such Equity Shares which are in the custody of the Registrar to the Offer, even if the acceptance of the Equity Shares in this Offer and dispatch of payment consideration are delayed. Further, during such period, there could be fluctuations in the market price of the Equity Shares.
6. This Offer is an offer to acquire up to 3,051,475 (three million fifty one thousand four hundred and seventy five) fully paid-up equity shares of face value of Rs. 10 (Rupees ten) each (“Equity Shares”), constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the Fully Diluted Share Capital. In the case of over-subscription of this Offer, acceptance will be determined by the Acquirer in consultation with the Manager to the Offer, on a proportionate basis and hence there is no certainty that all the Equity Shares tendered by the Shareholders in this Offer will be accepted.
7. This Letter of Offer has not been filed, registered or approved in any jurisdiction outside India. Recipients of this Letter of Offer resident in jurisdictions outside India should inform themselves of and comply with all applicable legal requirements. This Offer is not directed towards any person or entity in any jurisdiction or country where the same would be contrary to applicable laws or regulations or would subject the Acquirer or the Manager to the Offer to any new or additional registration requirements. This is not an offer for sale, or a solicitation of an offer to buy in the United States of America and cannot be accepted by any means or instrumentality from within the United States of America.
8. The Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth in this Letter of Offer.
9. The Acquirer and the Manager to the Offer accept no responsibility for statements made otherwise than in the PA, the DPS, the First Corrigendum, this Letter of Offer or in the subsequent advertisements or any materials issued by or at the instance of the Acquirer, excluding such information pertaining to the Target Company, which has been obtained from publicly available sources. Any person placing reliance on any other source of information will be doing so at his/her own risk.
10. This Offer is subject to completion risks as would be applicable to similar transactions.

**B. Risks relating to the Acquirer**

1. The Acquirer makes no assurances with respect to its investment / divestment decisions relating to its proposed shareholding in the Target Company.
2. The Acquirer makes no assurances with respect to the continuation of the past trend in the financial performance or the future performance of the Target Company.
3. The Acquirer makes no assurances with respect to the market price of the Equity Shares before,

during or after this Offer and expressly disclaim their responsibility or obligation of any kind (except as required under applicable law) with respect to any decision by any Shareholder on whether to participate or not to participate in this Offer.

4. The Acquirer does not accept responsibility with respect to the information contained in the PA, the DPS, the First Corrigendum or the Letter of Offer that pertains to the Target Company.

### ***GENERAL***

This Letter of Offer together with the First Corrigendum that was published on November 19, 2013, the DPS that was published on November 18, 2013 and the PA dated November 8, 2013 in connection with the Offer, has been prepared for the purposes of compliance with the applicable laws and regulations of the SEBI (SAST) Regulations. Accordingly the information disclosed may not be the same as that which would have been disclosed if this document had been prepared in accordance with the laws and regulations of any jurisdiction outside of India. Neither the delivery of this Letter of Offer, under any circumstances, create any implication that there has been no change in the affairs of the Target Company and the Acquirer and persons deemed to be acting in concert with the Acquirer, since the date hereof or that the information contained herein is correct as at any time subsequent to this date. Nor is it to be implied that the Acquirer or any persons deemed to act in concert with the Acquirer are under any obligations to update the information contained herein at any time after this date.

No action has been or will be taken to permit this Offer in any jurisdiction where action would be required for that purpose. The Letter of Offer shall be dispatched to all Shareholders whose name appears on the register of members of the Target Company, at their stated address, as of the Identified Date (as defined below). However, receipt of the Letter of Offer by any Shareholder in a jurisdiction in which it would be illegal to make this Offer, or where making this Offer would require any action to be taken (including, but not restricted to, registration of the Letter of Offer under any local securities laws), shall not be treated by such Shareholder as an offer being made to them and shall be construed by them as being sent for information purposes only. Accordingly no such Shareholder may tender his, her or its Equity Shares in this Offer.

Persons in possession of this Letter of Offer are required to inform themselves of any relevant restrictions. Any Shareholder who tenders his, her or its Equity Shares in this Offer shall be deemed to have declared, represented, warranted and agreed that he, she or it is authorized under the provisions of any applicable local laws, rules, regulations and statutes to participate in this Offer.

### ***CURRENCY OF PRESENTATION***

- In this Letter of Offer, all references to “Rs.”/“Rupees”/“INR” are to Indian Rupee(s).
- At some places “EUR” or “€” has been used, which represent the Euro, the currency of the European Union. All the data presented in EUR/€ in this Letter of Offer have been converted into INR for purpose of convenience translation. The conversion has been assumed at the following rate as on November 5, 2013: 1 EUR/€ = INR 83.42 (Source: Reserve Bank of India <http://www.rbi.org.in>).
- At some places “GBP” or “£” has been used, which represents the Pound Sterling, the currency of the United Kingdom.
- In this Letter of Offer, any discrepancy in any table between the total and sums of the amount listed are due to rounding off and/or regrouping.

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## DEFINITIONS AND ABBREVIATIONS

Term	Definition
Acquirer	SQS Software Quality Systems AG, a public limited company, headquartered at Stollwerckstrasse 11 D-51149 Cologne Germany.
Acquisition Consideration	Consideration of Rs. 687,599,120 paid to the Sellers with respect to acquisition of Acquisition Shares under the SPA
Acquisition Shares	2,644,612 Equity Shares purchased by the Acquirer from the Sellers in terms of the SPA
Board of Directors	Board of Directors of the Target Company
BSE	BSE Limited
CDSL	Central Depository Services (India) Limited
Closing Date	The date of completion/consummation of the transactions contemplated under the Share Purchase Agreement
Closing of the Tendering Period	The last day by which the Shareholders may tender their Equity Shares in acceptance of the Offer, i.e. March 03, 2014.
Depository Escrow Account	The depository account opened by the Registrar to the Offer with Ventura Securities Limited, having DP ID of IN303116 and beneficiary client ID of 11277417
Depositories	CDSL and NSDL
DP	Depository Participant
DPS / Detailed Public Statement	Detailed public statement in relation to this Offer published on November 18, 2013, by the Manager to the Offer, on behalf of the Acquirer
Draft Letter of Offer / DLOF	The draft letter of offer filed with SEBI in accordance with Regulation 16(1) of SEBI (SAST) Regulations on November 25, 2013
Equity Shares	Fully paid-up equity shares of the Target Company, having a face value of Rs. 10 (Rupees Ten) each
Equity Share Capital	The issued, subscribed and paid-up equity share capital of Target Company
Escrow Amount	The cash amount deposited by the Acquirer in one or more account(s), having lien marked with an irrevocable right to encash the proceeds in favour of the Manager to the Offer, in compliance with regulation 17 of the SEBI (SAST) Regulations.
Escrow Bank / ICICI Bank	ICICI Bank Limited, having its registered office at Landmark, Race Course Circle, Vadodara – 390 007 and acting through its office at Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 for the purposes of this Offer

FII(s)	Foreign Institutional Investor(s), as defined under Section 115AD of the Income Tax Act
FIPB	Foreign Investment Promotion Board
First Corrigendum	Corrigendum to the Detailed Public Statement in relation to this Offer published on November 19, 2013, by the Manager to the Offer, on behalf of the Acquirer
Form of Acceptance-cum-Acknowledgement	The form of acceptance-cum-acknowledgement, which will be a part of the Letter of Offer
Fully Diluted Shares/ Fully Diluted Share Capital	Fully diluted voting equity share capital of the Target Company (which includes the Equity Shares and underlying vested employee stock options), as of the 10 <sup>th</sup> Working Day from the Closure of the Tendering Period of the Offer (as calculated in paragraphs 2.2.11 and 4.5 below)
GAAP	Generally Accepted Accounting Principles
GoI	Government of India
ICAI	Institute of Chartered Accountants of India
Identified Date	January 31, 2014, i.e. the date falling on the 10 <sup>th</sup> (tenth) Working Day prior to the commencement of the Tendering Period, for the purposes of determining the Shareholders to whom the Letter of Offer shall be sent
Income Tax Act	Income-tax Act, 1961 and subsequent amendments thereto
Indian GAAP	GAAP, as applicable to Indian companies
Letter of Offer/ LOF	This letter of offer dated February 03, 2014
Listing Agreements	Listing agreements entered into by the Target Company with BSE and NSE
Manager to the Offer	ICICI Securities Limited, having its registered office at ICICI Centre, H.T. Parekh Marg, Churchgate, Mumbai – 400020
Maximum Consideration	Total funding requirement for this Offer of Rs. 793,383,500, assuming full acceptance of this Offer unless there is a revision in the Offer Price or Offer Size.
NECS	National Electronic Clearance Service
NEFT	National Electronic Funds Transfer
NRI	Non Resident Indian, as defined under the Foreign Exchange Management (Deposit) Regulations, 2000
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
OCB	Overseas Corporate Body, as defined under Foreign Exchange Management (Deposit) Regulations, 2000
Offer	This open offer, which is being made by the Acquirer to the Shareholders of the Target Company (other than the Sellers), for acquiring up to 3,051,475 (three million fifty one thousand four hundred and seventy five) Equity Shares, constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the Fully Diluted Share Capital
Offer Period	The period between the date of entering into the Share Purchase Agreement and the date on which the payment of consideration to the Shareholders whose Equity Shares are validly accepted in this Offer, is made, or the date on which this Offer is withdrawn, as the case may be
Offer Price	Price of Rs. 260.00 (Rupees two hundred and sixty) per Equity Share
Offer Size	Up to 3,051,475 (three million fifty one thousand four hundred and seventy five) Equity Shares, constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the Fully Diluted Share Capital
Overseas Tax	Tax payable under the tax laws applicable in overseas jurisdictions

PA / Public Announcement	Public announcement dated November 8, 2013, issued by the Manager to the Offer on behalf of the Acquirer, in relation to this Offer and sent to the Stock Exchanges on November 8, 2013
PAN	Permanent Account Number
RBI	Reserve Bank of India
Registrar to the Offer	Link Intime India Private Limited, having its registered office at C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078, Maharashtra, India
Rs. / Rupees	Indian Rupees
RTGS	Real Time Gross Settlement
Sale Consideration	The total consideration for the Sale Shares, being not less than Rs. 687,599,120, i.e. Acquisition Consideration and, including the Top Up Consideration of Rs. 729,006,460, not more than Rs. 1,416,605,580, in terms of the SPA
Sale Shares	The total number of Equity Shares to be sold by the Sellers to the Acquirer, being not less than 2,644,612 Equity Shares, i.e. Acquisition Shares and, including the Top Up Shares (2,803,871 Equity Shares, as defined below), not more than 5,448,483 Equity Shares to be purchased by the Acquirer from the Sellers, in terms of the SPA
SCRR	Securities Contract (Regulation) Rules, 1957 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and subsequent amendments thereto
Sellers	A.V. Asvini Kumar, Vanaja Arvind, Mohan Parvatikar, A.K. Latha, A.K. Krishna, Aarti Arvind, and Rajan C.V., who have agreed to sell not less than 2,644,612 (Two million six hundred forty four thousand six hundred twelve) Equity Shares and up to 5,448,483 (Five million four hundred and forty eight thousand four hundred and eighty three) Equity Shares to the Acquirer as per the SPA.
Share Purchase Agreement / SPA	The share purchase agreement dated November 8, 2013 executed by and among the Acquirer and the Sellers, pursuant to which, the Acquirer has agreed to purchase from the Sellers the Sale Shares, constituting up to 52.18% of the Fully Diluted Share Capital, at a price of Rs. 260.00 per Equity Share
Shareholders	Public shareholders of the Target Company holding the Equity Shares other than the Sellers
Stock Exchanges	Stock exchanges where Equity Shares of the Target Company are listed i.e. BSE and NSE
Target Company	Thinksoft Global Services Limited, having its registered office at 6A, Sixth Floor, Prince Infocity II, No. 283/3 & 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600096
Tax Clearance Certificate / TCC	Certificate to be furnished by the NRIs/OCBs/FIIs and other non-resident Shareholders indicating the amount to be deducted by the Acquirer under the Income Tax Act, before remitting the consideration for the Equity Shares tendered by them under the Offer
Tendering Period	Period commencing from February 14, 2014 and closing on March 03, 2014 (both days inclusive), or such other revised period pursuant to the SEBI (SAST) Regulations

Top Up Consideration	Total consideration for Top Up Shares of Rs. 729,006,460
Top Up Shares	In terms of the SPA, in the event the sum of the Acquisition Shares and the Equity Shares acquired by the Acquirer pursuant to the Offer is less than 5,638,908 Equity Shares, the Selling Shareholders have agreed to sell to the Acquirer, in addition to the Acquisition Shares, such number of Equity Shares, which are equal to the shortfall, subject to a maximum of 2,803,871 Equity Shares, hereinafter referred as Top Up Shares
Working Day	A working day of SEBI

*Note: All terms beginning with a capital letter used in this Letter of Offer, and not specifically defined herein, shall have the meanings ascribed to them in the SEBI (SAST) Regulations.*



## **1. DISCLAIMER CLAUSE**

“IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE DRAFT LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE DRAFT LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THERETO. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF THINKSOFT GLOBAL SERVICES LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRER IS 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 THE ACQUIRER DULY DISCHARGES ITS RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MANAGER TO THE OFFER, ICICI SECURITIES LIMITED, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED NOVEMBER 25, 2013 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS, 2011 AND SUBSEQUENT AMENDMENT(S) THERETO. THE FILING OF THE DRAFT LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAYBE REQUIRED FOR THE PURPOSE OF THE OFFER.”

## **2. DETAILS OF THIS OFFER**

### **2.1 Background to this Offer**

- 2.1.1 The Offer is made in accordance with regulations 3(1) and 4 of the SEBI (SAST) Regulations.
- 2.1.2 The Acquirer and the Sellers have executed the Share Purchase Agreement pursuant to which, the Acquirer has, subject to the satisfaction or waiver of certain conditions set out in the Share Purchase Agreement, agreed to purchase from the Sellers, not less than 2,644,612 Equity Shares (being the Acquisition Shares, constituting 25.76% of the current voting capital of the Target Company and 25.33% of the Fully Diluted Share Capital) and up to 5,448,483 Equity Shares (constituting 53.06% of the current voting capital of the Target Company and 52.18% of the Fully Diluted Share Capital), and to acquire control over the management of the Target Company. In terms of the SPA, in the event the sum of the Acquisition Shares and the Equity Shares acquired by the Acquirer pursuant to the Offer is less than 5,638,908 Equity Shares, the Selling Shareholders have agreed to sell to the Acquirer, in addition to the Acquisition Shares (i.e. 2,644,612 Equity Shares), such number of Equity Shares, which are equal to the shortfall (being the difference between 5,638,908 Equity Shares, and the total of Acquisition Shares and the Equity Shares acquired pursuant to the Offer), subject to a maximum of the Top Up Shares (i.e. 2,803,871 Equity Shares, being the remaining Equity Shares held by the Selling Shareholders after selling the Acquisition Shares), at a price of Rs. 260 per Equity Share.
- 2.1.3 The salient features of the Share Purchase Agreement are as follows:

- Pursuant to the SPA, the Acquirer proposes to acquire up to 5,448,483 Equity Shares of the Target Company from the Sellers. Of such number, the Acquisition Shares (2,644,612 Equity Shares) will be acquired following the expiry of 21 (twenty-one) Working Days from the date of the DPS, in compliance with regulations 22(2) and 17(1) of the SEBI (SAST) Regulations. The Top Up Shares shall be acquired (if required) based on the outcome of the Offer, following closure of the Tendering Period.
- On acquisition of the Acquisition Shares, the Acquirer will appoint its nominee directors on the board of the Target Company. Until acquisition of the Acquisition Shares, the Acquirer will have the right to appoint a representative to attend the meetings of the Board and the shareholders of the Company as an observer (without any participation or voting rights).
- The completion of the sale and purchase of the Acquisition Shares in terms of the SPA is subject to customary closing conditions as agreed between the Acquirer and the Sellers, including receipt of applicable regulatory clearances.
- The Sellers have provided certain customary stand still undertakings in relation to the business and affairs of the Target Company and its subsidiaries, until the initial acquisition.
- The SPA contains customary warranties from the Sellers in relation to authority to execute, valid title to their Equity Shares and in relation to the due incorporation, share capital, business, operations and legal compliance of the Target Company and its subsidiaries. The Acquirer has provided customary warranties including in relation to its authority to execute and financial capacity.
- The SPA contains non-competition and non-solicitation obligations from the Sellers and the Acquirer.
- Post acquisition, the Sellers will be declassified as being members of the “Promoter and Promoter Group” and necessary filings will be made to classify the Acquirer as a “promoter” of the Target Company.

