LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as Equity Shareholder(s) of Fortune Infotech Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Manager to the Offer or Registrar to the Offer. In case, you have sold your Equity Shares in Fortune Infotech Limited please hand over this Letter of Offer, the accompanying Form of Acceptance-cum-Acknowledgement and Transfer Deed to the purchaser of the Equity Shares or the member of stock exchange through whom the said sale was effected.

Covansys (India) Private Limited ("Covansys" or "Acquirer")

(Registered Office : Unit 13, Block 2, SDF Buildings, Madras Export Processing Zone, Chennai, India 600045.
Tel.: +91- 44 -2262 8080; Fax : +91 – 44 – 2262 8171)

Make a cash offer at Rs. 32.50 per fully paid up equity share

to acquire

10, 81,020 Equity Shares of Rs. 10/- each representing 20 % of the existing outstanding voting Equity Share Capital of

Fortune Infotech Limited ("FIL" or "Target")

(Registered Office : Plot No. 160/4, Old Chhani Road, Vadodara, Gujarat, India. 390 002.
Tel.: +91 0265 276 1824; Fax: +91 0265 277 3152.)

For the purpose of computing the voting percentage, the voting rights as at the expiration of fifteen days after the closure of the Offer has been reckoned.

The Offer is being made by Covansys (India) Private Limited pursuant to Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

The offer is subject to the Acquirer obtaining the approval of RBI under FEMA to acquire shares, if any, from all the non-resident Indians/OCB shareholders. There are no other statutory approvals required for the purpose of this Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement/ Letter of Offer, can withdraw the same up to three working days (i.e. August 10, 2005) prior to the date of the closure of the Offer (i.e. August 16, 2005).

The Acquirer is permitted to revise the Offer Price of Equity Shares/ No. of Equity Shares upward any time up to seven working days prior to the date of the closing of the Offer. If there is any upward revision in the Offer Price of Equity Shares/ No. of Equity Shares by the Acquirer till the last date of revision viz. August 4, 2005 or in case of withdrawal of the Offer, the same would be informed by way of a Public Announcement in the newspapers mentioned in Clause 2.2.4 of this Letter of Offer and the same revised price would be payable by the Acquirer to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirer under the Offer.

There has been no competitive bid.

The Public Announcement, this Letter of Offer (including Form of Acceptance-cum-Acknowledgement and Form of Withdrawal) are available on SEBI's web-site (www.sebi.gov.in).

MANAGER TO THE OFFER	REGISTRARS TO THE OFFER
ENAM **ENAM Financial Consultants Pvt. Ltd.** 801/802 Dalamal Towers Nariman Point, Mumbai 400 021. Tel.: +91 – 022 - 5638 1800 Fax.: +91 – 022 - 2284 6824 Email: fil@enam.com Contact Person : Ms. Kinjal Palan	**Intime Spectrum Registry Limited** C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (W), Mumbai 400 078 Tel. : +91 – 022 - 5555 5454 Fax. : +91 - 022 - 5555 5353 Email : fortuneinfo@intimespectrum.com Contact Person : Mr. Vishwas Attavar
OFFER OPENS ON: JULY 28, 2005	**OFFER CLOSES ON: AUGUST 16, 2005**

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Date
Public Announcement	Thursday, June 09, 2005
Specified Date (for the purpose of determining the names of shareholders to whom the Letter of Offer would be sent)	Friday, June 10, 2005
Last date for a Competitive Bid, if any	Thursday, June 30, 2005
Last date by which Letter of Offer will be posted to shareholders of the Target Company	Friday, July 22, 2005
Date of Opening of the Offer	Thursday, July 28, 2005
Last date for revising the Offer Price / Offer Size	Thursday, August 04, 2005
Last date of withdrawal of tendered application by the shareholders of FIL	Wednesday, August 10, 2005
Date of Closing of the Offer	Tuesday, August 16, 2005
Date by which acceptance/rejection under the Offer would be intimated and the corresponding payment for the acquired Equity Shares and/or the unaccepted Equity Shares/Share Certificate(s) will be despatched/credited.	Wednesday, August 31, 2005

RISKS IN RELATION TO THE OFFER

Given below are the risks related to the proposed Offer and association with the Acquirer.

