LETTER OF OFFER

Note: This document is important and requires your immediate attention.

This Letter of Offer is being sent to you as an existing shareholder of **Choksh Infotech Limited** ("CIL"). If you require any clarifications about the action to be taken, you should consult your Stockbroker or your Investment Consultant, or the Registrar to the Offer. In case you have sold your shares in CIL, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deeds to the Member of the Stock Exchange (as defined) through whom the sale was affected.

Mr. Arikatla Srinivasa Reddy, (the Acquirer)

residing at Flat No. 301, Block A, Sri Laxmi Estates, Madeenaguda, Hyderabad - 500050.
Tel. No. 040-2311 3934 Fax No. 040-2311 3935.

MAKES CASH OFFER AT AN OFFER PRICE OF RS. 10/- PER FULLY PAID UP EQUITY SHARE AND RS. 5/- PER PARTLY PAID-UP SHARE

TO ACQUIRE

20,30,000 equity shares of face value of Rs 10/- each representing 20% of the post Issue Capital, from the existing shareholders

OF

Choksh Infotech Limited (the Target Company)

having its registered office at Office No. 106, 2nd Floor, Oshiwara Link Plaza Commercial Complex,
New Link Road, Jogeshwari (West), Mumbai - 400102.
Tel. No. 022-26303342 / 48 Fax No. 022-26349264.

The Offer is being made pursuant to the provisions of Regulation 10 & 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

The Offer is not conditional offer.

The Offer is not subject to any statutory and regulatory approvals except those stated in paragraph 8.1.

Regulation 26 of SEBI (SAST) Regulations, 1997 provides for an upward revision of the Offer Price / Offer Size at anytime, upto seven working days prior to the date of the closure of the Offer i.e. June 16, 2008. In case of a revision in the Offer Price / Offer size, the Public Announcement for revision will be made in the same newspaper in which the original Public Announcement had appeared. In case of a revision in Offer Price, the same price shall be paid by Acquirer for all the shares tendered anytime during the period the Offer is open and accepted under the Offer.

Shareholders who have accepted the offer by tendering the requisite documents, in terms of the Public announcement/ Letter of offer, can withdraw the same upto three working days prior to the date of the closure of the offer i.e. upto June 20, 2008.

"If there is a competitive bid : (i) The public offer under all the subsisting bids shall close on the same date. (ii) As the offer price cannot be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly."

There has been no competitive bid as on the date of this Letter of Offer.

THE PROCEDURE FOR ACCEPTANCE IS SET OUT IN PARAGRAPH 9. A FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT, FORM OF WITHDRAWAL AND TRANSFER DEED(S) ARE ENCLOSED WITH THIS LETTER OF OFFER. A COPY OF PUBLIC ANNOUNCEMENT AND THIS LETTER OF OFFER (INCLUDING FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT AND FORM OF WITHDRAWAL) WILL ALSO BE AVAILABLE ON SEBI'S WEB SITE www.sebi.gov.in.

MANAGER TO THE OFFER	REGISTRAR TO THE OFFER
SAFFRON • • • • • energising ideas	BSS
SAFFRON CAPITAL ADVISORS PRIVATE LIMITED Ground Floor,Vilco Center, Subhash Road, Behind Garware, Vile Parle (E), Mumbai-400057 Tel: +91 22 40820901/0903 Fax: +91 22 26820502 Email: abhijit@saffronadvisor.com website: www.saffronadvisor.com; Contact Person: Mr. Abhijit A. Diwan	**BIGSHARE SERVICES PRIVATE LIMITED** E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai - 400 072 Tel: +91 22 4043 0200 Fax: +91 22 28475207 E-Mail: openoffer@bigshareonline.com Website: www.bigshareonline.com Contact Person: Mr. Ashok Shetty

TIMETABLE

Activity	Date	Day
Date of Public Announcement	April 17, 2008	Thursday
Specified Date (for the purpose of determining the names of the shareholders to whom the Letter of Offer would be sent)	May 16, 2008	Friday
Last date for a competitive bid, if any	May 08, 2008	Thursday
Date by which Letter of Offer will be posted to shareholders	May 30, 2008	Friday
Date of opening of the Offer	June 06, 2008	Friday
Last date for Revising the Offer Price / Number of Shares	June 16, 2008	Monday
Last date for Withdrawing acceptances tendered by shareholders	June 20, 2008	Friday
Date of closing of the Offer	June 25, 2008	Wednesday
Date of communicating acceptance/ rejection and payment of consideration for accepted shares / dispatch of the share certificate in case of rejection.	July 04, 2008	Friday

Note: *Duly Signed Application and Transfer Deed(s) together with share certificate(s) should be dispatched by Registered Post / Courier or hand delivered to the Registrar to the Offer at above address to arrive not later than 4.00 p.m. on June 25, 2008.*

RISK FACTORS

1. In the event of regulatory approvals disclosed at para 8.1 are not being received in time or litigation leading to stay on the Offer, or SEBI instructing that the Offer should not be proceeded with, thus the Offer process may be delayed beyond the Schedule of the Major Activities indicated in this Letter of Offer.
2. The Acquirer makes no assurance with respect to the market price of the shares during/ after the Offer. Further, the tendered shares will lie to the credit of a designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuation in the market price of the shares of CIL.
3. The Offer to the shareholders of CIL is for substantial acquisition of shares along with acquisition of control, and it is made in accordance with Regulation 10 and 12 of the SEBI (SAST) Regulations. There is no assurance with respect to the continuation of the past trend in the financial performance of CIL.
4. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company’s share is 1 (one) share.
5. If, due to non-receipt of requisite statutory approvals disclosed at para 8.1, the Acquirer are unable to make the payment to the shareholders who have accepted the Offer within 15 days of the date of closure of the Offer, then SEBI may, if satisfied that the non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or the failure of the Acquirer to diligently pursue the applications for such approvals, grant extension of time for the purpose, subject to the Acquirer agreeing to pay interest to the shareholders for delay beyond 15 days, as may be specified by SEBI from time to time. Further, shareholders should note that after the last date for Withdrawing acceptances i.e. June 20, 2008, the shareholders who have lodged the shares will not be able to withdraw them even if the acceptance of shares under the offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, till such time as the process of acceptance of tendered shares and payment of consideration is completed.

INDEX

DEFINITIONS

The following definitions apply through this document, unless the context requires otherwise:

Term	Definition
"Acquirer"	Mr. Arikatla Srinivasa Reddy
"ASE"	Ahmedabad Stock Exchange Ltd.
"BSE"	Bombay Stock Exchange Ltd.
"Company", "Target Company" or "CIL"	Choksh Infotech Limited
FEMA	Foreign Exchange Management Act, 1999.
"Issue"	Proposed Issue 71,50,000 Equity shares in accordance with the SEBI DIP Guidelines and subject to receipt of shareholders approval as the consideration for acquisition of 100% of ownership of Ajel Technologies India Pvt. Ltd. along with its wholly owned subsidiary as per the independent valuation report by M/s. Boppudi & Associates, Chartered Accountants, Hyderabad and approved by the Board of Directors of both the companies in their Board Meetings held on April 12, 2008.
"Manager" or "Manager to the Offer"	Saffron Capital Advisors Private Limited
"Offer"	The offer being made by The Acquirer to shareholders of CIL as set out in this Letter of Offer
"Offer Document"	This Letter of Offer
"Offer Price"	Rs. 10/- (Rupees Ten only) per Fully paid up Share and Rs. 5/- per Partly paid-up share (computed as Offer Price reduced by calls in arrears of Rs. 5/- per share in terms of Regulation 20(10) of the SEBI (SAST) Regulations)of CIL.
Person(s) eligible to participate in the Offer	All owners (registered or unregistered) of Shares of Target Company (other than the Acquirer and Parties to the Agreement) anytime before the closure of the Offer
"Public Announcement" or "PA"	Announcement of the Offer made on April 17, 2008
"RBI"	The Reserve Bank of India
"SEBI"	Securities & Exchange Board of India
"SEBI (SAST) Regulations"	Securities & Exchange Board of India (Substantial Acquisition of Shares & Takeovers) Regulations, 1997 and subsequent amendments thereto
"Existing Promoter"	Mr. Vijay Chokshi
"Specified Date"	May 16, 2008
"Stock Exchanges"	BSE and ASE, referred to as collectively.

