

**LETTER OF OFFER – RIGHTS ISSUE
FOR CIRCULATION TO THE ELIGIBLE EQUITY SHAREHOLDERS OF TUMUS ELECTRIC CORPORATION LIMITED**

TUMUS ELECTRIC CORPORATION LIMITED Company Identification Number :- L31300MP1973PLC001186
Registered Office Address – Rani Baug, P B Chorahta, Rewa (M.P) ,Rewa ,Madhya Pradesh ,486006
Corporate Office – 1207/A P J Towers, Dalal Street, Fort, Mumbai 400 001 Tel: 022- 22721981 Fax 022 - 22722451
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December 12, 2014

OFFER FOR 4,61,025 EQUITY SHARES OF RS. 10/- EACH FOR CASH AT PAR AGGREGATING TO Rs. 46,10,250/- ON A RIGHTS BASIS TO THE EXISTING EQUITY SHAREHOLDERS OF THE COMPANY IN THE RATIO OF 9 EQUITY SHARES FOR EVERY 10 EQUITY SHARE HELD BY THE ELIGIBLE EQUITY SHAREHOLDERS ON THE RECORD DATE, THAT IS DECEMBER 19, 2014.		
ISSUE OPENS ON	LAST DATE FOR RECEIVING REQUESTS FOR SPLIT FORMS	ISSUE CLOSES ON
26 Dec 2014	9 Jan 2015	23 Jan 2015

Dear Member,

The company has decided to raise funds to strengthen its financial position and support its day to day operations. In view thereof, the company intends to raise the required funds by way of induction of the fresh equity share capital from the existing shareholders of the company by way of rights issue to the existing shareholders of the company.

The Board of Directors passed resolutions at its meetings held on August 28, 2014 and December 12, 2014 approving the aforesaid rights issue and the letter of offer for 4,61,025 equity shares of Rs. 10/- each for cash at par (Face value of Rs.10/-, and premium Nil) on a rights basis to the existing equity shareholders of the company in the ratio of 9 equity shares for every 10 fully paid-up equity share(s) held by the eligible equity shareholders. These shares are being offered to those shareholders whose name appears in Register of Members of the company on December 19, 2014 being the Record Date fixed by the company. The issue shall remain open for a period of 29 days commencing from 26 December 2014 to 23 January 2015 till the close of working hours.

Our company intends to utilize the proceeds from issue towards funding the following objects:

1. General Corporate Purposes
2. Repay loans and other liabilities
3. Issue Expenses

The fund requirements and deployment described herein above are based on internal management estimates and have not been appraised by any bank, financial institution or any other external agency. These are based on current circumstances of our company. The company may have to revise the fund requirements and deployment as a result of changes in commercial and other external factors, which may not be within the control of our management. This may entail rescheduling, revising or cancelling the fund requirements for a particular purpose from its fund requirements mentioned, at the discretion of our management. Accordingly the net proceed would be used to meet all or any of the uses of the funds described herein.

As your name appears in the Register of Members on the aforesaid Record Date, you are therefore entitled for equity shares of Rs.10/- for cash at par (Face value of Rs.10/- and premium Nil) under this rights offer in the ratio of 9 equity shares for every 10 fully paid-up equity share(s) held by you in the Company on December 19, 2014

OTHER TERMS OF ISSUES:

1. The equity shares proposed to be issued are subject to the terms and conditions contained in this Letter of Offer including Composite Application Form, the Memorandum of Association and Articles of Association, the applicable laws including Companies Act, 2013, the listing agreement with respective stock exchanges and guidelines issued by statutory authority and bodies from time to time. All rights/obligations of eligible equity shareholders in relation to application and refunds pertaining to this issue shall apply to the renounee(s) as well.
2. The company's existing Equity Shares are listed on the BSE Limited and Madhya Pradesh Stock Exchange Limited. The trading of the shares are currently under suspension. The Company has received "in-principle" approval for the listing of the Rights Equity Shares from BSE Limited vide their letter no. DCS/PREF/MA-RT/568/2014-15 dated December 8, 2014

DISCLAIMER

BSE Limited ("the Exchange") has given vide its letter dated December 08, 2014, permission to this Company to use the Exchange's name in this Letter of Offer as one of the stock exchanges on which this Company's securities are proposed to be listed. The Exchange has scrutinized this letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this letter of offer; or**
- ii. warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or**
- iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;**

and it should not for any reason be deemed or construed that this letter of offer has been cleared or approved by the Exchange. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