1. The Acquirer makes no assurance with respect to the market price of the shares during/after the Offer.
2. Where the number of shares offered for sale by the shareholders are more than the shares agreed to be acquired by the Acquirer, the Acquirer shall accept the offers received from the shareholders on a proportional basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. As the Shares trade in compulsory dematerialized segment, the minimum marketable lot for the Shares is 1 (one).
3. In the event of regulatory approvals not being received in a timely manner or litigation leading to stay on the Offer, the Offer process may be delayed beyond the schedule of the major activities indicated in this Letter of Offer. The Acquirer reserves the right to withdraw the Offer in the event the requisite statutory approvals for the purpose of this Offer or those that may be necessary at a later date are refused.
4. The Acquirer is acquiring control of FIL in order to expand its BPO services capability. It cannot be stated with certainty that the Acquirer will achieve that objective.
5. Covansys (India) Private Limited is a software services company but some of its current services to its customers will include BPO type of services. At present, the business from Indian region does not contribute significantly to the revenue generated by Covansys (India) Private Limited.
6. The SPA I shall stand terminated if the Closing Date has not occurred on or before 180 days from the execution and delivery of the SPA I. Provided however that in the event that any delay beyond such 180 day period is caused by the failure of the Acquirer to obtain any statutory approvals required to be obtained by the Acquirer under the SPA I, the SPA I shall not terminate as provided above and shall continue for a further period of up to 60 days. Sellers I and the Acquirer may however by mutual consent agree to extend the SPA I beyond the termination date provided in the SPA I.
7. The SPA II shall stand terminated if the Closing Date has not occurred on or before 180 days from the execution of SPA II. Provided however that in the event that any delay beyond such 180 day period is caused by the failure of the Acquirer to obtain any statutory approvals required to be obtained by the Acquirer under the SPA II, the SPA II shall not terminate as provided above and shall continue for a further period of up to 60 days. Sellers II and the Acquirer may however by mutual consent agree to extend the SPA II beyond the termination date.

The risk factors set forth above do not relate to the present or future business or operations of FIL or any other matters and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in the participation by a shareholder in the Offer. The shareholders of FIL are advised to consult their stockbrokers or investment consultant, if any, for further risks with respect to their participation in the Offer.

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DEFINITIONS

Acquirer	Covansys (India) Private Limited
ASE	The Stock Exchange, Ahmedabad
BPO	Business Process Outsourcing
CDSL	Central Depository Services Limited
DP or Depository Participant	HDFC BANK
Escrow Bank	ABN AMRO Bank
FEMA	The Foreign Exchange Management Act, 2000
FII(s)	Foreign Institutional Investors registered with SEBI
Form of Acceptance	Form of Acceptance-cum-Acknowledgement accompanying this Letter of Offer
Form of Withdrawal	Form of Withdrawal accompanying this Letter of Offer
LOF or Letter of Offer	This Letter of Offer dated July 19, 2005
Manager or Manager to the Offer or Enam	Enam Financial Consultants Pvt. Ltd.
NRI(s)	Non-Resident Indians
Non-Resident Shareholders	NRIs', OCBs' and FIIs' holding the Equity Shares of FIL
NSDL	National Securities Depository Limited
OCB(s)	Overseas Corporate Bodies
Offer or Open Offer	Open Offer to acquire 10,81,020 fully paid-up Equity Shares of Rs. 10/- each of Fortune Infotech Limited, representing 20 % of the outstanding equity share capital of Fortune Infotech Limited, at a price of Rs. 32.50/- per fully paid up Equity Share, payable in cash
Offer Period	From June 03, 2005 to August 31, 2005
Offer Price	Rs. 32.50/- per fully paid-up Equity Share of Fortune Infotech Limited
Public Announcement or PA	Public Announcement for the Open Offer issued on behalf of the Acquirer on June 09, 2005
Registrar or Registrar to the Offer	Intime Spectrum Registry Limited
RBI	The Reserve Bank of India
The Regulations	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
Sellers I	Mr. Kantilal K. Patel, Mr. Nitin N. Shah , Mr. Shailesh I. Rawal, Mr. Ashit R. Shroff, Mr. Apurva R. Shah, Mr. Yogesh D. Patel, Mr. Ghanshyam D. Patel, Mr. Bharat C. Patel and Mr. Chirayu G. Patel representing themselves and persons listed in SPA I
Sellers II	Mr. Narayanbhai A Patel and Mr. Vijay B Patel representing themselves and persons listed in SPA II
SPA I	Share Purchase Agreement entered into between the Acquirer and Sellers I dated June 03, 2005
SPA II	Share Purchase Agreement entered into between the Acquirer and Sellers II dated June 03, 2005
Specified Date	June 10, 2005
Target or FIL	Fortune Infotech Limited
VSE	Vadodara Stock Exchange Ltd

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 OVERSEEING WHETHER THE DISCLOSURES CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE SHAREHOLDERS OF FIL TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE COMPANY WHOSE EQUITY 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 THE ACQUIRER IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MANAGER TO THE OFFER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE ACQUIRER DULY DISCHARGE IT'S RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF AND TOWARDS THIS PURPOSE, ENAM FINANCIAL CONSULTANTS PVT. LTD, HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 17, 2005 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENTS THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRER FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE OFFER.