1. DISCLAIMER CLAUSE

"IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF LETTER OF OFFER WITH SEBI SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED, VETTED OR APPROVED BY SEBI. THE LETTER OF OFFER HAS BEEN SUBMITTED TO SEBI FOR A LIMITED PURPOSE OF OVERSEEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF **CHOKSH INFOTECH LIMITED** TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF **MR. ARIKATLA SRINIVASA REDDY** ("THE ACQUIRER") OR OF **CHOKSH INFOTECH LIMITED** ("TARGET COMPANY"), WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED, OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE ACQUIRER ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRER DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER – **SAFFRON CAPITAL ADVISORS PRIVATE LIMITED** HAS SUBMITTED A DUE DILIGENCE CERTIFICATE **DATED APRIL 23, 2008** TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVER) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT (S) THERE OF.THE FILING OF THE 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 THE OFFER

2.1 Background of the Offer

a) This offer of 20% (or 20,30,000 equity shares) of the Post Issue Capital (20.17% of the Post Issue Voting Rights) of CIL is made in terms of Regulation 10 & 12 of SEBI (SAST) Regulations. The Acquirer proposes to be a majority shareholder pursuant to the Issue and take over the management control of CIL.

b) The Board of Directors of Choksh Infotech Limited (hereinafter referred to as the **"Target Company"** as defined in Regulation 2(1) (o) of the SEBI (SAST) Regulations, 1997 or **"CIL"**) at its meeting held on April 12, 2008 has agreed to issue and allot on a Preferential Issue basis 71,50,000 equity shares (**"Shares"**) of Rs. 10/- (Rupees Ten only) each at par i.e. at Rs.10/ per share ("the **Negotiated Price**") to the Acquirer and shareholders of Ajel Technologies India Pvt. Ltd. in consideration of 100% shares of Ajel Technologies India Pvt. Ltd. on a share swap basis. The pricing of the issue of Shares is determined in accordance with the Chapter XIII of the SEBI Disclosure and Investor Protection Guidelines, 2000 and subsequent amendments thereto (**"SEBI DIP Guidelines"**) as applicable. M/s. Boppudi & Associates, Chartered Accountants, (Membership No. 28341), 301, Sai Ram Suman Residency, 1-1-541, Gandhinagar, Hyderabad – 500 020, Tele Fax – 040 – 2736 2148, have certified, considering relevant date as April 15, 2008, that the 26 weeks and 2 weeks average price is Rs. 7.06 and Rs.7.52 respectively and Issue price at Rs.10/- per share is in compliance with SEBI DIP Guidelines.

c) The Acquirer has entered into a Share Purchase Agreement dated April 12, 2008 (hereinafter referred as "**the Agreement**"), with Mr. Vijay Chokshi representing Choksh Infotech Limited, to subscribe to the aforementioned shares of the Target Company. The salient features of the Agreement entered into between the Acquirer on one hand and Mr. Vijay Chokshi (hereinafter referred to as "Existing Promoter") on the other hand are as under:

- CIL has agreed to allot 71,50,000 Equity shares in accordance with the SEBI DIP Guidelines and subject to receipt of shareholders approval (hereinafter referred to as **"the Issue")** as the consideration for acquisition of 100% of ownership of Ajel Technologies India Pvt. Ltd. (hereinafter referred to as **"Ajel")** along with its wholly owned subsidiary as per the independent valuation report by M/s. Boppudi & Associates, Chartered Accountants, Hyderabad and approved by the Board of Directors of both the companies in their Board Meetings held on April 12, 2008. The share swap ratio is agreed as 143 shares of CIL for every 15 shares of Ajel.

- The shareholding of Ajel and allotment of CIL shares in share swap is as under :

Name of the shareholder in Ajel	Acquirer's Relationship with other Shareholders	Shareholding in Ajel / shares of Rs.10 face value	% shareholding in Ajel	Shares to be issued in CIL / shares of Rs.10 face value	% shareholding in CIL
Mr. Arikatla Srinivasa Reddy	Acquirer	6,37,500	85.00	60,77,500	59.87
Mrs. D Malathy	Brother in Law	15,000	2.00	1,43,000	1.41
Mr. Bhimavarapu Surender Reddy	Brother in Law	97,500	13.00	9,29,500	9.16
Total		**7,50,000**	**100.00**	**71,50,000**	**70.44**

- Mr Arikatla Srinivasa Reddy, being the majority shareholder will make the open offer on behalf of all the shareholders of Ajel to comply with the provisions of SEBI (SAST) Regulations.

- CIL will get the approval of its shareholders at the EGM proposed to be held on May 15, 2008. Similarly Ajel will convene its shareholders meeting by the end of May 10, 2008 and get the approval for the proposed acquisition by CIL through Share Swap basis and it is further agreed that the promoter as well as controlling shareholders of both the companies Mr, Vijay Chokshi (being the promoter of CIL) and Mr Arikatla Srinivasa Reddy (being the promoter of Ajel) will put all their efforts to get the consent of shareholders and will not vote against the said resolutions.

- There is no non-compete fees payable under the Agreement.

- In the event that the requisite shareholders approval is not received, the shareholders agreement shall stand terminated.

d) The Issue of 71,50,000 shares by CIL is conditional upon the approval of it's shareholders. Consequent upon the Shareholders approval, the Post issue capital of CIL will comprise of 1,01,50,000 equity shares of Rs. 10 each (Post Issue Voting Rights being 1,00,62,000 fully paid up equity shares) and the Acquirer/ Shareholders of Ajel will hold 70.44% of the Post Issue Capital. Accordingly, pursuant to Regulations 10 and 12 of the SEBI (SAST) Regulations, Acquirer is making an Offer to the Public Shareholders of CIL to acquire up to 20% (or 20,30,000 equity shares) of the Post Issue Capital (20.17% of the Post Issue Voting Rights) at a price of Rs. 10/-

(Rupees Ten only) per Fully paid up Share and Rs. 5/- per Partly paid-up share (computed as Offer Price reduced by calls in arrears of Rs. 5/- per share)("Offer Price") payable in cash ("Offer") subject to the terms and conditions mentioned hereinafter.

e) On April 12, 2008 **("Board Meeting Date")** the Board of Directors of CIL approved, inter alia, the Issue and for convening an Extra Ordinary General Meeting on May 15, 2008 to obtain approval of shareholders in terms of section 81(1A) of the Companies Act, 1956 and to authorize the Board of Directors to allot equity shares to all the shareholders of Ajel and to approve the change of Promoters.

f) There is no other person acting in concert with the Acquirer for the purpose of this Offer.

g) None of the Acquirer, Existing Promoter or the Target Company has been prohibited by SEBI from dealing in securities in terms of direction issued u/s. 11B of SEBI Act or under any other regulation.

h) After the successful completion of the offer, there will be a change in the composition of the Board of Directors of the Target Company as per business considerations and regulatory requirements.

2.2 Details of the Proposed Offer

a) The Public Announcement dated April 17, 2008 was made in the following newspapers, in accordance with Regulation 15 of the SEBI (SAST) Regulations, 1997.

Publications	**Edition**
The Financial Express (English)	All editions
Janasatta (Hindi)	All editions
Navshakti (Marathi)	Mumbai, where the Registered office of the Target Company is situated

A copy of this PA will also be available on the SEBI's website at www.sebi.gov.in

b) Pursuant to Regulations 10 & 12 of the SEBI (SAST) Regulations, Acquirer is making an Offer to the Public Shareholders of CIL to acquire up to 20% (or 20,30,000 equity shares) of the Post Issue Capital (20.17% of the Post Issue Voting Rights) at a price of Rs. 10/- (Rupees Ten only) per Fully paid up Share and Rs. 5/- per Partly paid-up share (computed as Offer Price reduced by calls in arrears of Rs. 5/- per share)("Offer Price") payable in cash ("Offer") subject to the terms and conditions mentioned hereinafter.

c) There are 88,000 partly paid up shares in the Target Company.

d) The Acquirer does not hold any equity shares in CIL as on the date of this Public Announcement. Further Acquirer has not acquired either directly or through any other person, any shares of CIL during the 12 months preceding the date of PA or after the date of PA.

e) The equity shares of CIL are to be acquired, pursuant to the Offer, free from all liens, charges and encumbrances and together with all rights attached thereto, including the rights to all dividend or other distributions hereinafter declared, made or paid.

f) The Offer is not conditional on any minimum level of acceptances.

g) There has been no competitive bid as on date.

h) Saffron Capital Advisors Private Limited, Manager to the Offer, does not hold any shares of CIL as on the date of the Public Announcement.

i) The Offer is made to all the shareholders of CIL except the Acquirer and Existing Promoter.

2.3 Objects of the Acquisition /Offer

a) The Acquirer proposes to be a majority shareholder pursuant to the Issue and take over the management control of CIL. This Offer of 20% of the Post Issue Capital, i.e. 20,30,000 shares of CIL is made in terms of Regulations 10 & 12 of the SEBI (SAST) Regulations.

b) The Acquirer has experience and expertise in the Software Development and he envisages good synergy between Ajel and CIL. He expects to turn around the Company using his experience and expertise in the IT sector.

3. BACKGROUND OF MR. ARIKATLA SRINIVASA REDDY ("THE ACQUIRER"), MR. BHIMAVARAPU SURENDER REDDY & MRS. D MALATHY ("PACs")

MR. ARIKATLA SRINIVASA REDDY

a) Mr. Arikatla Srinivasa Reddy, aged 39 years holds a Master of Technology Degree in Computer Aided Engineering from Regional Engineering College Warangal, India. He is residing at Flat No. 301, Block A, Sri Laxmi Estates, Madeenaguda, Hyderabad - 500050. Tel. No. 040-2311 3934 Fax No. 040-2311 3935.

b) Mr. Arikatla has expertise in total Software Development Life Cycle including Project Planning, Business Analysis, Need Analysis, Design, Development, Implementation and Testing of complex applications in Telecommunication, Semiconductor, Automotive, Aircraft and Financial Industries. His industry experience and his ability to conceptualize implementation of technology ensure an appropriate technical solution to a given situation. Mr. Arikatla is the founder and Chairman & CEO of Ajel Technologies, Inc. USA.

c) The Networth of Mr. Arikatla as on April 15, 2008 is Rs.2,68,75,000/- (Rupees Two Crore Sixty Eight Lacs Seventy Five Thousand only). The same is certified by M/s. KN Murthy & Co., Chartered Accountants (Membership No. 203849), Address:A-418, Majestic Mansion, Shyamlal Buildings, Begumpet, Hyderabad – 500 016 Tel No.- 040-6631 9958 / 2332 7204.