2.1.4 The Acquirer has on fulfillment of certain conditions set out in the Share Purchase Agreement acquired the Equity Shares from the Sellers on December 27, 2013 as under:

Seller	Number Of Equity Shares*	% of Equity Share Capital of the Target Company	% of Fully Diluted Share Capital	Price Per Equity Share (Rs.)	Consideration (Rs.)
A.V. Asvini Kumar	1,894,612	18.45%	18.14%	260	492,599,120
Vanaja Arvind	617,778	6.02%	5.92%	260	160,622,280
Mohan Parvatikar	100,000	0.97%	0.96%	260	26,000,000
Aarti Arvind	30,000	0.29%	0.29%	260	7,800,000
Rajan C.V.	2,222	0.02%	0.02%	260	577,720
<b>TOTAL</b>	<b>2,644,612</b>	<b>25.76%</b>	<b>25.33%</b>	<b>260</b>	<b>687,599,120</b>

\* In terms of the SPA, in the event the sum of the Acquisition Shares and the Equity Shares acquired by the Acquirer pursuant to the Offer is less than 5,638,908 Equity Shares, the Selling Shareholders have agreed to sell to the Acquirer, in addition to the Acquisition Shares, such number of Equity Shares, which are equal to the shortfall, subject to a maximum of the Top Up Shares, at a price of Rs. 260 per Equity Share.

The total number of Equity Shares to be sold by the Sellers to the Acquirer are not less than 2,644,612 and, including the Top Up Shares, not more than 5,448,483 (being the “Sale Shares”). The total consideration for the aforesaid Sale Shares shall be not less than Rs. 687,599,120 and, including the consideration for Top Up Shares of Rs. 729,006,460, not more than Rs. 1,416,605,580 (collectively, the “Sale Consideration”).

- 2.1.5 The Acquirer has deposited a sum of Rs. 793,383,920 in the Escrow Account, which is more than 100% of the Maximum Consideration of Rs. 793,383,500 required for the Offer. Pursuant to depositing an amount of more than 100% of the Maximum Consideration in the Escrow Account and in terms of regulation 22(2) of the SEBI (SAST) Regulations, the Acquirer completed the acquisition of the Acquisition Shares on December 27, 2013, in accordance with the SPA and has assumed control of the Target Company.
- 2.1.6 This Offer is being made to the shareholders of the Target Company, other than the Sellers, in accordance with SEBI (SAST) Regulations to capitalize on the favourable long term growth prospects of the Target Company, utilizing the benefits of the synergy with the business of the Acquirer and to facilitate the long term growth plans of the Acquirer.
- 2.1.7 The Acquirer intends to continue with the existing line of business of the Target Company and expand it with sound management and financial support.
- 2.1.8 As per regulation 26(6) of the SEBI (SAST) Regulations, the Board of Directors of the Target Company constituted a committee of Independent Directors on November 8, 2013 to provide their written reasoned recommendation on the Offer to the Shareholders of the Target Company and such recommendations have been published on December 13, 2013 in the same newspapers where the DPS related to the Offer was published in compliance with regulation 26(7) of the SEBI (SAST) Regulations.

## 2.2 Details of the proposed Offer

- 2.2.1 This Offer is an open offer being made by the Acquirer in compliance with regulations 3(1) and 4 of the SEBI (SAST) Regulations and is being made as a result of proposed direct acquisition of Equity Shares and control by the Acquirer over the Target Company.
- 2.2.2 There are no persons acting in concert with the Acquirer in relation to the Offer within the meaning of regulation 2(1)(q)(1) of the SEBI (SAST) Regulations.
- 2.2.3 The Public Announcement was issued on November 8, 2013 to the Shareholders of the Target Company through the Stock Exchanges, by the Manager to the Offer for and on behalf of the Acquirer.
- 2.2.4 Subsequently, pursuant to regulations 13(4) and 14(3) of the SEBI (SAST) Regulations, the Detailed Public Statement for the Offer was published in the following newspapers:

Newspaper	Language	Editions	Date of Publication
Financial Express	English	All	November 18, 2013
Jansatta*	Hindi	All	November 19, 2013
Mumbai Lakshadeep	Marathi	Mumbai	November 18, 2013
Makkal Kural	Tamil	Chennai	November 18, 2013

\* Please note that due to a technical error at the end of the Indian Express Group, the DPS could not be published in Jansatta, a Hindi national daily with wide publication (“Jansatta”), on November 18, 2013 and the same was published in Jansatta on November 19, 2013.

- 2.2.5 The Manager to the Offer, on behalf of the Acquirer, has also published a corrigendum to the DPS on November 19, 2013 (“**First Corrigendum**”) in all the newspapers where the DPS has been published.

- 2.2.6 A copy of the PA, the DPS and the First Corrigendum is also available on SEBI's website: [www.sebi.gov.in](http://www.sebi.gov.in)
- 2.2.7 This Offer has been made upon the execution of the Share Purchase Agreement entered into by the Acquirer with the Sellers. As per the Share Purchase Agreement, the Acquirer proposes to acquire from the Sellers not less than the Acquisition Shares and, including the Top Up Shares, up to 5,448,483 Equity Shares.
- 2.2.8 The Acquirer has deposited a sum of Rs. 793,383,920 in the Escrow Account, which is more than 100% of the Maximum Consideration of Rs. 793,383,500 required for the Offer. Pursuant to depositing an amount of more than 100% of the Maximum Consideration in the Escrow Account and in terms of regulation 22(2) of the SEBI (SAST) Regulations, the Acquirer completed the acquisition of the Acquisition Shares on December 27, 2013, in accordance with the SPA and has acquired control over the management of the Target Company following the expiry of 21 (twenty-one) Working Days from the date of the DPS.
- 2.2.9 There are no partly paid up Equity Shares in the Target Company. Further, there is no differential pricing for the Offer.
- 2.2.10 The Acquirer is making the Offer to all the equity shareholders of the Target Company other than the parties to the Share Purchase Agreement, pursuant to regulations 3(1) and 4 of SEBI (SAST) Regulations, to acquire up to 3,051,475 Equity Shares, constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the Fully Diluted Share Capital at a price of Rs. 260 (Rupees two hundred and sixty) per Equity Share, payable in cash, subject to the terms and conditions set out in the PA, the Detailed Public Statement and the Letter of Offer that will be sent to all public shareholders of the Target Company.
- 2.2.11 The Offer Size represents 29.22% of the fully diluted voting equity share capital of the Target Company (which includes the Equity Shares and underlying vested employee stock options), as of the 10th Working Day from the Closure of the Tendering Period of the Offer, i.e. Fully Diluted Share Capital. The Offer Size has been calculated as follows:

Particulars	Issued and Paid up Capital and Voting Rights	% of Paid Up Voting Capital
Fully paid up Equity Shares as on the date of LOF	10,267,681	100%
Partly paid up Equity Shares as on the date of LOF	Nil	Nil
<b>Total</b>	<b>10,267,681</b>	<b>100%</b>

<b>FULLY DILUTED SHARE CAPITAL / VOTING CAPITAL</b> <b>(as on the 10th (tenth) Working Day from the closure of the Tendering Period of the Offer)</b>	
Paid up Equity Shares / Voting Capital as on the date of LOF**	10,267,681
Add: ESOPs granted and vested but not exercised*	174,800
Fully Diluted Share Capital	10,442,481
Offer Size (29.22% of the Fully Diluted Share Capital)	3,051,475

\*The vested ESOPs may be exercised by the employees and non-executive independent directors of the Target Company and additional Equity Shares may consequently be allotted by the Target Company in accordance with the ESOP Plan.

\*\*In the meeting of the Board of Directors of the Target Company held on January 23, 2014, 96,100 Equity Shares of the Target Company were allotted to 9 employees of the Target Company pursuant to the exercise of 96,100 ESOPs. These Equity Shares have not been listed yet.

- 2.2.12 This Offer is made to all the public shareholders of the Target Company, in term of the regulation 7(6) of the SEBI (SAST) Regulations, other than the Acquirer and the Sellers.
- 2.2.13 The payment of consideration will be made to all the public shareholders, who have validly tendered their Equity Shares in acceptance of the Offer, within 10 (ten) Working Days from the expiry of the Tendering Period. Credit for the consideration will be made to the shareholders who have validly tendered Equity Shares in the Offer, by crossed account payee Cheques / Demand Drafts / NECS, where applicable, including RTGS/ NEFT. It is desirable that the public shareholders provide bank details in the Form of Acceptance-cum-Acknowledgement, so that the same can be incorporated in the Cheque/Demand Draft/Pay Order.
- 2.2.14 As on the date of this Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. If any statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of regulation 23 of the SEBI (SAST) Regulations. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer to delay the commencement of the Tendering Period for the Offer pending receipt of such statutory approvals or grant an extension of time to the Acquirer to make the payment of the consideration to the public shareholders whose Equity Shares have been accepted in the Offer.
- 2.2.15 NRI, FII and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer.
- 2.2.16 This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19(1) of SEBI (SAST) Regulations.
- 2.2.17 This Offer is not a competing offer in terms of regulation 20 of the SEBI (SAST) Regulations.
- 2.2.18 The Equity Shares of the Target Company proposed to be acquired by the Acquirer under the Offer will be acquired by the Acquirer as fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.
- 2.2.19 The Acquirer completed the acquisition of the Acquisition Shares on December 27, 2013, in accordance with the SPA.
- 2.2.20 Other than as mentioned above, the Acquirer has not acquired any Equity Shares after the date of the PA, i.e. November 8, 2013, and up to the date of this Letter of Offer.

- 2.2.21 As per Clause 40A of the Listing Agreements, read with Rule 19A(1) of the SCRR, the Target Company is required to maintain at least 25% public shareholding as determined in accordance with the SCRR, on a continuous basis for listing. The acquisition of the Equity Shares proposed to be acquired under this Offer together with the acquisition of the Equity Shares from the Sellers pursuant to the Share Purchase Agreement, shall not result in the public shareholding in the Target Company falling below the minimum level required for continued listing under Clause 40A of the Listing Agreements and Rule 19A(1) of the SCRR.
- 2.2.22 If, pursuant to revisions in the Offer Size, the public shareholding in the Target Company reduces below the minimum level required as per the Listing Agreements, read with Rule 19A(1) of the SCRR, the Acquirer hereby undertakes to reduce its shareholding in the Target Company, within the period specified in the SCRR, such that the Target Company complies with the minimum public shareholding requirement prescribed in the Listing Agreements, read with Rule 19A(1) of the SCRR.

### **2.3 Object of the underlying transaction and this Offer**

- 2.3.1 The Acquirer is involved in the business of information technology services, focusing on software quality management and testing.
- 2.3.2 The Acquirer intends to continue with the existing line of business of the Target Company and expand it with sound management and financial support.
- 2.3.3 The Acquirer does not have any intention to alienate any material assets of the Target Company or any of its subsidiaries whether by way of sale, lease, encumbrance or otherwise outside the ordinary course of business of the Target Company, for a period of 2 (two) years after the Offer Period. However, in accordance with regulation 25(2) of the SEBI (SAST) Regulations, due to any business reasons in the future if the Target Company or any of its subsidiaries is required to alienate any material assets within the period of 2 (two) years after the Offer Period, such alienation of material assets shall be carried out pursuant to a special resolution passed by the shareholders of the Target Company, by way of a postal ballot and the notice for such postal ballot shall inter alia contain the reasons as to why such alienation is necessary.

### **3. BACKGROUND OF THE ACQUIRER**

- 3.1 The Acquirer, SQS Software Quality Systems AG, is a public limited company, headquartered at Stollwerckstrasse, 11 D-51149, Cologne, Germany.
- 3.2 The Acquirer is involved in the business of information technology services, focusing on software quality management and testing.
- 3.3 The Acquirer does not have any promoters or persons acting in control. As on June 30, 2013, the founders of the Acquirer, Mr. & Mrs. van Megan and Mr. & Mrs. Bons hold 28.0% of the total issued equity shares of the Acquirer. Apart from the founders, the major shareholders of the Acquirer, holding more than 5.0% of the total issued equity shares as on June 30, 2013 are:

<b>Sr. No.</b>	<b>Name of the shareholder</b>	<b>% holding</b>
1	Legal & General Investment Management	10.8%
2	Octopus Investments	10.2%
3	Miton Capital Partners	7.1%
4	Herald Investment Management	6.8%

- 3.4 Names, details of experience, qualifications, and date of appointment of the directors on the board of directors of the Acquirer, are as follows:

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Experience</b>	<b>Qualification</b>	<b>Date of Appointment</b>
1	Diederik Vos	He previously held senior management positions in AT&T, Lucent Technologies, AVAYA and International Network Services	Graduate Engineer	7 March 2011
2	René Gawron	Before joining SQS he held various positions at Siemens AG between 1985 and 2000, including, among others, head of business development for its mobile telecom networks	Graduate Businessman	1 July 2001
3	Ralph Gillessen	He joined SQS more than 11 years ago and has worked in various senior sales and consultancy positions. He has headed SQS' largest profit centre, Central Europe Middle East (CEME), for two years before he has entered the board	Graduate Business Administration	1 January 2013
4	Riccardo Brizzi	Having previously worked at companies such as Cap Gemini and Vodafone, he joins SQS from SAP, where he spent the last six years in various senior management positions, lastly as head of strategic client delivery	Honours degree in Chemistry	14 January 2013

- 3.5 The Acquirer is listed on the Alternative Investment Market (“AIM”) of the London Stock Exchange (“LSE”) and on the Open Market of Deutsche Börse, Frankfurt.
- 3.6 As of the date of this Letter of Offer, the Acquirer is the promoter of the Target Company and does not have any ownership interest in the Target Company except to the extent of the Acquisition Shares acquired on December 27, 2013 and proposal to acquire the Top Up Shares in terms of the Share Purchase Agreement, as described in detail in paragraph 2.1 – Background to this Offer. The Acquirer has complied with the provisions of chapter V of the SEBI (SAST) Regulations and chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto as applicable to the Acquirer as far as its holding of Equity Shares of the Target Company is concerned.
- 3.7 As on the date of this Letter of Offer, the key employees of the Acquirer do not have any interest in the Target Company. Pursuant to regulation 24(1) of the SEBI (SAST) Regulations, six

persons representing the Acquirer, including four directors of the Acquirer's board, were appointed on the Board of Directors of the Target Company on December 27, 2013. Subsequently, Mr. Diederik Vos, one of the nominees representing the Acquirer has resigned from the Board of Directors on January 23, 2014. Hence as on the date of this Letter of Offer, there are five persons representing the Acquirer, including three directors of the Acquirer's board, on the Board of Directors of the Target Company.