3. Since the aggregate value of securities offered in the rights issue is less than rupees fifty lakh, the SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009 are not applicable to this Rights Issue.
4. The company has taken loans from Non Banking Finance Company BCB Finance Limited in October 2014. The current outstanding principal loan amount is Rs. 37.25 lakh as on date
5. The current capital Structure of the company is as under
 - a. Authorized - 20,00,000 equity shares of Rs. 10/- each
 - b. Issued and subscribed Capital – 5,30,000 equity shares of Rs.10/- each
 - c. Paid up capital- 5,12,250 equity shares of Rs. 10/- each

6. The ISIN number of the equity shares of the company is INE064R01012
7. The new equity shares proposed to be issued shall rank in all respects pari-passu with existing fully paid up equity shares and that the equity shares so allotted during the financial year shall be entitled to dividend, if any, declared including other corporate benefits, if any, for the financial year in which the allotment has been made and subsequent years.
8. The face value of equity shares of the company is Rs.10/-.
9. In terms of Section 72 of the Companies Act, 2013, nomination facility is available in case of equity shares. The applicant can nominate any person by providing the relevant details in the Composite Application Form. The sole equity shareholder or first equity shareholder, along with other joint equity shareholders being individual(s) may nominate any person(s) who, in the event of the death of the sole holder or all the joint-holders, as the case may be, shall become entitled to the equity shares. Person(s), being a nominee, becoming entitled to the equity shares by reason of the death of the original equity shareholder(s), shall be entitled to the same rights to which he would be entitled if he/she were the registered holder of the equity shares. Where the nominee is a minor, the equity shareholder(s) may also make a nomination to appoint, in the prescribed manner, any person to become entitled to the equity share(s), in the event of death of the said holder, during the minority of the nominee. A nomination shall stand rescinded upon the sale/disposal of the equity share by the person nominating in case the allotment of equity shares is in dematerialized form, there is no need to make a separate nomination for the equity shares to be allotted in this rights issue. Nominations registered with respective depository participant of the applicant would prevail. If the applicant requires changing the nomination, they are requested to inform their respective depository participant.
10. The equity shares are being offered for subscription for cash to those existing Equity Share-holders, whose names appear as registered owners of the company as on December 19, 2014.
11. Full Amount of issue price of Rs.10/- is payable on application. Applicants shall deposit with the company 100% of the consideration amount along with Composite Application Form on or before issue closure date i.e. January 23, 2015
12. Refund, if any, shall be made within 15 days from the closure of the Issue. In case of any delay in the refund beyond the said date, interest @ 15% per annum for the period of delay shall be paid to the applicants.
13. Fractional Entitlements - The Equity Shares are being offered on a rights basis to the existing Equity Shareholders in the ratio of 9 Equity Share for every 10 Equity Shares held as on the Record Date. For Equity Shares being offered on a rights basis under this Issue, if the shareholding of any of the Equity Shareholders is less than 10 Equity Shares or not in the multiple of 10, the fractional entitlement of such Equity Shareholders shall be ignored in the computation of the Rights Entitlement. However, Equity Shareholders whose fractional entitlements are being ignored as above would be given preferential consideration for the Allotment of one additional Equity Share each if they apply for additional Equity Shares over and above their Rights Entitlement, if any. Those Equity Shareholders holding less than 10 Equity Shares and therefore entitled to 'Zero' Equity Shares under this Issue shall be dispatched a CAF with 'Zero' entitlement. Such Equity Shareholders are entitled to apply for additional Equity Shares and would be given preference in the allotment of one additional Equity Share if, such Equity Shareholders have applied for the additional Equity Shares. However, they cannot renounce the same in favour of third parties CAFs with zero entitlement will be non-negotiable/non-renounceable.