MR. BHIMAVARAPU SURENDER REDDY

a) Mr. Bhimavarapu Surender Reddy, aged 33 years holds a Masters degree in computer applications. He is residing at Plot No. 13, Vertex Privilege, Nizampet Road, Kukatpally, Hyderabad .Tel. No. 040-23890827.

b) Mr. Bhimavarapu Surender Reddy is handling most of the day-to-day operations of Ajel as a Director. He is heading the technical aspects of the company and oversees the projects procured by the company. He has 6 years of professional experience in Information technology with progressive experience in Analyze, design, development, testing and implementation in Client/Server environments, implementation of large-scale applications with leading technologies in Data warehousing, Oracle Applications and Database management.

c) The Networth of Mr. Bhimavarapu as on May 12, 2008 is Rs.1,21,61,000/- (Rupees One Crore Twenty One Lacs Sixty One Thousand only). The same is certified by M/s. KN Murthy & Co., Chartered Accountants (Membership No. 203849), Address:A-418, Majestic Mansion, Shyamlal Buildings, Begumpet, Hyderabad – 500 016 Tel No.- 040-6631 9958 / 2332 7204.

MRS. D MALATHY

a) Mrs. D Malathy, aged 35 years, is residing at Plot No. 13, Vertex Privilege, Nizampet Road, Kukatpally, Hyderabad .Tel. No. 040-23890827.

b) Mrs. D Malathy is a graduate with around 10 years experience in Finance and has worked in Travel Industry. She is currently a Director in Ajel and guiding the company towards new heights with her experience.

c) The Networth of Mrs. D Malathy as on May 12, 2008 is Rs.51,50,000/- (Rupees Fifty One Lacs Fifty Thousand only). The same is certified by M/s. KN Murthy & Co., Chartered Accountants (Membership No. 203849), Address:A-418, Majestic Mansion, Shyamlal Buildings, Begumpet, Hyderabad – 500 016 Tel No.- 040-6631 9958 / 2332 7204.

OTHER DETAILS OF THE ACQUIRER AND PACs

a) Mr. Arikatla is Brother in law of Mr. Bhimavarapu Surender Reddy and Mrs. D Malathy. Mr. Bhimavarapu Surender Reddy is Brother of Mrs. D Malathy.

b) Mr. Arikatla, Mr. Bhimavarapu and Mrs. D Malathy are Directors of Ajel Technologies India Pvt. Limited and Ajel Technologies, Inc., USA. The Information in respect of this Companies based on last 3 years Audited accounts are as under :

Name of Company : Ajel Technologies India Pvt. Ltd.

Date of incorporation : July 11, 2003

Nature of Business : Software Exports and IT consulting Services

Particulars (Rs. In Lacs)	**FY 2005**	**FY 2006**	**FY 2007**
Equity Capital	1.00	5.00	5.00
Reserves (excluding revaluation reserves)	0.11	0.67	70.05
Total Income	16.86	62.42	173.53
Profit After Tax	0.11	0.56	69.38
Earnings Per Shares (Rs.)	1.05	1.12	138.76
Net Asset Value per share (Rs.)	11.05	11.12	150.09

Name of Company : Ajel Technologies Inc. USA

Date of incorporation : July 13, 2000

Nature of Business : Software Development and IT Services

Particulars (USD)	CY 2005	CY 2006	CY 2007
Equity Capital	5,000	5,000	5000
Reserves (excluding revaluation reserves)	66,787	151,757	279,717
Total Income	3,631,448	6,366,176	7,593,469
Profit After Tax	123,621	(77,869)	127,960
Earnings Per Shares	1236.21	(778.69)	1279.60
Net Asset Value per share	717.87	1567.57	2847.17

None of the above stated Companies are sick industrial company.

c) There are no major Litigations pending against the Acquirer and PACs.

d) Provisions of Chapter II of SEBI (SAST) Regulations are not applicable to either the Acquirer or PACs as they are not holding any shares of CIL since inception of CIL.

e) As on date, none of the Acquirer or PACs or any of their representatives are on the Board of the Target Company.

4. DISCLOSURE IN TERMS OF REGULATION 16(IX) OF THE REGULATIONS

a) The Acquirer do not have any plan to dispose of or otherwise encumber any assets of CIL within two years from the date of closure of the Offer except in the ordinary course of business of CIL. However re-organisation and/or streamlining of various businesses may be considered for commercial reasons and operational efficiencies which may include the restructuring and/or rationalization of assets of CIL, however, not limited to, merger.

b) Further, the Acquirer undertakes that in the next two years they shall not sell, dispose of or otherwise encumber any substantial asset of CIL except with the prior approval of the CIL's shareholders.

5. DELISTING / CONTINUOUS LISTING OPTION TO THE ACQUIRER IN TERMS OF REGULATION 21(2)

The minimum public shareholding required for continuous listing of the equity shares of the Target Company is 25% (twenty five) of the post preferential issue equity share capital. The Acquirer is acquiring 70.44% of the post preferential issue equity share capital and making this offer to acquire upto 20% of the post preferential issue equity share capital. Post Open Offer, if the public shareholding falls to a level below the minimum public holding required for continuous listing, the Acquirer have undertaken to take necessary steps to facilitate compliance of CIL with the relevant provisions thereof in terms of the provisions of regulation 21(2) of SEBI (SAST) Regulations (i.e., to enable CIL to raise the level of public shareholding, to the levels specified for continuous listing specified in the listing agreement with Stock Exchanges, within the prescribed period). Therefore, pursuant to this Offer, there will be no violation of Clause 40A of the listing agreement of CIL with Stock Exchanges on which its equity shares are listed and the equity shares will continue to be listed.

The Acquirer does not have any intention to delist the Target Company in the next 3 years.

6. BACKGROUND OF CHOKSH INFOTECH LIMITED (CIL) ("THE TARGET COMPANY")

a) Choksh Infotech Limited is an existing public limited Company incorporated on February 17, 1994 under the Companies Act, 1956. CIL has its registered office at Office No. 106, 2nd Floor, Oshiwara Link Plaza Commercial Complex, New Link Road, Jogeshwari (West), Mumbai - 400102. Tel. No. 022-2630 3342 / 48 Fax No. 022-2634 9264.

b) The total Issued, subscribed and paid-up equity share capital of the Target Company as on the date of PA and post Issue of Shares will be as under :

Particulars	No. of Shares of Rs.10 each/ Voting Rights (VR)	% of Post Issue Share Capital	% of Post Issue VR
Fully Paid up Equity Shares	2,912,000	28.69	
Partly Paid up Equity Shares	88,000	0.87	
Total Existing Paid up Capital	**3,000,000**	**29.56**	
Proposed Issue of shares to Shareholders of Ajel	7,150,000	70.44	71.06
Post Issue Share Capital	**10,150,000**	**100.00**	
Total Existing Voting Rights	2,912,000		28.94
Post Issue Voting Rights	**10,062,000**		**100.00**

There are pending call in arrears of Rs. 4,40,000/- on 88,000 equity shares. There are no outstanding Convertible instruments (warrants / FCDs / PCDs) etc.

c) CIL is engaged in the business of Share Transfer Agent and Category I Registrar to the Issues. CIL is registered with SEBI as Registrar to an Issue and Share Transfer Agent (RTI) having SEBI registration number INR 000001740. The registration is valid till October 31, 2009. The Company is also engaged in Software development and IT Services.

d) The shares of CIL are listed on BSE and ASE. The shares are frequently traded on BSE but there has been no trading on ASE during past 4 years. CIL is in compliance with the listing agreements of the stock exchanges and as on the date of the Public Announcement, no punitive action has been initiated against it by the stock exchanges where its shares are listed. However the Company has received letter from ASE for pending listing fees of Rs.60,750/- for the period of 8 years from 2001-2009.

e) The Current capital structure and its build up since inception is as under:

Date of Allotment	No of shares issued	Cumulative Issued capital (Rs. In Lacs)	Mode of allotment	Identity of allottees (promoters/ ex-promoters/ others)	Status of compliance
16.02.1994	700	0.07	Subscription to MOA	Promoters	N.A.
29.03.1994	99300	10.00	Further Issue	Promoters	N.A.
30.06.1994	100000	20.00	Further Issue	Promoters	N.A.
31.07.1994	50000	25.00	Further Issue	Promoters	N.A.
21.06.1995	600000	85.00	Promoters Contribution to IPO	Promoters	N.A.
21.06.1995 *	2150000	300.00	IPO	Public	N.A.