- 3.8 There are no persons acting in concert in relation to the Offer within the meaning of regulation 2(1)(q) of the SEBI (SAST) Regulations.
- 3.9 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of the SEBI Act or under any of the regulations made under the SEBI Act.
- 3.10 The key consolidated financial information of the Acquirer, for the half year ended June 30, 2013 and for the years ended December 31, 2012, December 31, 2011, December 31, 2010 is as follows:

### Profit and Loss Statement

Particulars	June 30, 2013		December 31, 2012		December 31, 2011		December 31, 2010	
	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn
Income from Operations	107.82	8,994.18	210.11	17,527.46	189.10	15,774.97	162.88	13,587.45
Other Income	-	-	-	-	-	-	-	-
Total Income	107.82	8,994.18	210.11	17,527.46	189.10	15,774.97	162.88	13,587.45
Total Expenditure	103.28	8,615.62	200.84	16,753.82	182.04	15,185.36	155.74	12,991.41
Profit Before Depreciation, Interest and Tax	4.54	378.56	9.27	773.64	7.07	589.61	7.15	596.04
Depreciation	-	-	-	-	-	-	-	-
Net Finance Cost	0.41	34.04	1.41	117.71	1.45	120.79	0.71	58.98
Profit Before Tax	4.13	344.52	7.86	655.93	5.62	468.82	6.44	537.06
Provision for Tax	1.32	110.28	1.92	160.33	1.40	117.12	1.57	131.05
Profit After Tax	2.81	234.24	5.94	495.60	4.22	351.70	4.87	406.01

### Balance Sheet Statement

Particulars	June 30, 2013		December 31, 2012		December 31, 2011		December 31, 2010	
	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn	in EUR Mn	in INR Mn
<b>Sources of Funds</b>								
Paid Up Share Capital	27.89	2,326.83	27.89	2,326.83	27.89	2,326.83	27.26	2,274.28
Share Premium	35.56	2,966.42	35.56	2,966.42	35.56	2,966.42	36.19	3,018.89
Statutory Reserves	0.05	4.42	0.05	4.42	0.05	4.42	0.05	4.42
Other Reserves	(5.66)	(471.74)	(3.87)	(322.59)	(5.23)	(436.54)	(5.21)	(434.95)
Retained Earnings	14.76	1,231.11	13.94	1,163.04	10.50	876.24	8.92	744.02
Non Controlling								



Interest	0.09	7.67	0.05	4.42	0.01	0.42	(0.03)	(2.09)
Networth	72.70	6,064.72	73.63	6,142.55	68.78	5,737.79	67.19	5,604.57
Non-Current Liabilities	20.17	1,682.83	20.48	1,708.53	19.99	1,667.23	11.78	982.27
<b>Total</b>	<b>92.87</b>	<b>7,747.55</b>	<b>94.12</b>	<b>7,851.07</b>	<b>88.77</b>	<b>7,405.03</b>	<b>78.96</b>	<b>6,586.84</b>
<b>Uses of Funds</b>								
Non-Current Assets	62.75	5,234.69	64.83	5,408.04	66.74	5,567.45	65.14	5,433.65
Net Current Assets	30.12	2,512.86	29.29	2,443.04	22.03	1,837.58	13.82	1,153.20
<b>Total</b>	<b>92.87</b>	<b>7,747.55</b>	<b>94.12</b>	<b>7,851.07</b>	<b>88.77</b>	<b>7,405.03</b>	<b>78.96</b>	<b>6,586.84</b>

## Other Financial Data

Particulars	June 30, 2013		December 31, 2012		December 31, 2011		December 31, 2010	
	in EUR	in INR	in EUR	in INR	in EUR	in INR	in EUR	in INR
Dividend per share	Nil	Nil	0.07	5.84	0.05	4.17	0.08	6.67
Dividend (%)	Nil	Nil	7.00%	7.00%	5.00%	5.00%	8.00%	8.00%
Earning per share								
Basic	0.10	8.34	0.21	17.52	0.15	12.51	0.18	15.02
Diluted	0.10	8.34	0.21	17.52	0.15	12.51	0.17	14.18

### Notes:

- Financials for years ended on December 31, 2012 and 2011 are from the annual report for the financial year ended on December 31, 2012
- Financials for year ended on December 31, 2010 are from the annual report for the financial year ended on December 31, 2011
- Financials for the half year ended on June 30, 2013 are from the interim report for the half year ended on June 30, 2013
- Net Worth / Shareholder Funds includes equity attributable to owners and non-controlling interests
- Dividend (%) is calculated as the Dividend per share as a percentage of the nominal value of € 1.00 per equity share of the Acquirer

- 3.11 As on December 31, 2012, as per the consolidated audited financials, the Acquirer had contingent liabilities equal to EUR 11,000 or Rs. 917,620, referring to potential tax payments.
- 3.12 The closing price of the equity shares of the Acquirer as quoted on AIM of the London Stock Exchange on January 31, 2014 was £ 505.00, and on Open Market of Deutsche Börse, Frankfurt on January 31, 2014 was € 6.002.

## 4. BACKGROUND OF THE TARGET COMPANY

- 4.1 The Target Company was initially incorporated in Bengaluru, Karnataka, on June 8, 1998 as “Reliant Global Services (India) Private Limited” as a private limited company under the Companies Act, 1956. The name of the Target Company was subsequently changed to “Thinksoft Global Services Private Limited” and a fresh certificate of incorporation was obtained by the Target Company on December 17, 1999. The Target Company was converted into a public limited company with effect from August 19, 2008 and the name of the Target Company was accordingly changed to “Thinksoft Global Services Limited”. The registered office of the Target Company was shifted from Bengaluru, Karnataka to Chennai, Tamil Nadu on February 26, 2008. The registered office of the Target Company is currently situated at 6A, 6th Floor, Prince Infocity II, No. 283/3, 283/4, Rajiv Gandhi Salai (OMR), Kandanchavadi, Chennai – 600 096. There have been no changes in the name of the Target Company during the last three years.

- 4.2 The Target Company is operating in the area of information technology services, more specifically independent software testing (validation and verification) services, exclusively to the banking, financial services, insurance and financial technology industries worldwide.
- 4.3 The authorized share capital of the Target Company is Rs. 120,000,000 comprising of 12,000,000 Equity Shares. The issued, subscribed and paid-up capital of the Target Company as of the date of this Letter of Offer is Rs. 102,676,810 comprising of 10,267,681 Equity Shares.
- 4.4 The Target Company has formulated an employee stock option (“ESOP”) plan named “Thinksoft Employees Stock Option Scheme, 2011” (“ESOP Plan”), pursuant to which ESOPs have been issued to the employees and non-executive independent directors of the Target Company. As on the date of the LOF, there were 174,800 ESOPs vested that may be exercised by the employees and non-executive independent directors of the Target Company and additional Equity Shares may consequently be allotted by the Target Company in accordance with such ESOP plan.
- 4.5 Details of the voting share capital and Fully Diluted Share Capital as of the date of this Letter of Offer are as follows:

Particulars	Issued and Paid up Capital/Voting Rights	% of Voting Capital
Fully paid-up Equity Shares as on date of LOF	10,267,681	100%
Partly paid-up Equity Shares as on date of LOF	Nil	Nil
<b>Total</b>	<b>10,267,681</b>	<b>100%</b>

<b>FULLY DILUTED SHARES / VOTING CAPITAL (as on the 10<sup>th</sup> (tenth) Working Day from the Closure of the Tendering Period of the Offer)</b>	
Paid up Equity Shares / Voting Capital as on the date of LOF** (A)	10,267,681
Add: ESOPs granted and vested but not exercised* (B)	174,800
Fully Diluted Share Capital (A + B)	10,442,481
Offer Size (29.22% of the Fully Diluted Share Capital)	3,051,475

\*The vested ESOPs may be exercised by the employees and non-executive independent directors of the Target Company and additional Equity Shares may consequently be allotted by the Target Company in accordance with the ESOP Plan.

\*\*In the meeting of the Board of Directors of the Target Company held on January 23, 2014, 96,100 Equity Shares of the Target Company were allotted to 9 employees of the Target Company pursuant to the exercise of 96,100 ESOPs. These Equity Shares have not been listed yet.

- 4.6 Pursuant to the Share Purchase Agreement, post acquisition of Acquisition Shares, the Acquirer controls the Target Company. Accordingly, pursuant to the meeting of the Board of Directors of the Target Company held on December 27, 2013, the erstwhile promoters of the Target Company have been declassified and categorized under public shareholders and the Acquirer has been classified as “promoter” of the Target Company, under applicable laws and regulations. As on the date of this Letter of Offer, the Acquirer holds 2,644,612 Equity Shares constituting 25.76% of the present paid up Equity Share Capital (being 25.33% of the Fully Diluted Share Capital) of the Target Company.
- 4.7 As on the date of the Letter of Offer, the erstwhile promoters / promoter group of the Target Company hold 2,803,871 Equity Shares, constituting 27.31% of the present paid up Equity Share Capital (being 26.85% of the Fully Diluted Share Capital) of the Target Company.

- 4.8 The Equity Shares of the Target Company are presently listed on the NSE and the BSE. The Equity Shares of the Target Company are frequently traded on the NSE and the BSE within the meaning of regulation 2(1)(j) of the SEBI (SAST) Regulations.
- 4.9 With respect to the Target Company and the erstwhile promoters / promoter group, there were certain delays in complying with the disclosure requirements under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, for which SEBI may initiate appropriate action against the Target Company and erstwhile promoters / promoter group.
- 4.10 In addition to the ESOPs granted by the Target Company to its employees and non-executive independent directors, there are currently no outstanding partly paid up equity shares or any other instruments convertible into Equity Shares of the Target Company at a future date.
- 4.11 There has been no merger, demerger or spin off during the last three (3) years involving the Target Company.
- 4.12 The details of the Board of Directors are set forth below:

Sr. No.	Name of Director	Designation	Date of Appointment
1	David Bellin	Chairman/ Independent Director	23 January 2014
2	A V Asvini Kumar	Managing Director	8 June 1998
3	Vanaja Arvind	Executive Director	26 March 2000
4	Martin Müller	Executive Director	27 December 2013
5	René Gawron	Non-Executive Director	27 December 2013
6	Riccardo Brizzi	Non-Executive Director	27 December 2013
7	Ralph Gillessen	Non-Executive Director	27 December 2013
8	Gireendra Kasmalkar	Non-Executive Director	27 December 2013
9	Ulrich Bäumer	Independent Director	27 December 2013
10	S Rajagopalan	Independent Director	17 September 2008
11	K Kumar	Independent Director	17 September 2008
12	Rajiv Kuchhal	Independent Director	21 September 2011

- 4.13 As on the date of this Letter of Offer, René Gawron, Riccardo Brizzi, Ralph Gillessen, Gireendra Kasmalkar and Martin Müller are the nominees of the Acquirer on the Board of Directors of the Target Company.
- 4.14 A V Asvini Kumar and Vanaja Arvind will cease to be directors of the Target Company effective at least one day prior to the conclusion of the Offer Period. Pursuant to such cessation, the erstwhile promoters shall not have any representation on the Board of Directors of the Target Company.
- 4.15 The key financial information of the Target Company, as derived from its audited financial statements as at and for the financial years ended March 31, 2013, March 31, 2012 and March 31, 2011 and from its unaudited financial statements as at and for the six months ended September 30, 2013 are as follows:

(In Rs. Million)

Profit & Loss Statements	Half year ended September 30, 2013 (Unaudited)	Financial Year Ended March 31,		
		2013 (Audited)	2012 (Audited)	2011 (Audited)
Income from Operations	934.70	1,614.43	1,214.42	829.27
Other Income	105.50	24.26	95.61	32.55
<b>Total Income</b>	<b>1,040.20</b>	<b>1,638.70</b>	<b>1,310.02</b>	<b>861.82</b>
<b>Total Expenditure</b>	<b>710.50</b>	<b>1,312.53</b>	<b>1,085.83</b>	<b>800.95</b>
<b>Profit/(Loss) before Depreciation, Interest &amp; Tax</b>	<b>329.70</b>	<b>326.17</b>	<b>224.20</b>	<b>60.87</b>
Interest	10.30	14.94	1.79	0.95
Depreciation	28.30	46.42	37.40	27.88
<b>Profit/ (Loss) Before Tax</b>	<b>291.10</b>	<b>264.80</b>	<b>185.00</b>	<b>32.04</b>
Provision for Tax	83.10	70.39	71.23	13.32
<b>Profit/ (Loss) After Tax</b>	<b>208.00</b>	<b>194.41</b>	<b>113.77</b>	<b>18.72</b>

(In Rs. Million)

Balance Sheets	Half year ended September 30, 2013 (Unaudited)	As on March 31,		
		2013 (Audited)	2012 (Audited)	2011 (Audited)
<b>Sources of Funds</b>				
Paid up Share Capital	101.50	101.24	100.52	100.52
Reserves & Surplus (excluding revaluation reserves)	989.20	780.65	654.57	599.17
Share application money pending allotment	0.60	0.18	-	-
<b>Net worth</b>	<b>1,091.30</b>	<b>882.07</b>	<b>755.08</b>	<b>699.68</b>
Secured Loans	130.90	143.06		
Unsecured Loans	-	-	-	-
<b>Total</b>	<b>1,222.20</b>	<b>1,025.13</b>	<b>755.08</b>	<b>699.68</b>
<b>Uses of funds</b>				
Net Fixed Assets	294.10	312.07	108.74	111.50
Net Current Assets	928.10	713.06	646.35	588.18
<b>Total</b>	<b>1,222.20</b>	<b>1,025.13</b>	<b>755.08</b>	<b>699.68</b>

(In Rs., except percentages)

Other Financial Data	Half year ended September 30, 2013 Unaudited)	Financial Year Ended March 31,		
		2013 (Audited)	2012 (Audited)	2011 (Audited)
Dividend (%)	50%	60%	50%	10%
Earnings Per Share (EPS)				
- Basic	20.52	19.32	11.32	1.86
- Diluted	20.26	19.03	11.30	1.86
Return on Net worth (%)	19%	22%	15%	3%
Book Value per Share	107.46	87.11	75.12	69.61

Notes:

- Financials for years ended on March 31, 2013 and 2012 are from the annual report for the financial year ended on March 31, 2013
- Financials for year ended on March 31, 2011 are from the annual report for the financial year ended on March 31, 2012
- Financials for the half year ended on September 30, 2013 are from the unaudited financial results for the half year ended on September 30, 2013, submitted to the NSE and BSE

4.16 Based on the latest benpos, as of January 31, 2014, available on the date of this Letter of Offer, the shareholding pattern of the Target Company before and after this Offer is as follows:

*(All % figures given below are calculated on the Fully Diluted Shares)*

Shareholders' category	Shareholding & voting rights prior to the acquisition of Equity Shares under the SPA and the Offer		Shares / voting rights acquired / (sold) through the SPA which triggered the Offer <sup>(2)</sup>		Shares / voting rights to be acquired / (sold) in the Offer (assuming full acceptances)		Shareholding / voting rights after the acquisition of Equity Shares under the SPA and the Offer (assuming full acceptances) <sup>(2)</sup>	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
<b>(1) Erstwhile Promoter group*</b>								
a. Parties to the SPA	5,448,483	52.18	(2,644,612)	(25.33)	Nil	Nil	2,803,871	26.85
b. Erstwhile Promoters other than (a) above	NA	NA	NA	NA	NA	NA	NA	NA
<b>Total 1(a+b)</b>	<b>5,448,483</b>	<b>52.18</b>	<b>(2,644,612)</b>	<b>(25.33)</b>	<b>Nil</b>	<b>Nil</b>	<b>2,803,871</b>	<b>26.85</b>
<b>(2) Promoter / Acquirer*</b>	<b>Nil</b>	<b>Nil</b>	<b>2,644,612</b>	<b>25.33</b>	<b>3,051,475</b>	<b>29.22</b>	<b>5,696,087</b>	<b>54.55</b>
<b>(3) Parties to agreement other than(1) (a) &amp; (2)</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>	<b>NA</b>
<b>(3) Public (other than parties to the SPA &amp; Acquirer)</b>								
a. FIs / MFs / FIIs / Banks / SFIs	4,993,998	47.82	Nil	Nil	(3,051,475)	(29.22)	1,942,523	18.60
b. Others <sup>(1)</sup>								
(No. of shareholders in "Public": 11,816)								
<b>Total Public (3)</b>	<b>4,993,998</b>	<b>47.82</b>	<b>Nil</b>	<b>Nil</b>	<b>(3,051,475)</b>	<b>(29.22)</b>	<b>1,942,523</b>	<b>18.60</b>
<b>GRAND TOTAL (1+2+3)</b>	<b>10,442,481</b>	<b>100.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,442,481</b>	<b>100.00</b>

(1) Including 174,800 vested ESOPs that may be exercised by the employees and non-executive independent directors of the Target Company and additional Equity Shares may consequently be allotted by the Target Company in accordance with the ESOP plan. As indicated above, post completion of the sale of Acquisition Shares, the existing Promoter/ Promoter Group would be declassified as 'promoters' and would for the purposes of law and related filings be public shareholders.