14. Where two or more persons are registered as the holders of any equity shares, they shall be deemed (so far as the company is concerned) to hold the same as joint-tenants with benefits of survivorship subject to provisions contained in the Articles.
15. The equity shares issued under this rights issue and purchased by Non Resident Indians (NRI) shall be subject to the same conditions including restrictions in regard to the repatriability as are applicable to the previously held equity shares against which equity shares under the rights issue are issued. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by Reserve Bank of India (RBI) while approving the allotment of equity shares, payment of dividend etc. to the equity shareholders who are NRI.
16. If any equity share certificate(s) is/are mutilated or defaced or the pages for recording transfers of equity shares are fully utilized, the company against the surrender of such Certificate(s) may replace the same, provided that the same will be replaced as aforesaid only if the certificate numbers and the distinctive numbers are legible. If any equity share certificate(s) is/are destroyed, stolen, lost or misplaced, then upon production of proof thereof to the satisfaction of the company and upon furnishing such indemnity/ surety and/or such other documents as the company may deem adequate, duplicate equity share certificate(s) shall be issued.
17. The Equity Shareholders will be having the following five options
 - a. Apply for Rights Entitlement in full; or
 - b. Apply for Rights Entitlement in full and apply for additional Rights Equity Shares; or
 - c. Apply for Rights Entitlement in part without renouncing the other part; or
 - d. Apply for Rights Entitlement in part and renounce the other part; or
 - e. Renounce entire Rights Entitlement to one or more renounees
18. Cheques should be issued in the name of "Tumus Electric Corporation Limited – Rights Issue" and sent to the Registrar and Transfer Agent Purva Sharegistry (India) Pvt. Ltd. Having address at Unit no. 9, Shiv Shakti Ind. Estt., J .R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011
19. For resident Indian shareholders, application should be made only on the enclosed Composite Application Form provided by the company. The enclosed Form should be completed in all respects, as explained in the instructions indicated in the Form. Payment shall be made by cheque/bank draft drawn on any bank in India. For non-resident shareholders, applications received from the non-resident equity shareholders for the allotment of equity shares shall, inter alia, be subject to the conditions as may be imposed from time to time by the Reserve Bank of India, in the matter of refund of application moneys, allotment of equity shares, issue of Letters of Allotment/ certificates/ payment of dividends etc. For NRIs holding shares on non-repatriation basis, payment may also be made by way of cheque drawn on non-resident ordinary (NRO) account maintained in Mumbai. All cheques/bank drafts accompanying the Composite Application Form should be crossed A/c Payee Only.
20. You may accept this offer and apply for the equity shares offered, either in full or in part by filling the enclosed Composite Application Form. You may apply for the equity shares offered wholly or in part by filling in the enclosed Composite Application Form and submitting the same along with the application money to the company on or before issue closure date i.e. January 23, 2015. The Composite Application Form should be complete in all respects, as explained in the INSTRUCTIONS indicated in the Composite Application Form. No part of the Composite Application Form should be detached under any circumstances, otherwise the application(s) will be rejected forthwith.
21. You are also eligible to apply for additional equity shares over and above the number of equity shares offered to you provided you have applied for all the shares offered to you without renouncing them in full or in part. If you desire to apply for additional equity shares, you may fill in the number of additional equity shares in the Composite Application Form.
22. You may renounce all or any of the equity shares; you are entitled to in favour of any individual, limited companies, or statutory corporations / institutions as follows:
 - a. If you wish to renounce this offer in whole, please complete the Composite Application Form enclosed with the Letter of Offer for the number of equity shares renounced and deliver the Composite Application Form duly signed to the person(s) in whose favour the equity shares are so re-