* As on the date of PA there are Calls in Arrears of Rs. 4,40,000/- on 88,000 Equity shares.

f) There has been delay in compliance of the applicable provisions of Chapter II of the SEBI (SAST) Regulations by Existing Promoters as well as CIL. CIL had received letter no. CFD/DCR/RC/TO/13060/04 dated July 21, 2004 from SEBI alleging violation of Regulation 6(2) and 6(4) for 1997 and 8(3) for 1998, 1999, 2000, 2001 and 2002. The said letter also gave an option to the Company to Consent for the above violations and pay Rs.1,75,000/- as penalty. The Company vide its letter dated August 26, 2004 had consented to pay the penalty. SEBI may initiate action against existing Promoters for delay in compliance of provisions of Chapter II of the SEBI (SAST) Regulations.

g) Board of Directors of CIL as on the date of PA :

Sr No	Name and Address	Designation	Experience (No. of years)	Qualification	Date of appointment
1	Mr. Bharat Sutaria Ground Floor, Gitanjali, Opp. IndusInd Bank, Bandra (West), Mumbai – 400 050	Chairman / Independent Director	46 years	B. Com.,FCA	Since Incorporation
2	Mr. Vijay Chokshi 4-D, Dhan Ratna Apartments, B Wing, Opp. Navrang Cinema, Andheri (West) Mumbai – 400 058	Managing Director	20 years	B. Com.,CA	Since Incorporation
3	Mr. Darshan MajmudarA/3, Sahyagiri, Sonawala Road, Goregaon (East), Mumbai – 400 063	Independent Director	20 years	B. Com., FCA, FCS	Since Incorporation

None of the above person represents the Acquirer.

Brief profile of Directors

Mr. Bharat Sutaria, Chairman:

Mr. Sutaria, 76 years, is a qualified Chartered Accountant and Company Secretary. He has 50 years of experience as a Practicing Chartered Accountant. He is mainly dealing in Audit, Taxation and Corporate Law matters. He is a Non-Executive Chairman and Independent Director on the Board of CIL.

Mr. Vijay Chokshi, Managing Director:

Mr. Chokshi, 43 years, is a Commerce graduate from Bombay University and a Chartered Accountant having more than 20 years of experience in R & T (Registrar and Transfer Agent) activity, data processing and system development. Mr. Chokshi is the promoter Director on the Board of CIL.

Mr. Darshan Majmudar, Director:

Mr. Majmudar, 46 years, is a Fellow member of ICAI as well as ICSI. He has more than 20 years of experience in the Finance and Corporate affairs. He is an Independent Director on the Board of CIL.

h) There have been no mergers/ de-mergers /spin-offs during the past three years involving CIL. Further, there has been no change in the name of the Target Company since its incorporation.

i) Brief Financials of CIL

Brief financials of CIL certified by Statutory Auditors of the Company, M/S. S P Merchant Associates, Chartered Accountants, based on audited financial statements for the years ending 31.03.2005, 31.03.2006 and 31.03.2007 and for the period ended December 31, 2007 subject to limited review.

(Rs. In lacs)

PARTICULARS	30/06/2005 (15 MONTHS)	31/03/2006 (9 MONTHS)	31/03/2007 (12MONTHS)	31/12/2007 (9 MONTHS)
PROFIT AND LOSS STATEMENT				
Income From Operation	14.60	12.07	11.75	8.40
Other Income	4.99	1.17	1.92	4.86
Total Income	**19.59**	**13.24**	**13.67**	**13.26**
Total Expenditure	19.42	10.08	11.51	7.45
Profit Before Dep,Int & Tax	0.17	3.16	2.16	5.81
Depreciation	5.75	3.08	4.10	3.06
Interest	-	-	-	-
Profit Before Tax	(5.59)	0.08	(1.94)	2.75
Provision For Tax	-	0.05	0.06	-
Profit After Tax	(5.59)	0.03	(2.00)	2.75
BALANCESHEET STATEMENT				
Sources Of Fund				
Paid Up Share Capital	295.19	295.19	295.19	295.19
Reserves And Surplus	(147.15)	(147.12)	(149.12)	(146.37)
Networth	148.04	148.07	146.07	148.82
Secured Loans	-	-	-	-
Unsecured Loans	-	-	-	-
Total	**148.04**	**148.07**	**146.07**	**148.82**
Use Of Funds				
Net Fixed Assets	38.40	35.44	31.43	28.37
Investments	-	-	-	-
Net Current Assets	109.64	112.63	114.64	120.45
Total Misc. Exps. Not W/Off	-	-	-	-
Total	**148.04**	**148.07**	**146.07**	**148.82**

OTHER FINANCIAL DATA				
Dividend (%)	-	-	-	-
Earning Per Share (Re.)	(0.186)	0.001	(0.067)	0.092
Return On Networth (%)	(3.774)	0.020	(1.369)	1.848
Book Value Per Share (Rs.)	4.935	4.936	4.869	4.961

Formulas for above referred Financial Ratios:

1. Earning Per Share = Profit (Loss) After Tax / Number of Equity Shares
2. Return on Networth = Profit (Loss) After Tax / Networth
3. Book Value per share = Networth / Number of Equity shares

Reasons for fall/rise in PAT or Total Income during above period:

The Company has been going through very low activities during last few years and they have been barely breaking even. Operating Income of the Company includes Fees received from a client base of only 6 corporates for RTI activities. Other Income includes Consultancy charges from Accounting consultancy, Interest, Recovery of out of Pocket Expenses etc.

j) Pre and Post offer Shareholding Pattern of CIL :

(a) Based on the Shareholding:

Shareholders' category	Shareholding prior to the agreement/ acquisition and offer.		Shares agreed to be acquired which triggered off the Regulations.		Shares to be acquired in open offer (Assuming full acceptances)		Share holding after the acquisition and offer. i.e.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
a) Parties to Agreement, If any	8,14,791	27.16	–	–	–	–	–	–
b) Promoters other than (a) above	3,33,006	11.10	–	–	–	–	Note 1	Note 1
Total 1 (a+b)	11,47,797	38.26	–	–	–	–	–	–
(2) Acquirer								
a) Mr. Arikatla Srinivasa Reddy	–	–	60,77,500	59.87	20,30,000	20.00	81,07,500	79.87
b) PACs (Other Shareholders of Ajel)	–	–	10,72,500	10.57	–	–	10,72,500	10.57
Total 2 (a+b)	–	–	71,50,000	70.44	20,30,000	20.00	91,80,000 Note 2	90.44 Note 2
(3) Parties to agreement other than (1) & (2)	–	–	–	–	–	–	–	–
(4) Public (other than parties to agreement, Acquirer & PACs)								
a) FIs/MFs/FIIs/ Banks, SFIs Indian Bank MF	–	–	–	–	–	–	–	–
b) Others	18,52,203	61.74	–	–	(20,30,000)**	(20.00)	9,70,000 Note 3	9.56 Note 3
(Total number of shareholders in "Public category")	1526 shareholders							
Total 4(a+b)	18,52,203	61.74	—	—	(20,30,000)	(20.00)	9,70,000 Note 3	9.56 Note 3
GRAND TOTAL (1+2+3+4)	**30,00,000**	**100.00**	**71,50,000**	**70.44**	—	—	**1,01,50,000**	**100.00**

Note 1 - Existing promoters will be classified in the Public category after completion of the offer.

Note 2 - Please refer to "Delisting option" under Para 5 in this letter of offer.

Note 3 - Public Holding after open offer will depend on the response to offer and will include holding of Existing Promoters. This figure is computed presuming 100% response to the offer.

** This figure includes part of existing promoter group shareholding shown at 1(b) above, who are not party to the Agreement and eligible to participate in the offer.

(b) Based on the Voting Rights:

Shareholders' category	Voting Rights prior to the agreement/ acquisition and offer.		Voting Rights agreed to be acquired which triggered off the Regulations.		Voting Rights to be acquired in open offer (Assuming full acceptances)		Voting Rights after the acquisition and offer. i.e.	
	(A)		(B)		(C)		(A)+(B)+(C)=(D)	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter group								
c) Parties to Agreement, If any	8,14,791	27.98	–	–	–	–	–	–
d) Promoters other than (a) above	3,33,006	11.44	–	–	–	–	– Note 1	– Note 1
Total 1 (a+b)	11,47,797	39.42	–	–	–	–	–	–
(2) Acquirer								
c) Mr. Arikatla Srinivasa Reddy	–	–	60,77,500	60.40	20,30,000	20.17	81,07,500	80.57
d) Other Shareholders of Ajel	–	–	10,72,500	10.66	–	–	10,72,500	10.66
Total 2 (a+b)	–	–	71,50,000	71.06	20,30,000	20.17	91,80,000 Note 2	91.23 Note 2
(3) Parties to agreement other than (1) & (2)	–	–	–	–	–	–	–	–
(4) Public (other than parties to agreement, Acquirer & PACs)								
a) FIs/MFs/FIIs/ Banks, SFIs Indian Bank MF	–	–	–	–	–	–	–	–
c) Others	17,64,203	60.58	–	–	(20,30,000)**	(20.17)	8,82,000 Note 3	8.77 Note 3
(Total number of shareholders in "Public category")	1526 shareholders							
Total 4(a+b)	17,64,203	60.58	–	–	(20,30,000)	(20.17)	8,82,000 Note 3	8.77 Note 3
GRAND TOTAL (1+2+3+4)	**29,12,000**	**100.00**	**71,50,000**	**71.06**	–	–	**1,00,62,000**	**100.00**

Note 1 - Existing promoters will be classified in the Public category after completion of the offer.