(2) Considering that the Top Up Shares are not sold to the Acquirer by the Sellers, in case of full acceptance of the Offer

\*Pursuant to the Share Purchase Agreement, post acquisition of Acquisition Shares, the Acquirer controls the Target Company. Accordingly, pursuant to the meeting of the Board of Directors of the Target Company held on December 27, 2013, the erstwhile promoters of the Target Company have been declassified and categorized under public shareholders and the Acquirer has been classified as "promoter" of the Target Company, under applicable laws and regulations.

## 5. OFFER PRICE AND FINANCIAL ARRANGEMENTS

### 5.1 Justification of Offer Price

5.1.1 The Equity Shares of the Target Company are listed on the NSE and the BSE. The Equity Shares of the Target Company are frequently traded on the NSE and the BSE.

5.1.2 The trading turnover based on the trading volume of the Equity Shares of the Target Company on NSE and BSE during November 1, 2012 to October 31, 2013, i.e. 12 (twelve) calendar months preceding November 2013, the month in which the PA was issued, is as under:

Stock Exchange	Number of Equity Shares traded during the 12 calendar months prior to the month in which the PA was issued	Total number of listed Equity Shares during this period*	Annualized trading turnover (as a percentage of total listed Equity Shares)
NSE	18,699,998	10,106,432	185.03%
BSE	6,702,328	10,106,686	66.32%

\* Calculated based on the number of Working Days, during the relevant 12 month period, for which the Equity Shares have been listed on the respective Stock Exchange.

Source: [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

Therefore, in terms of regulation 2(1)(j) of the SEBI (SAST) Regulations, the Equity Shares are frequently traded on NSE and BSE.

5.1.3 The Offer Price of Rs. 260 (Rupees two hundred and sixty) per Equity Share is justified in terms of regulation 8(2) of the SEBI (SAST) Regulations, in view of the following:

(a)	Highest negotiated price per Equity Share under the Share Purchase Agreement.	Rs. 260.00
(b)	Volume-weighted average price paid or payable by the Acquirer, during the 52 (fifty-two) weeks immediately preceding the date of the PA.	Not Applicable
(c)	Highest price paid or payable for any acquisition, by the Acquirer, during the 26 (twenty-six) weeks immediately preceding the date of the PA.	Not Applicable
(d)	Volume-weighted average market price of the Equity Shares for a period of 60 (sixty) trading days immediately preceding the date of the PA as traded on the stock exchange where the maximum volume of trading in the Equity Shares are recorded during such period, provided such Equity Shares are frequently traded.	Rs. 133.25
(e)	Per Equity Share value, as required under regulation 8(5) of the SEBI (SAST) Regulations.	Not Applicable

5.1.4 The price and volume data of the Equity Shares on NSE, i.e. where the Equity Shares are most frequently traded, for a period of 60 (sixty) trading days immediately preceding the date of the PA, as per regulation 8(2) of the SEBI (SAST) Regulations, are set forth below:

Sr. No.	Date	Total Traded Quantity of Equity Shares	Total Turnover (in Rs. Lakhs)	Volume weighted average price (in Rs.)
1	7-Nov-13	279065	460.33	164.95
2	6-Nov-13	140558	218.38	155.37
3	5-Nov-13	142002	209.24	147.35
4	3-Nov-13	14038	19.94	142.04
5	1-Nov-13	52713	72.95	138.39
6	31-Oct-13	273997	381.21	139.13
7	30-Oct-13	66689	88.15	132.18
8	29-Oct-13	79556	108.28	136.11
9	28-Oct-13	92119	131.8	143.08
10	25-Oct-13	81576	124	152.01
11	24-Oct-13	105398	161.27	153.01
12	23-Oct-13	353507	540.64	152.94
13	22-Oct-13	470952	711.43	151.06
14	21-Oct-13	1324921	1974.95	149.06
15	18-Oct-13	283748	364.9	128.60
16	17-Oct-13	262863	314.07	119.48
17	15-Oct-13	69004	90.8	131.59
18	14-Oct-13	132476	172.74	130.39
19	11-Oct-13	250760	316.19	126.09
20	10-Oct-13	28184	33.3	118.15
21	9-Oct-13	49963	58.02	116.13
22	8-Oct-13	42515	48.62	114.36
23	7-Oct-13	67755	75.27	111.09
24	4-Oct-13	28364	29.9	105.42
25	3-Oct-13	23872	25.65	107.45
26	1-Oct-13	28654	30.36	105.95
27	30-Sep-13	33673	34.81	103.38
28	27-Sep-13	19161	20.64	107.72
29	26-Sep-13	23942	26.14	109.18
30	25-Sep-13	34482	37.65	109.19
31	24-Sep-13	89520	98.94	110.52
32	23-Sep-13	28178	29.27	103.88
33	20-Sep-13	41808	44.07	105.41
34	19-Sep-13	87222	95.28	109.24
35	18-Sep-13	68938	80.52	116.80
36	17-Sep-13	65566	73.41	111.96
37	16-Sep-13	66052	72.08	109.13
38	13-Sep-13	132987	144.52	108.67
39	12-Sep-13	57945	58.79	101.46
40	11-Sep-13	29471	28.96	98.27
41	10-Sep-13	40856	39.57	96.85
42	6-Sep-13	18951	17.83	94.08

Sr. No.	Date	Total Traded Quantity of Equity Shares	Total Turnover (in Rs. Lakhs)	Volume weighted average price (in Rs.)
43	5-Sep-13	34182	32.37	94.70
44	4-Sep-13	16298	14.87	91.24
45	3-Sep-13	29127	26.96	92.56
46	2-Sep-13	251278	238.47	94.90
47	30-Aug-13	15280	13.16	86.13
48	29-Aug-13	11624	9.82	84.48
49	28-Aug-13	32289	26.82	83.06
50	27-Aug-13	12367	10.38	83.93
51	26-Aug-13	5358	4.49	83.80
52	23-Aug-13	7646	6.38	83.44
53	22-Aug-13	4855	4.01	82.60
54	21-Aug-13	9612	8.05	83.75
55	20-Aug-13	7779	6.52	83.82
56	19-Aug-13	23626	19.67	83.26
57	16-Aug-13	16455	14.02	85.20
58	14-Aug-13	16961	14.93	88.03
59	13-Aug-13	26629	23.04	86.52
60	12-Aug-13	6677	5.6	83.87
<b>Total</b>		<b>6,112,044</b>	<b>8,144.43</b>	
<b>Volume Weighted Average Market Price (Total turnover divided by total traded Equity Shares)</b>				<b>133.25</b>

(Source: NSE website)

- 5.1.5 In view of the parameters considered and presented in the table in paragraph 5.1.3 above, in the opinion of the Manager to the Offer, the Offer Price of Rs. 260.00/- (Rupees two hundred and sixty) per Equity Share is justified in terms of regulation 8 of the SEBI (SAST) Regulations.
- 5.1.6 There have been no corporate actions by the Target Company warranting adjustment of any of the relevant price parameters under regulation 8(9) of the SEBI (SAST) Regulations. (Source: NSE and BSE websites)
- 5.1.7 There has been no revision in the Offer Price by the Acquirer as of the date of this Letter of Offer. Further revisions, if any, in the Offer Price for any reason including future purchases/competing offers shall be done as per the SEBI (SAST) Regulations and will be notified to the shareholders by a (i) public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneous notification to the Stock Exchanges, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.
- 5.1.8 The Acquirer shall not acquire any Equity Shares after the 3<sup>rd</sup> (third) Working Day prior to the commencement of the Tendering Period and until the expiry of the Tendering Period.



5.1.9 If the Acquirer acquires any Equity Shares during the period of 26 (twenty-six) weeks after the Tendering Period at a price higher than the Offer Price, then the Acquirer shall pay the difference between the highest acquisition price and the Offer Price, to all Shareholders whose Equity Shares have been accepted in the Offer within 60 (sixty) 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 the SEBI (Delisting of Equity Shares) Regulations, 2009, or open market purchases made in the ordinary course on the stock exchanges where the Equity Shares are traded, not being negotiated acquisition of Equity Shares whether by way of bulk deals, block deals or in any other form.

## **5.2 Financial Arrangements**

5.2.1 The total funding requirement for this Offer is Rs. 793,383,500, assuming full acceptance of this Offer.

5.2.2 The Acquirer has adequate resources to meet the financial requirements of the Offer. The source of funds for the acquisition of shares under the Offer, are foreign funds.

5.2.3 By way of security for performance of its obligations under the SEBI (SAST) Regulations, the Acquirer had in compliance with regulation 17 of the SEBI (SAST) Regulations, deposited a sum of Rs. 200,473,404 in an escrow account named Thinksoft Open Offer - Escrow Account ("Escrow Account") with ICICI Bank Limited, a banking company duly incorporated under the Companies Act, 1956 and registered as a banking company within the meaning of the Banking Regulation Act, 1949 and acting through its branch situated at ICICI Bank Limited, Capital Markets Division, 1st Floor, 122, Mistry Bhavan, Dinshaw Vachha Road, Backbay Reclamation, Churchgate, Mumbai - 400020 ("Escrow Bank"). The said amount deposited was more than the minimum prescribed amount of 25% for the first Rs. 5,000,000,000 of the maximum consideration payable under the Offer, as per regulation 17(1) of the SEBI (SAST) Regulations. The Manager to the Offer has been duly authorized by the Acquirer to realize the amount deposited in the Escrow Account.

5.2.4 Subsequently, in terms of its rights under: (i) regulation 22(2) of the SEBI (SAST) Regulations, to facilitate its acquisition of the Acquisition Shares and control of the Target Company following the expiry of 21 (twenty-one) Working Days from the date of the DPS, and (ii) regulation 24(1) of the SEBI (SAST) Regulations, to facilitate appointment of person(s) representing the Acquirer on the board of directors of the Target Company following the expiry of 15 (fifteen) Working Days from the date of the DPS, prior to the closure of the Tendering Period, the Acquirer made additional deposits in the said Escrow Account to reach a sum of Rs. 793,383,920, which is more than 100% of the Maximum Consideration of Rs. 793,383,500 required for the Offer.

5.2.5 In case of revision of the Offer Price and / or the Offer Size, the Acquirer shall make further deposits into the Escrow Account to ensure compliance with regulation 17 of the SEBI (SAST) Regulations.

5.2.6 K.J. Sheth & Associates, Chartered Accountants (through its Proprietor, Kirit Sheth, having membership no. 37824), having its address at 2nd Floor, Seksaria Chambers, 139, N.M. Road, Fort, Mumbai – 400001 and firm registration number 118598W, have vide its letter dated November 8, 2013, certified on the basis of verification of the requisite documents from the

Acquirer, that the Acquirer has adequate and firm financial resources to enable it to meet its financial obligations relating to the Offer.

- 5.2.7 Based on the above, the Manager to the Offer is satisfied that firm arrangements have been put in place by the Acquirer to fulfill the Acquirer's obligations through verifiable means in relation to this Offer in accordance with the SEBI (SAST) Regulations.

## **6. TERMS AND CONDITIONS OF THIS OFFER**

- 6.1 This Offer is being made by the Acquirer to, save and except the Sellers, (i) all the Shareholders, whose names appear in the register of members of the Target Company as of the close of business on January 31, 2014, i.e. the Identified Date; (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on January 31, 2014, i.e. the Identified Date; and (iii) those persons who acquire the Equity Shares any time prior to the date of the Closure of the Tendering Period for this Offer, i.e. March 03, 2014 but who are not the registered Shareholders.
- 6.2 This Offer is being made by the Acquirer to all the Shareholders except the Sellers, to acquire up to 3,051,475 Equity Shares, constituting 29.72% of the present paid up Equity Share Capital and being 29.22% of the Fully Diluted Share Capital, subject to the terms and conditions mentioned in the PA, DPS, the First Corrigendum and the Letter of Offer.
- 6.3 This Offer is not conditional upon any minimum level of acceptance in terms of regulation 19 of the SEBI (SAST) Regulations.
- 6.4 There has been no revision in the Offer Price as of the date of this Letter of Offer. Further revisions, if any, in the Offer Price for any reason including future purchases/competing offers shall be done prior to the commencement of the last three Working Days before the commencement of the Tendering Period and will be notified to the Shareholders by a (i) public announcement in the same newspapers in which the DPS has been published; and (ii) simultaneous notification to Stock Exchanges, SEBI and the Target Company at its registered office. Such revision would be done in compliance with other formalities prescribed under the SEBI (SAST) Regulations.
- 6.5 The instructions, authorizations and provisions contained in the Form of Acceptance-cum-Acknowledgment constitute an integral part of the terms and conditions of this Offer.
- 6.6 Accidental omission to dispatch the Letter of Offer to any Shareholder to whom this Offer has been made or non-receipt of the Letter of Offer by any such Shareholder shall not invalidate this Offer in any way.
- 6.7 Each Shareholder to whom this Offer is being made is free to offer the Equity Shares in whole or in part while accepting this Offer.
- 6.8 The Shareholders who tender their Equity Shares in this Offer shall ensure that the Equity Shares are free and clear from all liens, charges and encumbrances. The Acquirer shall acquire the Equity Shares that are validly accepted in this Offer, together with all rights attached thereto, including the rights to dividends, bonuses and rights offers declared thereon.
- 6.9 The acceptance of this Offer is entirely at the discretion of the Shareholders. The Acquirer will not be responsible for any loss of share certificate(s) and the Offer acceptance documents during transit and the Shareholders are advised to adequately safeguard their interests in this regard.