nounced. The person(s), in whose favour the offer has been renounced (renouncees) should complete and sign the Part C of the Composite Application Form

- b. If you wish to apply for equity shares jointly with any person(s) who is/are not already joint holder(s) with you, then it would amount to renunciation and the procedure of renunciation as mentioned above shall have to be followed. Even a change in the sequence of the name of joint holders shall amount to renunciation and the procedure as stated above shall have to be followed. Further, this right of renunciation is subject to the express condition that the Board shall be entitled in its absolute and unqualified discretion to reject any such request for allotment of equity shares from renouncee(s) without assigning any reason thereof save where the equity shares have been renounced in favour of a person who is already a member of the company.
23. Please note that the Composite Application Form must not be used by any person(s) other than those in whose favour this offer has been made. If used, this will render the application invalid
24. Composite Application Forms duly completed together with cheque/demand draft for the application money must be submitted before the close of the subscription list to the Registrar to the issue, i.e. Purva Sharegistry (India) Pvt. Ltd. having address at Unit no. 9, Shiv Shakti Ind. Estt., J.R. Boricha Marg, Opp. Kasturba Hospital Lane, Lower Parel (E), Mumbai 400 011. The applications are required to strictly adhere to these instructions. Failure to do so could result in the application being liable to be rejected by the company.
25. The last date for receipt of Composite Application Form together with the amount payable on application is January 23, 2015. If the relevant Composite Application Form together with amount payable thereunder is not received by the company on or before the aforesaid last date the offer contained in this Letter of Offer shall be deemed to have been declined and the Board shall be at liberty to dispose of the equity shares as offered in such manner which is not disadvantageous to the shareholders and the company.
26. To avoid any misuse of instruments, the applicants are advised to write the application number and name of the first applicant on the reverse of the cheque / demand draft.
27. The Basis of allotment shall be finalised by the Board or Committee authorised by the Board along with BSE Limited in the following order of priority:
 - a. Full allotment to the shareholders/ renouncees who have applied for their rights entitlement either in full or in part.
 - b. In case of surplus shares available, allotment to the original shareholders who have applied for additional shares provided that they have applied for all the shares offered to them. In case of oversubscription, the allotment would be made on the ratio of the original holding of the applicant as on the record date
 - c. In case of surplus shares still available, allotment to the renouncees who have applied for additional shares provided that they have applied for all the shares offered to them. In case of oversubscription, the allotment would be made proportionately
 - d. Allotment to any other person as the Board or Committee authorised by the Board may in their absolute discretion, deem fit, a manner permitted by law, provided there is surplus available after allotment under abovein
28. Shareholders holding shares in the demat form shall be allotted shares in the demat form, and shareholders holding shares in the physical form shall be allotted certificates in the denominations of 1, 5, 10, 50 shares in compliance with Clause 4(a) of the Equity Listing Agreement, which would be split on receipt of written requests at no charge. An applicant has the option to seek allotment in physical or demat mode. An applicant who seeks allotment in demat mode must mention the Beneficiary Account number maintained with any of the Depository Participants (DP) of National Securities Depository Limited (NSDL) or Central Depository Services (India) Limited (CDSL) registered with Securities and Exchange Board of India (SEBI) in the application. Such applicants must provide the relevant details (including the Beneficiary Account Number and Depository Participant's ID Number) in the Composite Application Form. Names in the Composite Application Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the name should necessarily be in the same sequence as they appear in the account details in the Depository. No separate application for demat and physical shares is to be made. The applicant is responsible for the correctness of the applicant's demographic details given in the Composite Application Form vis-a-vis those with his/her DP. Equity shares allotted in demat mode will be credited directly to the respective Beneficiary Account.
29. IMPERSONATION - Attention of the applicants is specifically drawn to the provisions of Sub-Section (1) of Section 38 of the Companies Act, 2013 which is reproduced below: "Any person who-(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under section 447 of the Companies Act, 2013. Section 447: Without prejudice to any liability including repayment of any debt under this act or any other law for the time being in force, any person who is found to be guilty of fraud, shall be punishable with imprisonment for a term which shall not be less than six months but which may extend to ten years and shall also be liable to fine which shall not be less than the amount involved in the fraud, but which may extend to three times the amount involved in the fraud; Provided that where the fraud in question involves public interest, the term of imprisonment shall not be less than three years.
30. The company's financial results, shareholding patterns, copies of Memorandum and Articles of Associations, Board of Directors details and detailed instructions on how to apply is being made available on the website of the company <http://www.tumuselectric.com/>
31. This letter of Offer and any claims arising there from shall be subject to the jurisdiction of courts at Mumbai, India.
32. For any query in filling the form/ non-receipt of Letter of Offer/ CAF/ Allotment advice etc., shareholders may contact the company or the Registrars
33. Allotment letters/ Refund Orders - The company will issue and dispatch allotment advice/ demat credit / letters of regret along with refund order or credit the allotted securities to the respective beneficiary accounts, if any, within 15 days from the date of closure of the issue. In case of any delay, interest will be paid at a rate of 15% per annum for the period of delay. The credit for shares under the Rights Issue, in demat account will be given subject to approval of the Depositories. In case of those applicants who have opted to receive their Rights Entitlement in dematerialized form using electronic credit under the depository system, advice regarding their credit of the Equity shares shall be given separately. Applicants to whom refunds are made through electronic transfer of funds will be sent a letter through ordinary post intimating them about the mode of credit of refund within 15 working days of closure of issue.
34. As on date of this letter of offer, there are no outstanding convertible securities / instruments.
35. Share holding pattern of Promoter and Promoter Group as on date is as under

Name of the Shareholder	No. of Shares	% of Pre-issue paid up capital
Uttam Bagri	2,76,340	53.95%

36. Minimum Subscription/Under subscription
 - a. This issue of Equity Shares is not being underwritten.
 - b. This rights issue is not subject to any level of minimum subscription.
 - c. In case the issue is undersubscribed, the Board of Directors may offer and dispose the undersubscribed portion to such persons on such terms and in such manner, as they may deem fit in their absolute discretion which is not disadvantageous to the shareholders.
 - d. If for any reason the Board of Directors is not able to dispose of shares as mentioned above and the issue does not get subscribed upto 100% for any reason, then the Rights issue shall be deemed to have been subscribed to the extent of the subscription money received by the company.