Note 2 - Please refer to "Delisting option" under Para 5 in this letter of offer

Note 3 - Public Holding after open offer will depend on the response to offer and will include holding of Existing Promoters.

** This figure includes part of existing promoter group shareholding shown at 1(b) above, who are not party to the Agreement and eligible to participate in the offer.

Changes in Shareholding pattern of Promoter group and compliance with Regulations:

Date of change	Change in No. of Shares	Cumulative no. of shares held by promoter & promoter group	% of then Paid up capital	Details of change
20/02/1997	—	955600	31.85	NA
28/08/1997	900	956500	31.88	Market Purchase
30/08/1998	22000	978500	32.62	Market Purchase
31/07/1999	22300	1000800	33.36	Market Purchase
30/09/1999	4400	1005200	33.51	Market Purchase
30/10/1999	45500	1050700	35.02	Market Purchase
10/01/2000	5300	1056000	35.20	Market Purchase
21/01/2000	31600	1087600	36.25	Market Purchase
05/02/2000	500	1088100	36.27	Market Purchase
20/05/2000	600	1088700	36.29	Market Purchase
30/05/2000	400	1088300	36.28	Market Sale
17/06/2000	100	1088400	36.28	Market Purchase

Date of change	Change in No. of Shares	Cumulative no. of shares held by promoter & promoter group	% of then Paid up capital	Details of change
23/06/2000	10600	1099000	36.63	Market Purchase
24/06/2000	5	1099005	36.63	Market Purchase
29/06/2000	10	1099015	36.63	Market Purchase
30/06/2000	38800	1137815	37.93	Market Purchase
01/07/2000	10	1137825	37.93	Market Purchase
03/07/2000	50	1137875	37.93	Market Purchase
05/07/2000	10	1137885	37.93	Market Purchase
08/07/2000	10	1137895	37.93	Market Purchase
05/08/2000	300	1137595	37.92	Market Sale
23/08/2000	400	1137195	37.91	Market Sale
29/08/2000	1100	1136095	37.87	Market Sale
04/09/2000	500	1135595	37.85	Market Sale
04/09/2000	100	1135495	37.85	Market Sale
12/09/2000	50	1135445	37.85	Market Sale
13/09/2000	100	1135345	37.84	Market Sale
13/09/2000	50	1135295	37.84	Market Sale
21/09/2000	400	1134895	37.83	Market Sale
28/09/2000	200	1134695	37.82	Market Sale
05/10/2000	3000	1131695	37.72	Market Sale
10/10/2000	100	1131595	37.72	Market Sale
31/10/2000	1100	1132695	37.76	Market Purchase
31/10/2000	100	1132795	37.76	Market Purchase
15/11/2000	2500	1135295	37.84	Market Purchase
27/02/2001	1300	1133995	37.80	Market Sale
13/03/2001	57850	1076145	35.87	Market Sale
14/08/2002	200	1076345	35.88	Market Purchase
19/08/2002	1200	1077545	35.92	Market Purchase
20/08/2002	6	1077551	35.92	Market Purchase
21/08/2002	900	1078451	35.95	Market Purchase
03/09/2002	150	1078601	35.95	Market Purchase
03/09/2002	300	1078901	35.96	Market Purchase
16/09/2002	200	1079101	35.97	Market Purchase
18/09/2002	200	1079301	35.98	Market Purchase
30/09/2002	600	1079901	36.00	Market Purchase
07/10/2002	500	1080401	36.01	Market Purchase
10/10/2002	400	1080801	36.03	Market Purchase
17/10/2002	1000	1081801	36.06	Market Purchase
17/10/2002	50	1081851	36.06	Market Purchase
24/10/2002	1200	1083051	36.10	Market Purchase
25/10/2002	200	1083251	36.11	Market Purchase
28/10/2002	400	1083651	36.12	Market Purchase
29/10/2002	125	1083776	36.13	Market Purchase
30/10/2002	100	1083876	36.13	Market Purchase
18/01/2003	7500	1091376	36.38	Market Purchase
18/01/2003	2500	1093876	36.46	Market Purchase
14/08/2003	14852	1108728	36.96	Market Purchase
13/09/2003	2840	1111568	37.05	Market Purchase
30/10/2003	500	1112068	37.07	Market Purchase
05/12/2003	2634	1114702	37.16	Market Purchase

Date of change	Change in No. of Shares	Cumulative no. of shares held by promoter & promoter group	% of then Paid up capital	Details of change
10/01/2005	3250	1117952	37.27	Market Purchase
31/01/2005	1500	1119452	37.32	Market Purchase
25/02/2005	2300	1121752	37.39	Market Purchase
19/03/2005	4455	1126207	37.54	Market Purchase
30/03/2005	2300	1128507	37.62	Market Purchase
29/04/2005	1000	1129507	37.65	Market Purchase
14/05/2005	500	1130007	37.67	Market Purchase
24/06/2005	1000	1131007	37.70	Market Purchase
31/08/2005	500	1131507	37.72	Market Purchase
31/08/2005	2271	1133778	37.79	Market Purchase
13/09/2005	1029	1134807	37.83	Market Purchase
22/09/2005	10000	1124807	37.49	Market Sale
08/08/2006	1200	1126007	37.53	Market Purchase
13/09/2006	2700	1128707	37.62	Market Purchase
03/10/2006	1615	1130322	37.68	Market Purchase
03/10/2006	12636	1142958	38.10	Market Purchase
14/11/2006	100	1143058	38.10	Market Purchase
25/11/2006	4688	1147746	38.26	Market Purchase
25/11/2006	300	1148046	38.27	Market Purchase
09/12/2006	884	1148930	38.30	Market Purchase
09/12/2006	1	1148931	38.30	Market Purchase
14/12/2006	500	1149431	38.31	Market Purchase
14/12/2006	10	1149441	38.31	Market Purchase
20/12/2006	2255	1151696	38.39	Market Purchase
20/12/2006	5	1151701	38.39	Market Purchase
26/12/2006	770	1152471	38.42	Market Purchase
02/01/2007	195	1152666	38.42	Market Purchase
06/01/2007	200	1152866	38.43	Market Purchase
10/01/2007	500	1152366	38.41	Market Sale
11/01/2007	810	1153176	38.44	Market Purchase
12/01/2007	500	1153676	38.46	Market Purchase
12/01/2007	607	1154283	38.48	Market Purchase
17/01/2007	1000	1155283	38.51	Market Purchase
17/02/2007	50	1155333	38.51	Market Purchase
22/02/2007	55	1155388	38.51	Market Purchase
26/02/2007	250	1155638	38.52	Market Purchase
26/09/2007	625	1156263	38.54	Market Purchase
26/09/2007	450	1156713	38.56	Market Purchase
26/09/2007	650	1157363	38.58	Market Purchase
01/10/2007	200	1157563	38.59	Market Purchase
01/10/2007	1137	1158700	38.62	Market Purchase
05/10/2007	925	1159625	38.65	Market Purchase
05/10/2007	1200	1160825	38.69	Market Purchase
05/10/2007	500	1161325	38.71	Market Purchase
25/10/2007	950	1162275	38.74	Market Purchase
28/11/2007	15000	1147275	38.24	Market Sale
24/03/2008	522	1147797	38.26	Market Purchase

There has been no fresh issuance of shares to any of the promoters. The promoters have acquired shares of CIL in the past only by way of a creeping acquisition within the limits prescribed by SEBI (SAST) Regulations.

k) Other details :

(a) Status of Corporate Governance compliances by CIL:

Provisions of Clause 49 of the Listing Agreement are not applicable to the Company as its present paid up share capital is Rs. 291.20 lacs only.

(b) Details of Pending major Litigations/ Legal Notices against CIL:

i. One of the Ex- Employee of CIL has filed a case in the Labour Court demanding Rs. 6.25 Lacs in terms of Arrears of Salary, Increment, Bonus, Medical Benefits and Gratuity. The Company is contesting the claim. The next hearing has been fixed on 7th June, 2008.

ii. Oshiwara Link Plaza Commercial Premises Co-op. Society Ltd. has issued a demand notice dated December 26, 2007 to CIL through its Legal Advisors, Madhav Associates, Advocate High Court, asking the Company to pay an outstanding amount of Rs. 6,09,483/-.

The shareholders of the target company, who are desirous of obtaining further information about the pending litigation, may send their written request to the Target Company at its Registered Office.

(c) Name and other Details of compliance Officer:
Mr. Vijay Chokshi
Managing Director,
Office No. 106, 2nd Floor, Oshiwara Link Plaza Commercial Complex,
New Link Road, Jogeshwari (West), Mumbai - 400102.
Tel. No. 022-26303342 / 48 Fax No. 022-26349264.