- 6.10 The acceptance of this Offer must be unconditional, absolute and unqualified and should be sent with the attached Form of Acceptance-cum-Acknowledgement duly filled in, including the necessary enclosures, signed by the applicant Shareholder(s), which should be received by the Registrar to the Offer at the collection centers mentioned in paragraph 7.5 below on or before **16:30 hours on March 03, 2014**, i.e. Closure of the Tendering Period. In the event any change or modification is made to the Form of Acceptance-cum-Acknowledgement or if any condition is inserted therein by the Shareholder, the Manager to the Offer and the Acquirer reserve the right to reject the acceptance of this Offer by such Shareholder.
- 6.11 The Shareholders who have accepted this Offer by tendering their Equity Shares and requisite documents in terms of the PA, DPS, the First Corrigendum and the Letter of Offer are **not** entitled to withdraw such acceptance during the Tendering Period for this Offer.
- 6.12 In the event that the aggregate of the Equity Shares tendered in this Offer by the Shareholders are more than the Offer Size, the acquisition of the Equity Shares from each Shareholder will be on a proportionate basis.
- 6.13 Incomplete Forms of Acceptance-cum-Acknowledgement, 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 Equity Shares tendered are liable to be rejected.
- 6.14 **Statutory & Other Approvals**
- 6.14.1 As of the date of this Letter of Offer, to the best of the knowledge and belief of the Acquirer, there are no statutory approvals required by the Acquirer to complete this Offer. If any statutory approvals are required or become applicable at a later date before the completion of the Offer, the Offer would be subject to the receipt of such statutory approvals. The Acquirer will not proceed with the Offer in the event such statutory approvals are refused in terms of regulation 23 of the SEBI (SAST) Regulations. In case of delay in receipt of any statutory approval, SEBI may, if satisfied that such delay in receipt of the requisite statutory approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approval and subject to such terms and conditions as may be specified by SEBI, including payment of interest in accordance with regulation 18(11) of the SEBI (SAST) Regulations, permit the Acquirer to delay the commencement of the Tendering Period for the Offer pending receipt of such statutory approvals or grant an extension of time to the Acquirer to make the payment of the consideration to the public shareholders whose Equity Shares have been accepted in the Offer.
- 6.14.2 NRI, FII and OCB holders of Equity Shares, if any, must obtain all requisite approvals required to tender the Equity Shares held by them pursuant to this Offer (including without limitation, the approval from the RBI) and submit such approvals, along with the other documents required in terms of the Letter of Offer. Further, if holders of the Equity Shares who are not persons resident in India (including NRIs, OCBs and FIIs) had required any approvals (including from the RBI or the FIPB) in respect of the Equity Shares held by them, they will be required to submit the previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them pursuant to this Offer, along with the other documents required to be tendered to accept this Offer. In the event such approvals are not submitted, the Acquirer reserves its right to reject such Equity Shares tendered in this Offer.

- 6.14.3 In case of delay in receipt of any statutory approvals which may be required by the Acquirer at a later date, as per regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer subject to the Acquirer agreeing to pay interest to the public shareholders of the Target Company for delay beyond 10 (ten) Working Days from the closure of the Tendering Period at such rate as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all holders of the Equity Shares, the Acquirer has the option to make payment to such holders of the Equity Shares in respect of whom no statutory approvals are required in order to complete this Offer.
- 6.14.4 The Acquirer will have the right not to proceed with this Offer in accordance with regulation 23 of the SEBI (SAST) Regulations, in the event any of the statutory approvals are refused. In the event of withdrawal of this Offer, a public announcement will be made (through the Manager to the Offer) stating the grounds and reasons for the withdrawal of the Offer in accordance with regulation 23(2) of the SEBI (SAST) Regulations, within 2 (two) Working Days of such withdrawal, in the same newspapers in which the DPS is published and such public announcement will also be sent to the Stock Exchanges, SEBI and the Target Company at its registered office.

## **7. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT OF THIS OFFER**

- 7.1 A tender of Equity Shares pursuant to any of the procedures described in the Letter of Offer will constitute a binding agreement between the Acquirer and the tendering Shareholder, including the tendering Shareholder's acceptance of the terms and conditions of the Letter of Offer.
- 7.2 The Letter of Offer with the Form of Acceptance-cum-Acknowledgement will be mailed to, except the Sellers and the Acquirer, (i) all the Shareholders, whose names appear in the register of members of the Target Company as of the close of business on the Identified Date; and (ii) the beneficial owners of the Equity Shares whose names appear as beneficiaries on the records of the respective Depositories, as of the close of business on the Identified Date.
- 7.3 Every Shareholder in the Target Company, regardless of whether she/ he/ it held the Equity Shares on the Identified Date, or has not received the Letter of Offer, is entitled to participate in the Offer.
- 7.4 The Shareholders can also download the Letter of Offer and the Form of Acceptance-cum-Acknowledgement from SEBI's website at [www.sebi.gov.in](http://www.sebi.gov.in), or obtain it from the Registrar to the Offer and send in their acceptances to the Registrar to the Offer by filling the same.
- 7.5 The Shareholders who wish to accept this Offer can hand-deliver the Form of Acceptance-cum-Acknowledgement along with the other documents required to accept this Offer, at any of the collection centers mentioned below during business hours on or before 16:30 hours on March 03, 2014, i.e. the Closure of the Tendering Period, in accordance with the procedure as set out in this Letter of Offer:

City	Contact Person	Address	Tel. No.	Fax No.	E-mail ID	Mode of Delivery
Mumbai	Pravin Kasare	Link Intime India Pvt. Ltd, C-13, Pannalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai – 400078	022-25967878	022-25960329	pravin.kasare@linkintime.co.in	Hand Delivery & Registered Post
Ahmedabad	Hitesh Patel	Link Intime India Pvt. Ltd, 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C G Road, Navrangpura, Ahmedabad – 380009	079-26465179	079-26465179	ahmedabad@linkintime.co.in	Hand Delivery
Bangalore	Nagendra Rao	Link Intime India Pvt. Ltd., 543/A, 7TH Main, 3rd Cross, Hanumanthanagar, Bangalore - 560 019	080-26509004	080-26509004	bangalore@linkintime.co.in linkblr@gmail.com	Hand Delivery
Baroda	Alpesh Gandhi	Link Intime India Pvt. Ltd., B Tower, 102 B & 103, Sangrila Complex, First Floor, Radhakrishna Char Rasta, Akota, Vadodara – 390020	0265-2356573 / 2356796 / 2356794	0265-2356791	vadodara@linkintime.co.in	Hand Delivery
Coimbatore	S. Dhanalakshmi	Link Intime India Pvt. Ltd, Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028	0422-2314792 / 2315792	0422-2314792	coimbatore@linkintime.co.in	Hand Delivery
Kolkata	S.P. Guha	Link Intime India Pvt. Ltd, 59C, Chowringhee Road, 3rd Floor, Kolkata - 700020	033-22890539/40	033-22890539/40	kolkata@linkintime.co.in	Hand Delivery
New Delhi	Swapan Naskar	Link Intime India Pvt. Ltd., 44 Community Centre 2nd Floor, Nariana Industrial Area Phase I, Near PVR, Nariana, New Delhi - 110 028	011-41410592/93/94	011-41410591	delhi@linkintime.co.in	Hand Delivery

Pune	Rajeeva Koteswar	Link Intime India Pvt. Ltd, Block No 202 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001	020-26160084, 26161629	020 - 26163503	pune@linkintime.co.in	Hand Delivery
Chennai	Mrs. Solly Soy	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai-600 017	044- 2815 2672, 044-4207 0906	044- 2815 2672	chennai@saspartners.com	Hand Delivery

All of the centers mentioned above will be open as follows:

**Business Hours:** Monday to Friday: 10:30 to 16:30

**Holidays:** Saturdays, Sundays and Public Holidays

7.6 The Equity Shares and all other relevant documents should only be sent to the Registrar to the Offer and not to the Manager to the Offer, the Acquirer or the Target Company.

7.7 Applicants who cannot hand deliver their documents at any of the collection centers referred to above, may send the same by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: Link Intime India Private Limited, Unit: Thinksoft Global Services Limited – Open Offer, C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, Maharashtra, India; Tel: +91 22 2596 7878; Fax: +91 22 2596 0329; Email: thinksoft.offer@linkintime.co.in; Contact Person: Mr. Pravin Kasare, so as to reach the Registrar to the Offer on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period.

7.8 **Shareholders who are holding Equity Shares in physical form:**

7.8.1 The Shareholders who are holding the Equity Shares in physical form and who wish to tender their Equity Shares in this Offer will be required to duly complete, sign and send the Form of Acceptance-cum-Acknowledgement in accordance with the instructions contained therein, by sole/joint Shareholders whose name(s) appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company. This order cannot be changed or altered nor can any new name be added for the purpose of accepting this Offer. Original share certificate(s) and valid transfer deed(s), duly completed and signed, in accordance with the instructions specified in this Letter of Offer and the Form of Acceptance-cum-Acknowledgement along with self attested copy of PAN cards of all the transferors are required to be submitted.

7.8.2 Valid transfer deed(s) should be 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. The transfer deed(s) should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the transfer deed(s)) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank.

7.8.3 Notwithstanding that the signature(s) of the transferor(s) has been attested as aforesaid, if the

signature(s) of the transferor(s) differs from the specimen signature(s) recorded with the Target Company or are not in the same order, such Equity Shares are liable to be rejected in this Offer.

7.8.4 In case of registered Shareholders in whose respect, the aforesaid documents have not been received, but the original share certificate(s) and duly signed transfer form(s) have been received, the Offer shall be deemed to have been accepted.

7.9 **Shareholders who are holding Equity Shares in dematerialized form:**

7.9.1 Beneficial owners (holders of Equity Shares in dematerialized form) who wish to tender their Equity Shares in this Offer will be required to send their Form of Acceptance-cum-Acknowledgement along with the photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instructions in “Off-market” mode, duly acknowledged by the DP, in favor of the Depository Escrow Account. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein, by the sole/joint Shareholder(s) whose name appears in the beneficiary account and in the same order therein. The Form of Acceptance-cum-Acknowledgement has to be executed by the beneficial holder of the Equity Shares only.

7.9.2 The Registrar to the Offer has opened a special Depository Escrow Account with Ventura Securities Limited called “LIPL Thinksoft Open Offer Escrow Demat Account”. The Shareholders are requested to fill in the following details in the delivery instructions for the purpose of crediting their Equity Shares in the Depository Escrow Account:

Depository Participant Name	Ventura Securities Limited
DP ID	IN303116
Client ID	11277417
Account Name	LIPL Thinksoft Open Offer Escrow Demat Account
Depository	National Securities Depository Limited (“NSDL”)

7.9.3 It is the sole responsibility of the Shareholder to ensure credit of its Equity Shares in the Depository Escrow Account above, on or before March 03, 2014, i.e. Closure of the Tendering Period.

7.9.4 The Shareholders having their beneficiary account in CDSL shall use the inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favor of the Depository Escrow Account with NSDL.

7.9.5 The Form of Acceptance-cum-Acknowledgement in respect of dematerialized Equity Shares not credited to the Depository Escrow Account before the Closure of the Tendering Period is liable to be rejected.

7.9.6 For each delivery instruction, the beneficial owner should submit a separate Form of Acceptance-cum-Acknowledgement.

7.9.7 In case of resident Shareholders in whose respect, the aforesaid documents have not been received, but the Equity Shares have been received in the above Depository Escrow Account, the Offer shall be deemed to have been accepted.

7.10 **Shareholders who have sent their Equity Shares for dematerialization:**

7.10.1 The Shareholders who have sent their Equity Shares for dematerialization and who wish to tender their Equity Shares in this Offer will be required to send their Form of Acceptance-cum-

Acknowledgement along with a copy of the dematerialization request form duly acknowledged by the Shareholder's DP, in accordance with the instructions mentioned in paragraph 7.9 above. The Form of Acceptance-cum-Acknowledgement has to be duly completed and signed in accordance with the instructions contained therein by the sole/joint Shareholder(s) whose name appears on the share certificate(s) and in the same order and as per the specimen signature lodged with the Target Company.

7.10.2 Such Shareholders need to ensure that the process of getting their Equity Shares dematerialized is completed in time for the credit in the Depository Escrow Account to be received on or before March 03, 2014, i.e. Closure of the Tendering Period, or else their application will be rejected. Alternatively, if the Equity Shares sent for dematerialization are yet to be processed by the Shareholder's DP, the Shareholder can withdraw its dematerialization request and tender the share certificate(s) in this Offer as per the procedure mentioned in paragraph 7.8 above.

7.11 Unregistered Shareholders can also send their application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, distinctive numbers, folio number, together with the original share certificate(s), valid transfer deed(s) (if applicable) and the original contract note(s) issued by the broker through whom they acquired their Equity Shares, either by hand delivery or by registered post, so that the same are received on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period. Valid share transfer deed(s), as received from the market, duly executed in favour of the unregistered owner(s) as the proposed transferee(s) along with self attested copy of PAN card of all the transferees, should be submitted along with the application. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance. An additional valid share transfer deed should be duly signed by the unregistered owner(s) as transferor(s) by the sole/joint Shareholder(s) in the same order and duly witnessed at the appropriate place. The transfer form should be left blank, except for the signatures and witness details as mentioned above. Attestation, where required (as indicated in the share transfer deed) (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and membership number or manager of the transferor's bank. No indemnity is required from the unregistered Shareholders. In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the acceptance shall be accompanied by the acknowledgment of lodgment with, or receipt by, the Target Company/its transfer agents, of the share certificate(s) and the transfer deed(s). The Shareholders should ensure that the share certificate(s) and above documents reach the designated collection centre on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period.

7.12 The Shareholders should also provide all relevant documents, which are necessary to ensure transfer of the Equity Shares in respect of which the application is being sent. Such documents may include, but are not limited to:

- duly attested death certificate and succession certificate/probate/letter of administration (in case of single Shareholder) if the original Shareholder is no more;
- duly attested power of attorney if any person apart from the Shareholder has signed the application form and/or transfer deeds;
- in case of companies, the necessary corporate authorization (including certified copy of board resolutions) and specimen signatures of authorized signatories;
- banker's certificate certifying inward remittances of funds for acquisition of Equity Shares; and
- any other relevant documents.