- e. The issue will become undersubscribed, if the number of shares applied for falls short of the number of shares offered, after considering the number of shares applied for as per entitlement plus additional shares.
37. Subscription by the Promoters
Our Promoter intends to subscribe to their Rights Entitlement in this Issue, in full subject to the terms of the Letter of Offer and applicable laws. Subject to compliance with applicable laws including the Takeover Code, the Promoter reserves the right to subscribe for additional Equity Shares of our Company. As a result of the subscription, if our Promoter acquires Equity Shares over and above his entitlement in this Issue, which may result in an increase of their shareholding above the current shareholding along with the Rights Entitlement, the same shall be subject to compliance with the SEBI Substantial Acquisition of Shares and Takeover(SAST) Regulations, 2011 including compliance with the conditions prescribed in Regulation 10(4) (b) of the SAST Regulations, 2011 if applicable
38. Availability of duplicate CAF - In case the original CAF is not received, or is misplaced by the Investor, the Registrar to the Issue will issue a duplicate CAF on the request of the Investor who should furnish the registered folio number/DP and Client ID number and his/ her full name and address to the Registrar to the Issue. Please note that the request for duplicate CAF should reach the Registrar to the Issue within eight days from the Issue Opening Date. Please note that those who are making the application in the duplicate form should not utilize the original CAF for any purpose including renunciation, even if it is received/ found subsequently. If the Investor violates such requirements, he / she shall face the risk of rejection of both the applications.
39. Application on Plain Paper - non ASBA - An Equity Shareholder who has neither received the original CAF nor is in a position to obtain the duplicate CAF may make an application to subscribe to the Issue on plain paper, along with demand draft, net of bank and postal charges payable at Mumbai which should be drawn in favour of the "Tumus Electric Corporation Limited - Rights Issue" and send the same by registered/ speed post directly to the Registrar to the Issue so as to reach Registrar to the Issue on or before the Issue Closing Date.
The application on plain paper, duly signed by the Investors including joint holders, in the same order as per specimen recorded with our Company, must reach the office of the Registrar to the Issue before the Issue Closing Date and should contain the following particulars:
- Name of Issuer, being Tumus Electric Corporation Limited
 - Name and address of the Equity Shareholder including joint holders
 - Registered Folio Number/ DP and Client ID no.
 - Number of Equity Shares held as on Record Date
 - Number of Equity Shares entitled to
 - Number of Equity Shares applied for
 - Number of additional Equity Shares applied for, if any
 - Total number of Equity Shares applied for
 - Total amount paid at the rate of Rs.10/- per Equity Share
 - Particulars of cheque/draft
 - Savings/Current Account Number and name and address of the bank where the Equity Shareholder will be depositing the refund order. In case of Equity Shares allotted in demat form, the bank account details will be obtained from the information available with the Depositories
 - Except for where provided by law, PAN number of the Investor and for each Investor in case of joint names, irrespective of the total value of the Equity Shares applied for pursuant to the Issue.
 - Allotment option preferred - physical or demat form, if held in physical form
 - Signature of the Equity Shareholders to appear in the same sequence and order as they appear in our records or the Depositories records
40. ASBA (Applications Supported by Blocked Amount) facility is being made available to all applicants who are eligible to apply thru ASBA in terms of the eligibility criteria listed out in the Circular issued by SEBI bearing reference number SEBI/CFD/DIL/ASBA/1/2009/30/12 dated Dec 30, 2009, read together with Circular CIR/CFD/DIL/1/2011 dated April 29, 2011 also issued by SEBI. Application amount is above Rs 2.00 Lacs will be considered valid, only if applied thru ASBA mode.
41. Please note that those who are making the application otherwise than on original CAF shall not be entitled to renounce their rights and should not utilize the original CAF for any purpose including renunciation even if it is received subsequently. If the Investor violates such requirements, he/she shall face the risk of rejection of both the applications. We shall refund such application amount to the Investor without any interest thereon.
42. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor
43. Compliance officer under clause 47 of listing agreement : NOOPUR JAWAHARLAL JAIN

For Tumus Electric Corporation Limited

Sd/-	Sd/-
(Navin Chandra Patel)	(Rupesh Parde)
DIN No. - 06909577	DIN No. - 06909495

Place : Mumbai
Date : December 12, 2014
Encl.: Composite Application Form