(**Source :** All the data about Target Company is provided by Choksh Infotech Limited)

7. OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of Offer Price

a) The equity shares of CIL are listed on Bombay Stock Exchange Ltd. (BSE) and Ahmedabad Stock Exchange Ltd. (ASE) (collectively referred as "Stock Exchanges").

b) The annualised trading turnover based on the trading volume in the shares of CIL on each of the above mentioned stock exchanges during October 2007 to March 2008 (6 calendar months preceding the month in which the PA is made) is as under:

Name of Stock Exchange(s)	Total no. of shares traded during the 6 calendar months prior to the month in which PA is made	Total No. of listed Shares	Annualized Trading turnover (as a % to total listed shares)
BSE	2,91,630	30,00,000	19.44
ASE	—	30,00,000	Nil

The Equity shares of CIL are frequently traded on BSE and infrequently traded on ASE within the meaning of explanation (i) to Regulation 20 (5) of the SEBI (SAST) Regulations.

c) The details of closing prices and volume on BSE for the 26 week period preceding the date of the board resolution which authorised the preferential allotment i.e. April 12, 2008 are as under:

Sr. No.	Week Ending	High (Rs)	Low (Rs)	Average (Rs)	Volume
1	19-Oct-07	6.69	6.05	6.37	3122
2	26-Oct-07	5.80	5.25	5.53	3250
3	02-Nov-07	5.29	4.75	5.02	10361
4	09-Nov-07	4.99	4.76	4.88	200
5	16-Nov-07	4.80	4.75	4.78	207
6	23-Nov-07	4.52	4.52	4.52	470
7	30-Nov-07	4.99	4.74	4.87	17600
8	07-Dec-07	5.65	5.14	5.40	600
9	14-Dec-07	7.19	5.93	6.56	10500
10	21-Dec-07	8.71	7.54	8.13	13000
11	28-Dec-07	10.56	9.14	9.85	45820
12	04-Jan-08	13.46	11.05	12.26	68455
13	11-Jan-08	14.80	12.55	13.68	43329

Sr. No.	Week Ending	High (Rs)	Low (Rs)	Average (Rs)	Volume
14	18-Jan-08	11.93	11.34	11.64	605
15	25-Jan-08	11.34	9.74	10.54	11001
16	01-Feb-08	10.23	7.57	8.90	9600
17	08-Feb-08	7.20	6.32	6.76	22192
18	15-Feb-08	6.93	6.00	6.47	10575
19	22-Feb-08	6.00	5.70	5.85	4687
20	29-Feb-08	5.98	5.42	5.70	1800
21	07-Mar-08	5.95	5.70	5.83	2100
22	14-Mar-08	5.25	4.52	4.89	7913
23	21-Mar-08	4.52	4.52	4.52	1025
24	28-Mar-08	5.46	4.97	5.22	236
25	04-Apr-08	6.61	6.00	6.31	100
26	11-Apr-08	8.42	6.94	7.68	6911
Average of 26 week prices				**7.00**	

The average of daily high and low prices of the Equity shares during the 2 weeks period preceding the date of the board resolution which authorised the preferential allotment i.e. April 12, 2008 on BSE is given below:

Day	High	Low	Average	Volume
31-Mar-08	6.00	6.00	6.00	25
02-Apr-08	6.30	6.30	6.30	50
03-Apr-08	6.61	6.61	6.61	25
07-Apr-08	6.94	6.94	6.94	3025
08-Apr-08	7.28	7.28	7.28	3100
09-Apr-08	7.64	7.64	7.64	10
10-Apr-08	8.02	8.02	8.02	26
11-Apr-08	8.42	8.42	8.42	750
Average of 2 weeks			**7.15**	

(Source: www.bseindia.com)

d) The Offer Price is justified in terms of Regulations 20 (4) and 20 (5) of the SEBI (SAST) Regulations in view of the following:-

a.	The Negotiated Price	Rs.10/- per share
b.	Highest Price paid by Acquirer for acquisition, if any, including by way of allotment in a public or rights issue or Preferential issue during the 26 weeks prior to the date of PA	Not Applicable
c.	The average of the weekly High and Low of the closing prices of the shares of CIL on Stock Exchange, where it is most frequently traded, during 26 weeks period preceding the date of the board resolution which authorised the preferential allotment i.e. April 12, 2008	Rs.7.00
d.	The average of the daily High and Low of the prices of the shares of CIL on Stock Exchange, where it is most frequently traded, during 2 weeks period preceding the date of the board resolution which authorised the preferential allotment i.e. April 12, 2008	Rs.7.15

e.	**Other Financial Parameters**	**31/03/2007**	**31/12/2007**
	Return on Net Worth (%)	(1.369)	1.848
	Book Value per share (Rs.)	4.869	4.961
	Earning per share (Re.)	(0.067)	0.092
	Price Earning multiple (with reference to Offer price of Rs.10/- per share)	NA	109.091
	Industry (Computers - Software Medium / Small) Average Price Earning Multiple **	12.000	12.000

** (Source*: Capital Market Vol. XXIII/03 April 07 - 20, 2008*).

M/s. S P Merchant Associates, Chartered Accountants (Membership No.35008), Address : Bldg. No. 83, First Floor, Off C H Street, Opp Dr. Patankar Clinic, Near Marine Lines Flyover, Marine Lines (East), Mumbai – 400 002 Tel No.- 022-22006283, email – jayshrim@vsnl.com, vide their certificate dated April 12, 2008 have certified that the Fair Value per share of CIL as Rs.3.81.

e) There is no non-compete fees payable under the agreement.

f) Based on the aforementioned information, in the opinion of the Manager to the offer and the Acquirer, the offer price of Rs. 10/- (Rupees Ten only) per Fully paid up Share and Rs. 5/- per Partly paid-up share (computed as Offer Price reduced by calls in arrears of Rs. 5/- per share in terms of Regulation 20(10) of the SEBI (SAST) Regulations) is justified in terms of Regulation 20(4) & 20(5).

e) If The Acquirer acquires shares after the date of Public Announcement upto 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the shares tendered in the offer and accepted under the offer.

7.2 Financial Arrangements

a) The total fund requirement for the acquisition of 20,30,000 equity shares, being 20% of the Post Issue capital of CIL, at Rs. 10/- per share is Rs. 2,03,00,000/- (Rupees Two Crore Three Lacs only).

b) In accordance with Regulation 28 of the SEBI (SAST) Regulations, the Acquirer has created an Escrow Account as under :

I. Bank Guarantee for Rs.51,00,000/- (Rupees Fifty One Lacs Only), being in excess of 25% of the offer size, issued by Syndicate Bank, Hyderabad valid till October 31, 2008; and

II. Cash Deposit of Rs. 2,05,000/- (Rupees Two Lacs Five Thousand only)), being in excess of 1% of the offer size, with Axis Bank, Vile Parle (East), Mumbai.

Saffron Capital Advisors Private Limited, the Manager to the Offer has been empowered to realise the value of the Escrow in terms of the SEBI (SAST) Regulations.

c) In case of a revision in the Offer price, the Acquirer would raise the amount in the escrow account to ensure compliance with Regulation 28 of SEBI (SAST) Regulations.

d) The Acquirer have adequate resources to meet the financial requirements of the Offer. The same is certified by **M/s. KN Murthy & Co.**, Chartered Accountants (Membership No. 203849), Address:A-418, Majestic Mansion, Shyamlal Buildings, Begumpet, Hyderabad – 500 016 Tel No.- 040-6631 9958 / 2332 7204.

e) On the basis of the above, the Manager to the Offer is satisfied about the ability of the Acquirer to implement the Offer in accordance with the SEBI (SAST) Regulations. The Offer will be implemented by the Acquirer through his own funds and/or borrowings from friends and relatives.

8. TERMS AND CONDITIONS OF OFFER

8.1 Statutory Approvals

a) Non-resident shareholders who wish to tender their shares in this offer will be required to submit all the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirer reserves the right to reject the shares tendered in the offer.**

b) The Acquirer will make the requisite application, if applicable, to RBI to obtain permission under FEMA for the acquisition of shares under this Offer.

c) There are no other statutory approvals required to acquire the shares tendered pursuant to this Offer except RBI approval for the shares tendered by NRI. However, the Offer would be subject to all statutory approvals that may become applicable prior to completion of the Offer.

d) The Acquirer shall complete all procedures relating to the Offer within a period of 15 days from the date of closing of the offer.

e) The Acquirer reserves the right to withdraw the Offer, in terms of Regulation 27 of the SEBI (SAST) Regulations, in the event the requisite statutory approvals are being refused. In the event of withdrawal, a Public Announcement will be made in the same newspapers in which this original PA is being made.

f) In case of delay, due to non-receipt of statutory approvals, as per Regulation 22(12) of SEBI (SAST) Regulations, SEBI may, if satisfied that the non-receipt of the approvals was not due to willful default or negligence, grant an extension for the purpose of completion of the offer provided the Acquirer agrees to pay interest to the shareholders for delay beyond 15 days from the date of closing of the offer.

g) If the Acquirer fails to obtain the requisite approvals in time due to willful default or neglect or inaction or non-action on his part, the amount lying in the escrow account shall be forfeited in the manner provided in Regulation 28(12)(e) of SEBI (SAST) Regulations.