- 7.13 In case of non-receipt of the Letter of Offer, the eligible persons may send their acceptance to this Offer to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares offered, distinctive numbers, folio number, together with the documents as mentioned above so as to reach the Registrar to the Offer on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period, or in case of beneficial owners, send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of Equity Shares held, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of the delivery instruction in “Off-market” mode or counterfoil of the delivery instruction in “Off-market” mode, duly acknowledged by the DP, in favor of the Depository Escrow Account, so as to reach the Registrar to the Offer, on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period. In case of physical Equity Shares, original share certificate(s) and valid transfer deed(s), duly completed and signed, will also have to be submitted. The Shareholders who have lodged their Equity Shares for transfer with the Target Company must also send the acknowledgement received, if any, from the Target Company towards such lodging of the Equity Shares. Shareholders who have sent their Equity Shares for dematerialization/re-materialization need to ensure that the process of getting Equity Shares dematerialized/rematerialized is completed well in time so that the credit in the Depository Escrow Account is received or physical share certificate(s) are received by the Registrar to the Offer on or before 16:30 hours on March 03, 2014, i.e. Closure of the Tendering Period, else their application would be rejected.
- 7.14 NRI, FII and OCB holders of the Equity Shares must obtain all approvals required to tender the Equity Shares held by them in this Offer (including, without limitation the approval from the RBI) and submit such approvals along with the Form of Acceptance-cum-Acknowledgement and other documents required to accept this Offer. Further, if the Shareholders who are not persons resident in India (including NRIs, OCBs and FIIs) require or had required any approvals (including from the RBI or the FIPB or any other regulatory body) in respect of the Equity Shares held by them, they will be required to submit such previous approvals that they would have obtained for holding the Equity Shares, to tender the Equity Shares held by them in this Offer, along with the other documents required to accept this Offer. If, the Equity Shares are held under general permission of the RBI, the non-resident Shareholder should state that the Equity Shares are held under general permission and clarify whether the Equity Shares are held on repatriable basis or non repatriable basis. In the event such approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered in this Offer.
- 7.15 In case of delay in receipt of any statutory approvals, which may be required by the Acquirer at a later date, as per regulation 18(11) of the SEBI (SAST) Regulations, SEBI may, if satisfied, that non-receipt of such approvals was not attributable to any willful default, failure or neglect on the part of the Acquirer to diligently pursue such approvals, grant an extension of time for the purpose of completion of this Offer, subject to the Acquirer agreeing to pay interest to the Shareholders for delay beyond 10 (ten) Working Days from the Closure of the Tendering Period at such rate, as may be specified by SEBI from time to time. Provided where the statutory approvals extend to some but not all the Shareholders, the Acquirer will have the option to pay consideration to such Shareholders in respect of whom no statutory approvals are required in order to complete this Offer.
- 7.16 Equity Shares that are subject to any charge, lien or encumbrance are liable to be rejected in this Offer. Equity Shares that are the subject of litigation, wherein the Shareholders may be prohibited from transferring their Equity Shares during the pendency of the said litigation, are liable to be rejected, if the directions/orders regarding these Equity Shares are not received together with the Equity Shares tendered in this Offer. The Letter of Offer, wherever possible, will be forwarded to the concerned statutory authorities for further action by such authorities.
- 7.17 The Registrar to the Offer will hold in trust the Equity Shares, by holding the share certificates

pertaining to the Equity Shares held in physical form and the Equity Shares held in demat form in the Depository Escrow Account, the Form of Acceptance-cum-Acknowledgement, if any, the transfer form(s) and other documents submitted on behalf of the Shareholders whose Equity Shares have been validly accepted in this Offer, till completion of formalities relating to this Offer. In case of the Equity Shares tendered in physical form, where the original share certificates are required to be split, all the documents will be returned only upon receipt of the new share certificates from the Target Company.

- 7.18 If the aggregate of the valid responses to this Offer by the Shareholders are more than the Equity Shares agreed to be acquired in this Offer, then the offers received from the Shareholders will be accepted on a proportionate basis, in consultation with the Manager to the Offer, taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots, provided that acquisition of the Equity Shares from a Shareholder shall not be less than the minimum marketable lot, or the entire holding if it is less than the marketable lot.
- 7.19 The marketable lot of the Target Company for the purpose of this Offer is 1 (one) Equity Share.
- 7.20 Unaccepted share certificates, transfer deeds and other documents, if any, will be returned by registered post at the Shareholders'/unregistered Shareholders' sole risk to the sole/first Shareholder. The unaccepted Equity Shares held in dematerialized form will be credited back to the same account from which they were tendered. It will be the responsibility of the Shareholders to ensure that the unaccepted Equity Shares are accepted by their respective DPs when transferred by the Registrar to the Offer. The Shareholders holding the Equity Shares in dematerialized form are requested to issue the necessary standing instruction for the receipt of the credit, if any, in their DP account. It is advised that the demat account is maintained till the completion of the Offer formalities.
- 7.21 Payment to those Shareholders whose Equity Share are validly accepted, will be by way of a bankers' cheque / demand draft / NEFT / RTGS. The Shareholders who opt for receiving consideration through NEFT/RTGS are requested to give the authorization for the same in the Form of Acceptance-cum-Acknowledgement, provide the Magnetic Ink Character Recognition (MICR)/ Indian Financial System Code (IFSC) of their bank branch and enclose a cancelled cheque or a photocopy of a cheque associated with the particular bank account along with the Form of Acceptance-cum-Acknowledgement. In case of the Shareholder(s) holding the Equity Shares in physical form, if the bank account details are not provided, then the consideration will be dispatched in the name of the sole/first named holder at his registered address (at its own risk). In case of joint holders/unregistered owners, payments will be made in the name of the first holder/unregistered owner. The decision regarding the acquisition (in part or full), or rejection of, the Equity Shares tendered in this Offer and (i) any corresponding payment for the acquired Equity Shares and/or (ii) the share certificate(s) for any rejected Equity Shares, will be dispatched to the Shareholders by registered post / speed post, at the Shareholder's sole risk. The Equity Shares held in dematerialized form to the extent not acquired will be credited back to the same account from which they were tendered.
- 7.22 For Shareholders who do not opt for electronic mode of transfer or whose payment consideration is rejected/not credited through NEFT/RTGS, due to technical errors or incomplete/incorrect bank account details, payment consideration will be dispatched through registered post at the Shareholder's sole risk.
- 7.23 All bankers' cheques/demand drafts will be drawn in the name of the first holder, in case of joint holder(s). In case of unregistered owners of Equity Shares, payment will be made in the name of the person stated in the contract note. It will be desirable if the Shareholders provide bank account details in the Form of Acceptance-cum-Acknowledgement for incorporation in the bankers' cheque/demand draft.

7.24 Equity Shares, Acceptance-cum-Acknowledgment and/ or the other relevant documents should not be submitted/ tendered to the Manager to the Offer, the Acquirer or the Target Company.

**7.25 Compliance with tax and other regulatory requirements:**

**7.25.1 General**

- a. As per the provisions of Section 195(1) of the Income Tax Act, 1961 any person responsible for paying to a non-resident any sum chargeable to tax is required to deduct tax at source (including surcharge and education cess as applicable). Since the consideration (without interest) payable under this Offer would be chargeable to capital gains under Section 45 of the Income Tax Act, 1961 or as business profits under Section 28 of the Income Tax Act, 1961 as the case may be, the Acquirer are required to deduct taxes at source (including surcharge and education cess). Further, since the payment of any interest (paid for delay in payment of Offer Price) by the Acquirer to a non-resident Shareholder will be chargeable to tax, as income from other sources under Section 56 of the Income Tax Act, 1961 or as business profits under Section 28 of the Income Tax Act, 1961 as the case may be, the Acquirer are required to deduct taxes at source.
- b. In case of non-receipt of statutory/regulatory approvals, if any, within time, SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to Shareholders subject to the Acquirer agreeing to pay interest for the delay, as directed by SEBI under Regulation 18(11) of the SEBI (SAST) Regulations.
- c. As per the provisions of Section 194A and 195 of the Income Tax Act, 1961 a body corporate responsible for paying to residents and non residents (including FII) any income by way of interest is required to deduct tax at source (including, in the case of non-residents, surcharge and education cess, as applicable). Since the interest payable to the Shareholders on being directed by SEBI under regulation 18(11) of the SEBI (SAST) Regulations will be chargeable to income tax under the Income Tax Act, 1961 the Acquirer, under Section 194A and 195 of the Income Tax Act, 1961 will be required to deduct tax at source (including, in the case of non-residents, surcharge and education cess, as applicable) on such interest income at the rate as may be applicable in each case depending on the residential status and the category of person to which the shareholder belongs.
- d. In view of provisions of section 206AA of Income Tax Act, 1961 resident and non-resident Shareholders (including FIIs) are required to submit their PAN to the Registrar to the Offer, along with the Form of Acceptance-cum-Acknowledgment. In case PAN is not submitted or is invalid or does not belong to the Shareholder, the Acquirer will arrange to deduct tax at the rate of 20% or at the rate in force or at the rate specified in the relevant provisions of the Income Tax Act, 1961 whichever is higher.
- e. In case of ambiguity, incomplete or conflicting information or the information not being provided to the Acquirer, it would be assumed that the Shareholder is a non-resident Shareholder and taxes shall be deducted at the maximum rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act, 1961 on the entire consideration and interest, if any, payable to such Shareholder.
- f. Securities transaction tax will not be applicable to the Equity Shares accepted in this Offer. Accordingly, exemption of Long Term Capital Gain from payment of Income Tax thereon as envisaged in section 10 (38) of the Income Tax Act, 1961 will not apply to the gain arising on consideration paid against Equity Shares accepted under the present Offer.

- g. Any Shareholder claiming benefit under any double taxation avoidance agreement between India and any other foreign country should furnish tax residence certificate provided to him / it by the Income Tax Authority of such other foreign country of which he / it claims to be a tax resident.
- h. Tax deduction at Source in respect of payment of consideration for Equity Shares surrendered in the Offer, wherever deductible, will be on the gross consideration (and not on the income comprised in the gross consideration) except in the case where certificate u/s. 195 / 197 furnished by the shareholder specifies otherwise.

#### 7.25.2 Tax to be Deducted in Case of Non-resident Shareholders (other than FII):

- a. All non-resident Shareholders, who desire that no tax should be deducted at source or tax should be deducted at lower rate or on lesser amount, shall be required to submit certificate from the Income-tax Authorities under Section 195(3) or Section 197 of the Income Tax Act, 1961 along with the Form of Acceptance-cum-Acknowledgement indicating the extent to which the tax is required to be deducted at source by the Acquirer before remitting the consideration. The Acquirer will arrange to deduct taxes at source in accordance with such certificate. In absence of certificate under Sections 195(3) or 197 of the Income Tax Act, 1961 paragraph (b) and (c) below will apply.
- b. Except in the case falling under paragraph (c) below, the Acquirer will arrange to deduct tax at the applicable rate as may be applicable to the relevant category to which the Shareholder belongs under the Income Tax Act, 1961 on the entire gross consideration and interest if any, payable to such Shareholder.

The Acquirer will not take into consideration any other details and documents (including self certified computation of tax liability or the computation of tax liability certified by any tax professional like Chartered Accountant, etc.) submitted by the Shareholder for deducting lower amount of tax at source.

- c. In case of an individual non-resident Shareholder, who is either a citizen of India or a person of Indian origin, who has himself/herself acquired Equity Shares with convertible foreign exchange and has also held such Equity Shares for at least 12 months prior to the date on which the Equity Shares, if any, are accepted under this Offer, the rate of tax deduction at source would be 10% (ten percent) plus applicable surcharge and education cess on entire gross consideration and 30% (thirty percent) plus applicable surcharge and education cess on interest.

However, to be eligible for this lower rate of tax deduction at source, the Shareholder will have to furnish a copy of his/ her demat account clearly reflecting the fact that Equity Shares held in that account are in repatriable mode. Further, copy of the demat account should also reflect that the Equity Shares were held for more than 12 months prior to the date on which the Equity Shares, if any, are accepted under this Offer.

In case of Equity Shares being held in physical mode, the Shareholder will have to furnish certificate from his/her bank to the effect that the purchase consideration of these Equity Shares was paid out of non-resident external account of the Shareholder concerned.

#### 7.25.3 Withholding tax implications for FIIs:

- a. As per provisions of section 196D(2) of the Income Tax Act, 1961 no deduction of tax at source will be made from any income by way of capital gains arising from transfer of securities referred to in Section 115AD of the Income Tax Act, 1961 to a FII.

- b. A FII should certify ("FII Certificate") the nature of its income arising from the sale of Equity Shares as per the Income Tax Act, 1961 (whether capital gains or otherwise) by tick marking on the appropriate option provided in the Form of Acceptance-cum-Acknowledgement for this purpose. In the absence of FII Certificate to the effect that their income from sale of Equity Shares is in the nature of capital gains, the Acquirer will deduct tax at the maximum rate applicable to the category to which such FII belongs (i.e. a company or a trust) on the entire gross consideration payable to such FII. In any case, if the FII submits a certificate under Section 195(3) or Section 197 of the Income Tax Act, 1961 from the Income-tax authorities while tendering the Equity Shares, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 the Acquirer will deduct tax in accordance with the same.
- c. In respect of interest income, if the FII submits a certificate under Section 195(3) or Section 197 from the Income Tax Authorities indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 the Acquirer will deduct tax in accordance with the certificate under Section 195(3) or Section 197 so submitted. In absence of such certificate under Section 195(3) or Section 197 of the Income Tax Act, 1961 the Acquirer will arrange to deduct tax at the rate applicable to the category to which such FII belongs (i.e. a company or a trust).

#### **7.25.4 Tax to be deducted in case of resident Shareholders**

- a. In absence of any specific provision under the Income Tax Act, 1961 the Acquirer will not deduct tax on the consideration payable to resident Shareholders for acquisition of Equity Shares.
- b. The Acquirer will deduct the tax at the stipulated rates on interest, if any, payable to resident Shareholders, if the amount of interest payable is in excess of Rs. 5,000 (Rupees Five Thousand).
- c. The resident Shareholder claiming that no tax is to be deducted or that tax is to be deducted at a lower rate on interest amount, should submit along with the Form of Acceptance-cum-Acknowledgement certificate under Section 197 of the Income Tax Act, 1961 from the income tax authorities indicating the amount of tax to be deducted by the Acquirer, or in the case of resident Shareholder not being a company or firm, a self declaration in Form 15G or Form 15H, as may be applicable. The self declaration in Form 15G or Form 15H would not be valid unless the Shareholder furnishes PAN in such declaration. In case the aforesaid certificate under Section 197 of the Income Tax Act, 1961 or Form 15G or 15H, if applicable, is not submitted, the Acquirer will arrange to deduct tax at the rate as may be applicable to the category of the Shareholder under the Income Tax Act, 1961.

#### **7.25.5 Issue of withholding tax certificate**

- a. The Acquirer will issue a certificate in the prescribed form to the Shareholders (resident and non-resident) who have been paid the consideration and interest, if any, after deduction of tax on the same certifying the amount of tax deducted and other prescribed particulars in accordance with the Income Tax Act, 1961 read with the Income Tax Rules, 1962.

#### **7.25.6 Withholding taxes in respect of overseas jurisdictions**

- a. Apart from the above, the Acquirer will be entitled to withhold tax in accordance with the tax laws applicable in the overseas jurisdiction where the non-resident Shareholder is a resident for tax purposes ("Overseas tax").

- b. For this purpose, the non-resident Shareholder shall duly represent in the Form of Acceptance-cum-Acknowledgement the quantum of the overseas tax to be withheld as per the relevant tax laws of the country in which the non-resident Shareholder is a tax resident and the Acquirer will be entitled to rely on this representation at their sole discretion.