8.2 Others Terms and Conditions

a. The Letter of Offer together with Form of Acceptance cum Acknowledgement (FOA), the Form of Withdrawal (FOW) and Transfer Deed (TD) (for shareholders holding shares in physical form) will be mailed to all the shareholders of CIL, except the Acquirer, Existing Promoter / Promoter group and parties to the Agreement, whose names appear on the Register of Members of CIL and the beneficial owners of the shares whose names appear as beneficiaries on the records of the respective share depositories, at the close of business hours on May 16, 2008 (**"specified date"**).

b. Accidental omission to dispatch Letter of Offer to any member entitled to this open offer or non-receipt of the Letter of Offer by any member entitled to this open offer shall not invalidate the open offer in any manner whatsoever. The Offer is subject to the terms and conditions set out herein and in the Letter of Offer that would be sent to the shareholders of CIL as on the specified date.

c. All the shareholders, except the Acquirer, Existing Promoter / Promoter group and parties to the Agreement, who own the shares of CIL anytime before the closure of the Offer, are eligible to participate in the Offer anytime before date of closing of the offer.

9. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

The Acquirer has appointed **Bigshare Services Private Limited** as Registrar to the Offer. The shareholders who wish to tender their shares will be required to send the Form of Acceptance-cum-Acknowledgement duly filled and signed alongwith enclosures to the **Registrar to the Offer: -** Bigshare Services Private Limited, E/2, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai - 400 072 **Tel. No.:** 022-4043 0200 **Fax No.:** 022-28475207 **E-Mail:** openoffer@bigshareonline.com **Contact Person:** Mr. Ashok Shetty either by Hand Delivery or by Registered Post on or before the closure of the Offer, in accordance with the instructions specified in the Letter of Offer and in the Form of Acceptance cum Acknowledgement.

The documents can be tendered at the above centres between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday and between 10.00 am to 1.00 pm on Saturday. The centres will be closed on Sundays and Public holidays.

a. Registered Shareholders (holders of shares in physical form) 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 shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with CIL and duly witnessed at the appropriate place(s).

b. Beneficial owners (holders of shares in dematerialised form) should enclose:

Form of Acceptance Cum Acknowledgement duly completed and signed in accordance with the instructions contained therein, by all the beneficial holders of shares as per the records of the DP.

Photocopy/Counterfoil of Delivery Instruction slip in "off market" mode in favour of the special depository account mentioned herein after, duly acknowledged by DP.

c. In case of non-receipt of the aforesaid documents, but receipt of the shares in the special depository account, it will be deemed that the shareholder has tendered acceptance of the Offer.

d. A special depository account has been opened with Axis Bank Limited (Depository – NSDL) styled **"Saffron Capital Advisors Private Limited – Escrow A/C – CIL Open Offer"** for the purpose of this offer. **The DP ID is IN 300484 and Beneficiary/Client ID is 13288292.**

e. Unregistered Shareholders should enclose:

Form of Acceptance cum Acknowledgement or an application on plain paper duly completed and signed in accordance with the instructions contained therein by the person(s) accepting the Offer. Application on plain paper should be duly signed and state the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer

Original Share Certificate(s)

Original Contract Note(s) from the broker through whom the shares were acquired.

Valid Share Transfer deed(s) as received from market. The details of buyer should be left blank failing which, the same will be invalid under this offer. All other requirements for valid transfer will be pre condition for valid acceptance.

No indemnity is required from the unregistered owners.

f. The shareholders tendering shares in demat form should ensure the credit of shares in favour of the special depository account mentioned above, before the closure of the Offer i.e. June 25, 2008. FOA, in respect of dematerialized equity shares not credited to the above special depository account before the date of closing of offer, is liable to be rejected.

g. Shareholders having their beneficiary account with Central Depository Services Limited (CDSL), have to use inter-depository delivery instruction slip for the purpose of crediting their Equity shares in favour of the above mentioned Special Depository Account with NSDL.

h. In case of non-receipt of the Letter of Offer/FOA, the eligible persons may download the same from SEBI website or obtain a copy of the same by writing to Registrars to the offer at the collection centre clearly marking the envelope “CIL Open Offer” or make an application on plain paper duly signed and stating their name, address, No. of Shares held, no. of shares offered, DP name, DP ID, Client ID and the counterfoil/photocopy of the delivery instruction in “Off-Market” mode in favour of the special depository account, duly acknowledged by the DP, to the Registrar to the Offer, before the closure of the Offer.

i. In case any person has lodged shares of CIL for transfer and the transfer has not yet been effected, the concerned person may apply in writing on a plain paper, duly signed and stating the name, address, number of shares held, distinctive numbers, folio number and the number of shares in respect of which they are accepting the Offer along with the original share certificate(s), valid transfer deed(s) duly signed **(columns meant for transferee / buyer should be kept blank)** and the acknowledgement of the lodgment of shares for transfer. Such person should also instruct CIL and its Registrars & Transfer Agents to send the transferred share certificate(s) directly to the collection centres of Registrars to the offer as mentioned above before the date of closing of the offer.

j. Shareholders who have sent their physical shares for Dematerialisation and the dematerialization has not yet been effected, the concerned person should send the completed FOA together with the photocopy of the dematerialization request form acknowledged by shareholder’s DP. The shareholder should ensure that process of getting shares dematerialised is completed well in time so that the credit in the special depository account should be received before closure of the Offer i.e. June 25, 2008, else the application will be rejected.

k. Equity shares tendered by the shareholders of CIL in the offer shall be free from lien, charges and encumbrances of any kind whatsoever.

l. Equity shares, that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the shareholder(s) of CIL may be precluded from transferring the equity shares during pendency of the said litigation, are liable to be rejected unless directions/orders regarding the free transferability of such equity shares are received together with the equity shares tendered in the offer prior to the date of closing of the offer.

m. In case the shares tendered in the Offer by the shareholders, are more than the shares to be acquired under the Offer, the acquisition of shares from each shareholder will be as per the provisions of Regulation 21 (6) of the SEBI (SAST) Regulations on a proportionate basis, in such a way that the acquisition from a shareholder shall not be less than the minimum marketable lot or the entire holding if it is less than the marketable lot. Market lot for the Target Company’s share is 1 (one) share.

n. While tendering shares under the Offer, NRIs / OCBs / foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring shares of Target Company. **In case of previous RBI Approvals not being submitted, the Acquirer reserves the right to reject the shares.** While tendering shares under the Offer, NRI / OCBs / foreign shareholders will be required to submit a Tax Clearance Certificate from the Income Tax authorities, indicating the amount of tax to be deducted by the Acquirer under the Income Tax Act, 1961 before remitting the consideration. In case the aforesaid Tax Clearance Certificate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of the shareholder under the Income Tax Act, 1961, on the entire consideration amount payable to such shareholder.

o. The consideration received by the shareholders for shares accepted in the offer will be subject to the capital gains tax / deduction of tax at source applicable as per the Income Tax Act, 1961. Further the securities transaction tax will not be applicable on shares accepted in this offer.

p. The Registrar to the Offer will hold in Trust the Shares / Share certificates, FOA, if any, and the transfer form/s on behalf of the shareholders of CIL who have accepted the Offer, till the Acquirer completes the offer obligations in accordance with the Regulations.

q. Unaccepted Share Certificates, transfer forms and other documents, if any, will be returned by Registered Post at the shareholders’/unregistered owners’ sole risk to the sole/first shareholder. Shares held in demat form to the extent not accepted will be credited back to the beneficial owners’ depository account with the respective depository participant as per the details furnished by the beneficial owner in the FOA.

10. PROCEDURE FOR WITHDRAWAL OF APPLICATION / ACCEPTANCE

a) In accordance with Regulation 22(5A) of the SEBI (SAST) Regulations 1997, shareholders shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date i.e. up to June 20, 2008.

b) Shareholders who wish to withdraw their shares from the Offer will be required to send the FOW duly completed & signed alongwith the requisite documents.

c) In case of non receipt of Form of Withdrawal, the withdrawal can be exercised by making an application on plain paper along with following details :-

- **In case of physical shares**: by stating Name, Address, Distinctive numbers, Folio number, Number of shares tendered and to be withdrawn.
- **In case of dematerialized shares**: by stating Name, Address, Number of shares tendered and to be withdrawn, DP Name, DP ID, Beneficiary account number, Counterfoil/ Photocopy of the delivery instruction in “Off Market” mode duly acknowledged by the DP in favour of the special depository account.
- **In either case:** a copy of the acknowledgement received from the Manager to the Offer upon tendering of the Shares,

so as to reach the Registrar to the Offer either by hand delivery or by registered post on or before June 20, 2008.

11. MATERIAL DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of Saffron Capital Advisors Private Limited, Ground Floor, Vilco Centre, Subhash Road, Vile Parle (East), Mumbai - 400 057 from 10.00 a.m. to 1.00 p.m. and from 2.00 p.m. to 4.00 p.m. on any working day, except Saturdays, Sundays, and Public/Bank Holidays until the offer closes

a) Memorandum & Articles of Association and Certificate of Incorporation of Choksh Infotech Limited.

b) MOU between the Acquirer and M/s Saffron Capital Advisors Private Ltd., Managers to the Offer.

c) Copy of Share Purchase Agreements between the Acquirer and Choksh Infotech Limited dated April 12, 2008.

d) Copy of Certificate dated April 15, 2008 from KN Murthy & Co., Chartered Accountants, certifying about the Networth of the Acquirer and adequacy of resources of the Acquirer in fulfilling the obligations of the offer.

e) Copies of Networth Certificate dated May 12, 2008 from KN Murthy & Co., Chartered Accountants, certifying about the Networth of PACs.

f) Annual Reports of CIL for FY 2004-05, 2005-06 and 2006-07 and Balance sheet and P & L Account for the period ended 31.12.2007 subjected to limited review by the statutory Auditors of the Company.

g) Bank Guarantee for Rs. 51,00,000/- (Rupees Fifty One Lacs only), from Syndicate Bank, Hyderabad, being more than 25% of the total consideration as Escrow Deposit and Cash Deposit of Rs.2,05,000/- with Axis Bank, Mumbai.

h) Copy of Certificate dated April 12, 2008 from M/s. S P Merchant Associates, Chartered Accountants, giving the fair value of CIL's share.

i) Copy of Public Announcement dated April 17, 2008.

j) SEBI observation letter no. CFD/DCR/TO/AK/125831/2008 dated May 16, 2008.

12. RESPONSIBILITY STATEMENT

a) The Acquirer accepts full responsibility for the information contained in this Letter of Offer.

b) Further the Acquirer accepts full responsibility for ensuring compliance of the SEBI (SAST) Regulations.

For and on behalf of the Acquirer

Sd/-

(Arikatla Srinivasa Reddy)

Date : May 22, 2008

Place : Hyderabad

Encl. : Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed(s) for Physical Shares

FORM OF ACCEPTANCE CUM ACKNOWLEDGEMENT

(Please send this Form of Acceptance-cum-Acknowledgement with enclosures to Bigshare Services Pvt. Ltd. at the collection centre mentioned in the Letter of Offer)

Offer Opens on	:	**Friday, June 06, 2008,**
Last Date for Withdrawal of Application	:	**Friday, June 20, 2008,**
Offer Closes on	:	**Wednesday, June 25, 2008**

From
(Name & Complete Address)

Tel No. ____________________________Fax No. _____________________ Email____

To,

BIGSHARE SERVICES PRIVATE LIMITED
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072

Dear Sir,

Sub: Open Offer for acquisition of equity shares of Choksh Infotech Ltd. ("CIL") by Mr. Arikatla Srinivasa Reddy ("Acquirer").

I/We refer to the letter of offer dated May 26, 2008 for acquiring the equity shares held by me/us in Choksh Infotech Limited.

I/We, the undersigned have read the letter of offer and understood its contents including the terms and conditions as mentioned therein.

For Shares held in Physical Form :

I/We, accept the offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

Sr.No	Folio No	Certificate No	Distinctive Nos		No. of Shares
			From	To	
Total number of Equity Shares					

(In case of insufficient space, please use additional sheet and authenticate the same)

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 till the time the Acquirer gives 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.

-- TEAR ALONG THIS LINE --

Acknowledgement Slip

Received from Mr./Ms. ____

___________________________________Folio No. ______________________ Form of Acceptance cum

Acknowledgement,____________________Number of certificates for _______________ equity shares /

Copy of Delivery instruction to DP for ___________ equity shares.

Stamp of Collection Center	Signature of Official, & Date of Receipt

For Shares held in Demat Form :

I/We hold shares in demat form and accept the Offer and enclose photocopy of the Delivery Instruction duly acknowledged by my/our DP in respect of my/our equity shares as detailed below:

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

I/We have done an off market transaction for crediting the shares to the Escrow Account opened with NSDL named "**Saffron Capital Advisors Private Limited – Escrow A/C – CIL Open Offer**" (the "Special Depository Escrow Account") with the following particulars:

DP Name – AXIS Bank Limited	Client ID - 13288292	DP ID – IN300484

Shareholders whose shares are held in beneficiary Account with CDSL have to use an inter–depository delivery instruction slip for the purpose of crediting their shares in favour of the Special Depository Escrow Account with NSDL.

I/We note and understand that the Shares would lie in the Special Depository Escrow Account until the time the Acquirer makes payment of the purchase consideration as mentioned in the Letter of Offer.

I/We confirm that the equity shares of Choksh Infotech Limited which are being tendered herewith by me/us under this offer, are free from liens, charges and encumbrances of any kind whatsoever.

I/We authorise the Acquirer to accept the shares so offered which they may decide to accept in consultation with the merchant banker and in terms of the Letter of Offer and I/We further authorise the Acquirer to return to me/us, equity share certificate(s) in respect of which the offer is not found valid/not accepted, specifying the reasons thereof.

I/We authorise the Acquirer or their Merchant Banker to send by Registered Post / Courier the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned below.

The Permanent Account Number (PAN/GIR No.) allotted under the Income Tax Act, 1961 is as under:

	First/Sole Holder	**Joint Holder 1**	**Joint Holder 2**
PAN/GIR No.			

So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of Bank Account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank		**Account No.**		**Saving / Current / NRE/NRO / Others (Please tick)**
Address of Branch				

Yours faithfully,

Signed & Delivered by	**Full Names (s) & Address**	**Signature**	**Verified and Attested (by DP in case of Demat Shares and by Bank in case of Physical Shares)**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note : In case of joint holdings all must sign. A Corporation must affix its common seal necessary Board resolution should be attached.

Place :

Date :

--- TEAR ALONG THIS LINE ---

Note: All future correspondence, if any should be addressed to the Registrar to the Offer at

BIGSHARE SERVICES PRIVATE LIMITED
(Unit : Choksh Infotech Ltd.)
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072

FORM OF WITHDRAWAL

Offer Opens on	**:**	**Friday, June 06, 2008,**
Last Date for Withdrawal of Application	**:**	**Friday, June 20, 2008,**
Offer Closes on	**:**	**Wednesday, June 25, 2008**

From
(Name & Complete Address)

Tel No. ____________________________Fax No. _____________________ Email____

To,

BIGSHARE SERVICES PRIVATE LIMITED
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072

Dear Sir,

Sub: **Open Offer for acquisition of equity shares of Choksh Infotech Ltd. ("CIL") by Mr. Arikatla Srinivasa Reddy ("Acquirer").**

I/We refer to the letter of offer dated May 26, 2008 for acquiring the equity shares held by me/us in Choksh Infotech Limited.

I/We have read the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in the Letter of Offer and unconditionally agree to the terms and conditions mentioned therein.

I/We hereby consent unconditionally and irrevocably to withdraw my/our Shares from the Offer and I/We further authorise the Acquirer to return to me/us, the tendered equity share certificate(s)/ share(s) at my/our sole risk.

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

I/We note that this Form of Withdrawal should reach the Registrar to the Offer at the collection center mentioned in the Letter of Offer on or before the last date of withdrawal.

I/We note that the Acquirer/Manager to the Offer / Registrar to the Offer shall not be liable for any postal delay/loss in transit for the equity shares held in physical form and also for the non-receipt of equity shares held in the dematerialised form in the DP account due to inaccurate/ incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return the original share certificate(s), share transfer deed(s) and Shares only on completion of verification of the documents, signatures etc. and beneficiary position data as available from the Depository from time to time, respectively.

-- TEAR ALONG THIS LINE --

Acknowledgement Slip

Received from Mr./Ms. ____

____Folio No. ______________________________

Form of Withdrawal dated ____

Stamp of Collection Center	**Signature of Official, & Date of Receipt**

The particulars of the tendered Share(s) that I/We wish to withdraw are detailed below:

Folio No.	**Certificate No.**	**Distinctive Nos.**		**No. of shares**
	Tendered			
Total number of equity shares Tendered				
	Withdrawn			
Total number of equity shares Withdrawn				

(In case of insufficient space, please use additional sheet and authenticate the same)

I/We hold the following equity shares in dematerialised form and tendered the equity shares in the Offer and had done an off-market transaction for crediting the Shares to the **"Saffron Capital Advisors Private Limited - Escrow A/C - CIL Open Offer"** (Special Depository Escrow Account) as per the following particulars:

DP Name – AXIS Bank Limited	Client ID - 13288292	DP ID – IN300484

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP. The particulars of the account from which my/our equity shares have been tendered are as detailed below:

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

I/We note that the equity shares will be credited back only to that Depository Account, from which the equity shares have been tendered and necessary standing instructions have been issued in this regard.

In case of dematerialised equity shares, I/We confirm that the signatures of the beneficiary holders have been verified by the DP as per the records maintained at their end and the same have also been duly attested by them under their seal.

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

Yours faithfully,

Signed & Delivered by	**Full Names (s) & Address**	**Signature**	**Verified and Attested (by DP in case of Demat Shares and by Bank in case of Physical Shares)**
First/Sole Holder			
Joint Holder 1			
Joint Holder 2			

Note : In case of joint holdings all must sign. A Corporation must affix its common seal necessary Board resolution should be attached.

Place :

Date :

-- TEAR ALONG THIS LINE --

Note: All future correspondence, if any should be addressed to the Registrar to the Offer at

BIGSHARE SERVICES PRIVATE LIMITED
(Unit : Choksh Infotech Ltd.)
E/2, Ansa Industrial Estate,
Sakivihar Road, Sakinaka,
Andheri (East), Mumbai - 400 072

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