7.25.7 All shareholders are required to indicate by, at the place provided for this purpose in the Acceptance – cum – Acknowledgement Form, their residential status and the category of person to which they belong. Further, Shareholders who wish to tender their Equity Shares must submit the following information / documents along with the Form of Acceptance-cum-Acknowledgement:

- a. Information requirement in case of FII Shareholder:
  - i. Self attested copy of PAN card
  - ii. Certificate from the income-tax authorities under Section 195 (3)/197 of the Income Tax Act, wherever applicable
  - iii. SEBI registration certificate for FII (including sub-account of FII)
  - iv. Tax Residence Certificate provided by the Income Tax Authority of foreign country of which the FII claims to be a tax resident, wherever applicable
  - v. RBI and other approval(s) obtained for acquiring the Equity Shares of the Target Company, if applicable
- b. Information requirement in case of non-resident Shareholder (other than FII):
  - i. Self attested copy of PAN card
  - ii. Certificate from the income tax authorities under Section 195 (3)/197 of the Income -Tax Act, wherever applicable
  - iii. Tax Residence Certificate provided by the income tax authority of foreign country of which the FII claims to be a tax resident, wherever applicable
  - iv. Copy of relevant pages of demat account in case of Non - Resident (other than FII) if the Equity Shares are claimed to have been held for more than twelve months prior to the date of acceptance, if any, of Equity Share under the Offer
  - v. Copies of relevant pages of demat account in case of a shareholder claiming benefit of clause mentioned in paragraph 7.25.2(c) above. Also banker's certificate related to payment for acquisition of Equity Shares in convertible foreign exchange in case the Equity Shares are held in physical form.
  - vi. RBI and other approval(s) obtained for acquiring the Equity Shares of the Target Company, if applicable
- c. Information requirement in case of resident Shareholder:
  - i. Self attested copy of PAN card
  - ii. If applicable, self declaration form in Form 15G or Form 15H
  - iii. Certificate from the income tax authorities under Section 197 of the Income Tax Act, wherever applicable
  - iv. For mutual funds/banks/other specified entities under Section 194A(3)(iii) of the Income Tax Act–Copy of relevant registration or notification (applicable only for the interest payment, if any)

- 7.25.8 The tax deducted under this Offer is not the final liability of the Shareholders or in no way discharges the obligation of Shareholders to disclose the consideration received pursuant to this Offer in their respective tax returns. The tax rates and other provisions may undergo changes.
- 7.25.9 The Shareholders are advised to consult their respective tax advisors for assessing the tax liability, pursuant to this Offer, or in respect of other aspects such as the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they may take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of the tax provisions set forth herein above.

## **8. DOCUMENTS FOR INSPECTION**

Copies of the following documents will be available for inspection by the Shareholders at the registered office of the Manager to the Offer at ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai – 400020, Maharashtra. The documents can be inspected during normal business hours (10.00 AM to 5.00 PM) on all Working Days during the Tendering Period.

1. Articles of Association of the Acquirer and extract of Commercial Register of Cologne containing registration details of the Acquirer
2. Certificate of Incorporation and Memorandum and Articles of Association of Target Company
3. Board resolutions of the Acquirer authorising this Offer
4. The Share Purchase Agreement, dated November 8, 2013, that triggered this Offer
5. Annual Reports of Target Company for the financial years ended on March 31, 2013, March 31, 2012 and March 31, 2011 and unaudited financial results for the half year ended on September 30, 2013, submitted to the NSE and BSE
6. Annual Reports of the Acquirer for the financial years ended on December 31, 2012, December 31, 2011 and December 31, 2010 and the interim report for the half year ended on June 30, 2013
7. Public Announcement dated November 8, 2013, the Detailed Public Statement published on November 18, 2013 and the First Corrigendum to the DPS published on November 19, 2013
8. Letter dated November 13, 2013 and December 12, 2013, issued by ICICI Bank Limited confirming the receipt in the Escrow Account of the monies required under regulation 17(1) of the SEBI (SAST) Regulations
9. Letter dated November 8, 2013, from K.J. Sheth & Associates, Chartered Accountants (through its Proprietor, Kirit Sheth, having membership no. 37824), having its address at 2nd Floor, Seksaria Chambers, 139, N.M. Road, Fort, Mumbai – 400001 and firm registration number 118598W, certifying that the Acquirer has adequate and firm financial resources to meet its financial obligations under this Offer
10. Agreement entered into with the DP for opening the Depository Escrow Account

11. Published copy of the recommendation of the committee of independent directors of the Target Company's Board of Directors in terms of regulation 26(7) of the SEBI (SAST) Regulations
12. Letter from SEBI dated January 29, 2014 giving its observations on the Draft Letter of Offer

## **9. DECLARATION BY THE ACQUIRER**

- 9.1 The Acquirer along with its directors accepts full responsibility, for the information contained in this Letter of Offer, including the Form of Acceptance cum Acknowledgement (other than such information as has been obtained from public sources or provided or confirmed by any of the Sellers or the Target Company) and for ensuring compliance with the SEBI (SAST) Regulations and for fulfilling their obligations as laid down in terms of the SEBI (SAST) Regulations.
- 9.2 The information contained in this Letter of Offer is as of the date of this Letter of Offer, unless expressly stated otherwise.
- 9.3 The Acquirer, has made all reasonable inquiries, accepts responsibility, and confirms that this Letter of Offer is in compliance with the SEBI (SAST) Regulations, 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 is 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.
- 9.4 The person(s) signing this Letter of Offer on behalf of the Acquirer have been duly and legally authorised by the board of directors of the Acquirer to sign this Letter of Offer.

### **For and on behalf of the Acquirer**

Sd/-

**Authorised Signatory**

Place: Cologne, Germany

Date: February 03, 2014

Encl:

- 1) Form of Acceptance-cum-Acknowledgement
- 2) Transfer deed(s) (for Shareholders holding Equity Shares in physical form)



## INSTRUCTIONS

1. PLEASE NOTE THAT NO EQUITY SHARES/FORMS SHOULD BE SENT DIRECTLY TO THE ACQUIRER, THE TARGET COMPANY OR TO THE MANAGER TO THE OFFER
2. The Form of Acceptance-cum-Acknowledgement should be filled-up in English only.
3. Please read the Letter of Offer accompanying this Form of Acceptance-cum-Acknowledgement carefully before filling up this Form of Acceptance-cum-Acknowledgement.
4. The acceptance of the Offer is entirely up to the discretion of the Shareholders. Each Shareholder to whom this Offer is being made is free to offer his/ her Equity Shares in whole or in part while accepting the Offer.
5. In the case of dematerialized Equity Shares, the Shareholders are advised to ensure that their Equity Shares are credited in favour of the Depository Escrow Account, before the closure of the Tendering Period i.e. **March 03, 2014**. The Form of Acceptance-cum-Acknowledgement of such dematerialized Equity Shares not credited in favour of the Depository Escrow Account, before the closure of the Tendering Period will be rejected.

6. Shareholders should enclose the following:

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

Beneficial owners should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial owners whose names appear in the beneficiary account, as per the records of the Depository Participant ("DP").
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP as per the instruction in the Letter of Offer.
- Photocopy of the Inter-Depository Delivery Instruction Slip if the beneficiary holders have an account with Central Depository Services Ltd.
- For each Delivery Instruction, the beneficial owners should submit separate Form of Acceptance-cum-Acknowledgement.

In case of non-receipt of the aforesaid documents, but receipt of the Equity Shares in the Depository Escrow Account, the Acquirer may deem the Offer to have been accepted by such Shareholder.

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

Registered Shareholders should enclose:

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all Shareholders whose names appear on the share certificates.
- Original share certificate(s)
- Valid share transfer deed(s) duly signed as transferors by all registered Shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with Thinksoft Global Services Limited and duly witnessed at the appropriate place. A blank share transfer deed is enclosed along with the Letter of Offer.
- Verification and attestation, where required, (thumb impressions, signature difference, etc.) should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and Membership No. or a manager of the transferor's bank.
- The details of buyer should be left blank failing which the same will be invalid under the Offer. The details of the Acquirer as buyer will be filled by the Acquirer upon verification of the Form of Acceptance-cum-Acknowledgement and the same being found valid. All other requirements for valid transfer will be preconditions for valid acceptance.

If the Registrar to the Offer does not receive the documents listed above but receives the original share certificates and valid share transfer deed from a registered Shareholder, then the Acquirer may deem the Offer to have been accepted by such Shareholders.

**Unregistered owners should enclose-**

- Form of Acceptance-cum-Acknowledgement duly completed and signed in accordance with the instructions contained therein.
- Original share certificate(s)
- Original broker contract note
- Valid share transfer deed(s) as received from the market leaving details of buyer blank. If the same is filled in then the Equity Share(s) are liable to be rejected
- Owners of Equity Shares who have sent their Equity Shares for transfer should enclose along with this Form duly completed and signed, copy of the letter sent to Thinksoft Global Services Limited for transfer of Equity Shares and valid share transfer deed(s).
- Self attested copy of PAN card
- Verification and attestation, where required, (thumb impressions, signature difference, etc.) should be done by a magistrate, notary public or special executive magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under its seal of office and Membership No. or a manager of the transferor's bank.
- In case the share certificate(s) and the transfer deed(s) are lodged with the Target Company/its transfer agents for transfer, then the Form of Acceptance-cum-Acknowledgement shall be accompanied by the acknowledgment of lodgement with, or receipt by, the Target Company/its transfer agents, of the share certificate(s) and the transfer deed(s).

7. All the Shareholders are advised to refer to paragraph 7.25 - **Compliance with tax and other regulatory requirements** in the Letter of Offer in relation to important disclosures regarding the taxes to be deducted on the consideration to be received by them.
8. The share certificate(s), share transfer deed(s) and the Form of Acceptance-cum-Acknowledgement should be sent only to, the Registrar to the Offer and not to the Manager to the Offer, the Acquirer or the Target Company.
9. Shareholders having their beneficiary account in CDSL have to use "INTER DEPOSITORY DELIVERY INSTRUCTION SLIP" for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with NSDL.
10. While tendering the Equity Shares under the Offer, NRIs/ FIIs/ OCBs/ foreign Shareholders will be required to submit the RBI and / or FIPB approvals (specific or general) that they would have obtained for acquiring the Equity Shares of the Target Company. If the Equity Shares are held pursuant to a general permission of RBI, the Non-Resident Shareholder should submit a copy of the relevant notification / circular pursuant to which the Equity Shares are held and state whether the Equity Shares are held on repatriable or non-repatriable basis. In case the previous RBI approvals are not submitted, the Acquirer reserves the right to reject such Equity Shares tendered.

**NRI Shareholders tendering their Equity Shares in the Offer and holding such Equity Shares on a repatriable basis** (in which case the consideration can be remitted abroad) should (i) provide relevant proof of such holding on a repatriable basis viz. RBI approval (if applicable) or proof that such Equity Shares were purchased from funds from an Non-resident (External) ("NRE") bank account or by way of foreign inward remittance; and (ii) furnish details of the type of the relevant bank account, i.e. NRE bank account, to which the consideration should be credited.

**NRI Shareholders tendering their Equity Shares in the Offer and holding such Equity Shares on a non-repatriable basis** should provide details of their Non-Resident (Ordinary) ("NRO") bank account, based on which the consideration cheque or demand draft constituting payment of purchase consideration will be drawn. In the event that details of an NRO bank account are not furnished, the Equity Shares tendered by such NRI Shareholders would be rejected. Alternatively, if such an NRI Shareholder wishes to receive the consideration in an NRE bank account, such NRI Shareholder should provide a specific RBI approval permitting consideration to be credited to such bank account, based on which the consideration cheque or demand draft constituting payment of purchase consideration will be drawn. In the event that such a specific RBI approval and the details of such designated bank account are not furnished, the Equity Shares tendered by such NRI Shareholders would be rejected.

11. Non-Resident Shareholders should enclose No Objection Certificate / certificate for deduction of tax at a lower rate from the Income-Tax Authorities under the Income Tax Act, 1961 indicating the tax to be deducted if any by the Acquirer before remittance of consideration. Otherwise tax will be deducted at the maximum marginal rate as may be applicable to the category and status of the Shareholder (as registered with the depositories / Target Company) on full consideration payable by the Acquirer.
12. FIIs are requested to enclose the SEBI Registration Certificate. In case of a company, a stamp of the company should be affixed on the Form of Acceptance-cum-Acknowledgement. A company / FII / OCB should furnish necessary authorization documents along with Specimen Signatures of Authorised Signatories.
13. The Form of Acceptance-cum-Acknowledgement and other related documents should be submitted at the collection centres of **Link Intime India Private Limited** as mentioned below.
14. The Form of Acceptance-cum-Acknowledgement along with enclosure should be sent only to the Registrar to the Offer so as to reach any of the collection centres of the Registrar to the Offer, mentioned below on all days (excluding Saturdays, Sundays and Public holidays) during the business hours i.e. (Mondays to Fridays between 10:30 to 16:30) on or before March 03, 2014, i.e. closure of the Tendering Period.
15. All the Shareholders should provide all relevant documents which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent.
16. In case the Acquirer is of the view that the information / documents provided by the Shareholder is inaccurate or incomplete or insufficient, then tax may be deducted at source at the maximum applicable marginal rate on the entire consideration paid to the Shareholders.
17. **Payment of Consideration:** Shareholders must note that on the basis of name of the Shareholders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Form of Acceptance-cum-Acknowledgement, the Registrar to the Offer will obtain from the Depositories, the Shareholder's details including address, bank account and branch details. These bank account details will be used to make payment to the Shareholders. Hence Shareholders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays of payment or electronic transfer of funds, as applicable, and any such delay shall be at the sole risk of the Shareholders and neither the Acquirer, the Manager to the Offer, Registrar to the Offer nor the Escrow Bank shall be liable to compensate the Shareholders for any loss caused to the Shareholders due to any such delay or liable to pay any interest for such delay. Physical Shareholders are requested to fill up their bank account details in the 'Form of Acceptance-cum-Acknowledgement'.

*The tax deducted under this Offer is not the final liability of the Shareholders or in no way discharges the obligation of Shareholders to disclose the consideration received pursuant to this Offer in their respective tax returns.*

*All Shareholders are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take. The Acquirer and the Manager to the Offer do not accept any responsibility for the accuracy or otherwise of such advice. The tax rates and other provisions may undergo changes.*

#### Collection Centers

City	Contact Person	Address	Tel. No.	Fax No.	E-mail ID	Mode of Delivery
Mumbai	Pravin Kasare	Link Intime India Pvt. Ltd, C-13, Panalal Silk Mills Compound, L B S Marg, Bhandup (W), Mumbai - 400078.	022-25967878	022-25960329	pravin.kasare@linkintime.co.in	Hand Delivery & Registered Post / Courier
Ahmedabad	Hitesh Patel	Link Intime India Pvt. Ltd, 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C G Road, Navrangpura, Ahmedabad - 380009	079-26465179	079-2646 5179	ahmedabad@linkintime.co.in	Hand Delivery
Bangalore	Nagendra Rao	Link Intime India Pvt. Ltd., 543/A, 7TH Main, 3rd Cross, Hanumanthanagar, Bangalore - 560 019	080-26509004	080-26509004	bangalore@linkintime.co.in linkblr@gmail.com	Hand Delivery
Baroda	Alpesh Gandhi	Link Intime India Pvt. Ltd., B Tower, 102 B & 103, Sangrila Complex, First Floor, Radhakrishna Char Rasta, Akota, Vadodara - 390020	0265-2356573 / 2356796 / 2356794	0265-2356791	vadodara@linkintime.co.in	Hand Delivery
Coimbatore	S. Dhanalakshmi	Link Intime India Pvt. Ltd, Surya 35, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Road, Coimbatore 641 028	0422-2314792 / 2315792	0422-2314792	coimbatore@linkintime.co.in	Hand Delivery
Kolkata	S.P. Guha	Link Intime India Pvt. Ltd, 59C, Chowringhee Road, 3rd Floor, Kolkata -700020	033-22890539 / 40	033-22890539 / 40	kolkata@linkintime.co.in	Hand Delivery
New Delhi	Swapan Naskar	Link Intime India Pvt. Ltd., 44 Community Centre 2nd Floor, Nariana Industrial Area Phase I, Near PVR, Nariana, New Delhi - 110 028	011-41410592 / 93 / 94	011-41410591	delhi@linkintime.co.in	Hand Delivery
Pune	Rajeeva Koteswar	Link Intime India Pvt. Ltd, Block No 202 2nd Floor, Akshay Complex, Near Ganesh Temple, Off Dhole Patil Road, Pune - 411 001.	020- 26160084 / 26161629	020 -26163503	pune@linkintime.co.in	Hand Delivery
Chennai	Mrs. Solly Soy	C/o SGS Corporate Solutions India Pvt. Ltd., Indira Devi Complex, II Floor, No.20, Gopalakrishna Street, Pondy Bazaar, T. Nagar, Chennai- 600 017	044-28152672 / 044-42070906	044- 2815 2672	chennai@saspartners.com	Hand Delivery

Applicants who cannot hand deliver their documents at any of the Collection Centres, may send their documents by registered post with acknowledgement due or by courier, at their own risk and cost, to the Registrar to the Offer at its address: Link Intime India Ltd, Unit: Thinksoft Global Services Limited - Open Offer C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai - 400 078, Maharashtra, India; Tel: +91 22 2596 7878; Fax: +91 22 2596 0329; Email: thinksoft.offer@linkintime.co.in; Contact Person: Mr. Pravin Kasare, so as to reach the Registrar to the Offer on or before the Closure of the Tendering Period, i.e. **16:30 hours on March 03, 2014**

**SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT / EQUITY SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSE OF THE OFFER I.E. 16:30 HOURS ON MARCH 03, 2014 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE WILL BE REJECTED.**

**FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT  
THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

*(Please send this form with enclosures to Link Intime India Private Limited at any of the collection centres mentioned in the Letter of Offer)*

Name:

Address:

Tel No.:

Fax No.:

Email:

TENDERING PERIOD FOR THE OFFER	
OPENS ON	FEBRUARY 14, 2014
CLOSES ON	MARCH 03, 2014

To, The Acquirer – SQS Software Quality Systems AG C/o Link Intime India Private Limited C-13 Pannalal Silk Mills Compound, LBS Marg, Bhandup West, Mumbai - 400 078, India Contact person: Mr. Pravin Kasare Tel: +91 22 2596 7878; Fax: +91 22 2596 0329 Email: thinksoft.offer@linkintime.co.in	<b>Status of the Shareholder (Please tick whichever is applicable)</b>			
	<input type="checkbox"/> Individual	<input type="checkbox"/> Company	<input type="checkbox"/> FII	<input type="checkbox"/> FVCI
	<input type="checkbox"/> Partnership / Proprietorship firm / LLP	<input type="checkbox"/> Private Equity Fund	<input type="checkbox"/> Pension/ Provident Fund	<input type="checkbox"/> Sovereign Wealth Fund
	<input type="checkbox"/> Foreign Trust	<input type="checkbox"/> Financial Institution	<input type="checkbox"/> NRIs / PIOs	<input type="checkbox"/> Insurance Company
	<input type="checkbox"/> OCB	<input type="checkbox"/> Domestic Trust	<input type="checkbox"/> Banks	<input type="checkbox"/> Others _____

Dear Sir/Madam,

**Sub: Open offer (“Offer”) for acquisition of up to 3,051,475 fully paid-up equity shares of face value of Rs. 10 (Rupees Ten) each (“Equity Share”) from the public shareholders of Thinksoft Global Services Limited (“Target Company”) by SQS Software Quality Systems AG (“Acquirer”) at a price of Rs. 260 per Equity Share, payable in cash.**

I/We refer to the Letter of Offer dated February 03, 2014 for acquiring the Equity Shares held by me/us in **Thinksoft Global Services Limited**.

I/We, the undersigned, have read the Public Announcement, the Detailed Public Statement and the Letter of Offer and understood its contents and unconditionally accepted the terms and conditions as mentioned therein.

**FOR EQUITY SHARES HELD IN PHYSICAL FORM**

I/We, holding the Equity Shares in physical form, accept the Offer and enclose the original share certificate(s) and duly signed share transfer deed(s) in respect of my/our Equity Shares as detailed below:

Sr. No.	Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
<b>Total No. of Equity Shares</b>					

Please attach additional sheets of paper and authenticate the same if the space is insufficient.

**FOR EQUITY SHARES HELD IN DEMAT FORM**

I/We, holding the Equity Shares in dematerialized form, accept the Offer and enclose a photocopy of the Delivery Instruction in “Off-market” mode, duly acknowledged by my/our DP in respect of my/our Equity Shares as detailed below:

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

I/We have executed an off-market transaction for crediting the Equity Shares to the Depository Escrow Account with Ventura Securities Limited as the DP in NSDL styled “LIPL Thinksoft Open Offer Escrow Demat Account” whose particulars are:

<b>DP Name: Ventura Securities Limited</b>	<b>DP ID: IN303116</b>	<b>Client ID: 11277417</b>
--------------------------------------------	------------------------	----------------------------

Shareholders having their beneficiary account with CDSL will have to use inter-depository slip for the purpose of crediting their Equity Shares in favour of the Depository Escrow Account with NSDL.

I/We confirm that the Equity Shares of Thinksoft Global Services Limited, which are being tendered herewith by me/us under the 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 Registrar to the Offer until the time the Acquirer pays the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirer will pay the purchase consideration only after verification of the documents and signatures.

I/We authorize the Acquirer or the Registrar to the Offer to send by Speed Post/Registered Post/ or through electronic mode, as may be applicable, at my/our risk, the crossed account payee cheque, demand draft/pay order, or electronic transfer of funds in full and final settlement due to me/us and/or other documents or papers or correspondence to the sole/first holder at the address mentioned above.

I/We note and understand that the Equity Shares would lie in the Depository Escrow Account until the time the Acquirer makes payment of purchase consideration as mentioned in the Letter of Offer. I/We authorise the Acquirer to accept the Equity Shares so offered or such lesser number of Equity Shares 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, share certificate(s) in respect of and/or credit my/our demat account with, the Equity Shares, in respect of which the Offer is not found valid/not accepted.

I/We authorize the Acquirer to split / consolidate the share certificates comprising the Equity Shares that are not acquired and are to be returned to me/us and for the aforesaid purposes the Acquirer is hereby authorized to do all such things and execute such documents as may be found necessary and expedient for the purpose.

**SHAREHOLDERS ARE REQUESTED TO NOTE THAT THE FORM OF ACCEPTANCE-CUM-ACKNOWLEDGEMENT / EQUITY SHARES THAT ARE RECEIVED BY THE REGISTRAR AFTER THE CLOSE OF THE OFFER, i.e. 16:30 HOURS ON MARCH 03, 2014 SHALL NOT BE ACCEPTED UNDER ANY CIRCUMSTANCES AND HENCE WILL BE REJECTED.**

-----Tear along this line -----

**Acknowledgement Slip** (To be filled in by the shareholder) **Thinksoft Global Services Limited – Open Offer** **Sr. No.** \_\_\_\_\_

Received from Mr./Ms./M/s. \_\_\_\_\_

Address \_\_\_\_\_

Physical shares: Folio No. \_\_\_\_\_ / Demat shares: DP ID \_\_\_\_\_ ; Client ID \_\_\_\_\_

Form of Acceptance-cum-Acknowledgement along with (Please put tick mark in the box whichever is applicable):

Physical shares: No. of shares \_\_\_\_\_ ; No. of certificates enclosed \_\_\_\_\_ ; Share Transfer Form

Demat shares: Copy of delivery instruction for \_\_\_\_\_ shares enclosed; and copy of inter-depository delivery slip (for beneficiary holders maintaining an account with CDSL). Date of Receipt \_\_\_\_\_ Signature of Official \_\_\_\_\_

<b>Collection Centre Stamp</b>

So as to avoid fraudulent encashment in transit, Shareholder(s) holding Equity Shares in physical form and those who wish to receive payment of consideration through ECS should provide details of bank account along with a cancelled copy of the cheque of the first/sole Shareholder and the consideration amount will be remitted accordingly through electronic credit / cheque or demand draft.

Name of the Bank _____	Branch _____	City _____
MICR Code (9 Digits) _____	IFSC _____	
Account Number (CBS Account): _____ Account Type (CA/SB/NRE/NRO/others) (please specify): _____		
Non Resident Shareholders are requested to state their NRO/NRE Bank Account Number as applicable based on the status of their account in which they hold Equity Shares, failing which the Acquirer has a right to reject their application.		

For Equity Shares that are tendered in electronic form, the bank account details as obtained from the beneficiary position provided by the depository will be considered and the draft/warrant/cheque will be issued with the said bank particulars.

**For all Shareholders**

I / We, confirm that our residential status for the purposes of tax is:

Resident  Non-resident, If yes, please state country of tax residency \_\_\_\_\_

I / We, confirm that our status is:

Individual  Firm  Company  Association of persons / body of individuals  Trust  Any other - please specify \_\_\_\_\_

I / We, have enclosed the following all documents:

Cancelled cheque or a photocopy of a cheque associated with the particular bank account where payment is desired, with MICR / IFSC code of the bank branch clearly mentioned on the cheque, if payment of consideration through ECS is required

Self attested copy of PAN card  Duly attested Power of Attorney if any person apart from the Shareholder has signed the application form and/or transfer deed(s)

Corporate authorization in case of Companies along with Board Resolution and Specimen Signatures of Authorised Signatories  Death Certificate/ Succession Certificate if the original Shareholder is deceased

**Additional confirmations and enclosures for Resident Shareholders**

I / We, have enclosed the following documents:

Self declaration form in Form 15G / Form 15H, if applicable to be obtained in duplicate copy in case of individuals or a person not being a company or a firm (applicable only for interest payment, if any) where the payment exceeds Rs. 5,000

Appropriate No Objection Certificate (NOC) / Tax Clearance Certificate (TCC) from Income Tax Authorities (applicable only for interest payment, if any) for company and firms where the payment exceeds Rs. 5,000

For Mutual funds / Banks / Notified Institutions under Section 194A(3)(iii) of the Income Tax Act, 1961, copy of relevant registration or notification (applicable only for interest payment, if any)

**Additional confirmations and enclosures for FIJ Shareholders**

I / We, confirm that the tax on account of Equity Shares of Target Company held by me / us is to be deducted on (select whichever is applicable):

Capital Gains  Any other (please specify) \_\_\_\_\_

I / We do not have any business connection / Permanent Establishment in India (in case the nature of gains arising from the sale of Equity Shares is not Capital Gains)

*In case the gains arising from the Sale of Equity Shares are not in the nature of capital gains, and the FIJ concerned has any business connection / Permanent Establishment in India, kindly enclose a certificate obtained from Indian tax authorities under section 195(3) or 197 of the Income Tax Act, 1961, specifying the rate at which tax shall be deducted. In the absence of the above certificate, tax would be deducted at the maximum marginal rate on the entire consideration paid.*

*The Shareholders are also required to disclose all relevant details (like amount of deduction, manner of deduction and depositing tax etc.) in the event there is any other withholding tax obligation on the Acquirer in any other country on the Sale of Equity Shares by the Shareholders.*

I / We, have enclosed self attested copies of the following documents (select whichever is applicable):

SEBI Registration Certificate for FIJs (including for sub – account of FIJ, if applicable)  RBI approval for acquiring Equity Shares of Thinksoft Global Services Limited tendered herein, if applicable

Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident, if applicable

Declaration as contained in Form 10 F to the Income Tax Rules, 1962 to the extent the information prescribed therein is not mentioned in the Tax Residency Certificate, if applicable

Appropriate Certificate from Income Tax Authorities under sections 195(3) or 197 of the Income Tax Act, 1961, for deduction of tax at a lower or nil rate, if applicable

**Additional confirmations and enclosures for other Non-resident Shareholders (other than FIJs)**

I / We, confirm that the Equity Shares tendered by me / us are held on (select whichever is applicable) (applicable for non – resident individual shareholders only):

Repatriable basis  Non-repatriable basis

I / We, confirm that the tax on account of Equity Shares of Target Company held by me / us is to be deducted on (select whichever is applicable):

Long Term Capital Gains (held for more than twelve months prior to the present offer)  Short Term Capital Gains (held for less than twelve months prior to present offer)

Any other (please specify) \_\_\_\_\_  I / We do not have any business connection / Permanent Establishment in India (in case the nature of gains arising from the sale of Equity Shares is not Capital Gains)

*In case the gains arising from the Sale of Equity Shares are not in the nature of capital gains, and the shareholder concerned has any business connection / Permanent Establishment in India, kindly enclose a certificate obtained from Indian tax authorities under section 195(3) or 197 of the Income Tax Act, 1961, specifying the rate at which tax shall be deducted. In the absence of the above certificate, tax would be deducted at the maximum marginal rate on the entire consideration paid.*

*The Shareholders are also required to disclose all relevant details (like amount of deduction, manner of deduction and depositing tax etc.) in the event there is any other withholding tax obligation on the Acquirer in any other country on the Sale of Equity Shares by the Shareholders.*

I / We, have enclosed the following documents (select whichever is applicable):

Tax Residency Certificate from Government of the Country or Specified Territory of which you are tax resident, if applicable

Declaration as contained in Form 10 F to the Income Tax Rules, 1962, to the extent the information prescribed therein is not mentioned in the Tax Residency Certificate, if applicable

Appropriate Certificate from Income Tax Authorities under sections 195(3) or 197 of the Income Tax Act, 1961, for deduction of tax at a lower or nil rate, if applicable

Copy of RBI / FIPB approval, if any, for acquiring Equity Shares of Target Company hereby tendered in the Offer and RBI approval evidencing the nature of shareholding, i.e. repatriable or non-repatriable basis, if applicable

Copy of RBI approval for OCBs and NRIs tendering their Equity Shares in the Offer

Copy of RBI approval (For NRI Shareholders tendering their Equity Shares in the Offer held on a non-repatriable basis) if any, permitting consideration to be credited to an NRE bank account

*In case the Acquirer is of the view that the information / documents provided by the shareholder is inaccurate or incomplete or insufficient, then tax may be deducted at source at the maximum marginal rate on the entire consideration paid to the shareholders.*

Yours faithfully, Signed and Delivered,

	Full name(s) of the holder	PAN	Signature(s)
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			
Joint Holder 3			

Note: In case of joint holdings, all holders must sign. In case of body corporate, the Company seal should be affixed and necessary Board resolutions should be attached.

Place: \_\_\_\_\_ Date: \_\_\_\_\_

----- Tear along this line -----

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

Link Intime India Ltd,  
Unit: Thinksoft Global Services Limited - Open Offer  
C-13 Pannalal Silk Mills Compound, LBS Marg,  
Bhandup West, Mumbai - 400 078, India  
Contact person: Mr. Pravin Kasare Tel: +91 22 2596 7878;  
Fax: +91 22 2596 0329; Email: thinksoft.offer@linkintime.co.in