2 DETAILS OF THE OFFER

2.1 Background to the Offer

2.1.1 The Acquirer has entered into two Share Purchase Agreements in relation to the equity shares of FIL. One Share Purchase Agreement ("SPA I") was entered into on June 03, 2005 with Mr. Kantilal K. Patel, Mr. Nitin N. Shah , Mr. Shailesh I. Rawal, Mr. Ashit R. Shroff, Mr. Apurva R. Shah, Mr. Yogesh D. Patel, Mr. Ghanshyam D. Patel, Mr. Bharat C. Patel and Mr. Chirayu G. Patel representing themselves and persons listed in SPA I (hereinafter collectively referred as "Sellers I") for acquisition of 32,98,070 fully paid up equity shares of Rs.10/- each ("Transaction Shares I") representing 61.02% of the voting equity share capital of FIL, at a price of Rs. 32.50/- ("Purchase Price I") per fully paid up equity share, payable in cash, aggregating Rs. 1071.87 lacs. However, Purchase Price I may be revised downwards depending upon the 'Net Financial Condition' of FIL (as defined in paragraph 2.1.6 (b)) as on May 31, 2005.

2.1.2 Another Share Purchase Agreement ("SPA II") was entered into on June 03, 2005 with Mr. Narayanbhai A Patel and Mr. Vijay B Patel representing themselves and persons listed in SPA II (hereinafter collectively referred as "Sellers II") for acquisition of 5,41,810 fully paid up equity shares of Rs.10/- each ("Transaction Shares II") representing 10.02% of the voting equity share capital of FIL, at a price of Rs. 32.50/- per fully paid up equity share, payable in cash, aggregating Rs. 176.09 lacs.

2.1.3 All of the Sellers I belong to the promoter group of FIL.

2.1.4 The offer to the shareholders of FIL is being made by the Acquirer in accordance with regulations 10 and 12 of the Regulations pursuant to the proposed substantial acquisition of equity shares and change in control as a consequence of the "SPA I" and "SPA II" referred to in paragraph 2.1.1 and 2.1.2 above. The offer is being made to the shareholders of FIL other than "the Acquirer", "Sellers I" and "Sellers II".

2.1.5 The details of the shareholding of the sellers as on the date of the PA and details of number of shares being sold by them to the Acquirer are given as below :

Name of the seller	Number of shares held as on the date of PA date of PA	% of outstanding Equity share capital held as on the per SPA	Number of shares being sold to the Acquirer as Acquirer as per the SPA	% of outstanding Equity share capital being sold to the
Sellers I	32,98,070	61.02	32,98,070	61.02
Sellers II	5,41,810	10.02	5,41,810	10.02

The table below gives details of Sellers I.

Name of Authorized Seller	Name of Shareholder	Number of Shares held as on the date of P. A.	% of outstanding Equity share capital held as on the date of PA	Number of shares being sold to the Acquirer as per SPA	% of outstanding Equity share capital being sold to the Acquirer as per the SPA
Kantilal K Patel	Priti Kantilal Patel	32,000	0.59	32,000	0.59
A/7 Mehsananagar	Shantaben Kacharalal Patel	30,000	0.56	30,000	0.56
Society, Nizampura,	Taraben Kantilal Patel	30,000	0.56	30,000	0.56
Vadodara 390 002.	Bhavini Kantilal Patel	30,500	0.56	30,500	0.56
Ph. No.: +91-265-2771321	Hitesh Kantilal Patel	23,100	0.43	23,100	0.43
Fax.No.: +91-265-2773152	Kacharalal Shambhudas Patel	65,000	1.20	65,000	1.20
	Kantilal K Patel	1,49,880	2.77	1,49,880	2.77
Total		**3,60,480**	**6.67**	**3,60,480**	**6.67**

Name of Authorized Seller	Name of Shareholder	Number of Shares held as on the date of P. A.	% of outstanding Equity share capital held as on the date of PA	Number of shares being sold to the Acquirer as per SPA	% of outstanding Equity share capital being sold to the Acquirer as per the SPA
Nitin N Shah 8, Kasturbanagar Free Hold Plots, New Sama Road, Vadodara 390 008. Ph.No.: +91-265-2712267 Fax No.:+91-265-2773152	Nitin Shah Pallavika Manoj Shah Mamta Shah Yogesh Nagindas Shah Daxa Yogesh Shah Kapilben Nagindas Shah Nagindas Himatlal Shah	1,24,000 1,22,000 30,000 79,600 57,200 12,500 12,500	2.29 2.26 0.56 1.47 1.06 0.23 0.23	124,000 1,22,000 30,000 79,600 57,200 12,500 12,500	2.29 2.26 0.56 1.47 1.06 0.23 0.23
Total		**4,37,800**	**8.10**	**4,37,800**	**8.10**
Shailesh I Rawal 32 Hendrickson Drive Pike Run, Belle Mead NJ 08502 USA Ph.No.: +908-874-4000 Fax No.: N.A.	Shailesh I Rawal Heta S Raval	2,53,400 33,000	4.69 0.61	2,53,400 33,000	4.69 0.61
Total		**2,86,400**	**5.30**	**2,86,400**	**5.30**
Ashit R Shroff 12 Jayant Mahal D Road, Churchgate, Mumbai - 400 028. Ph.No.: +91-22-22816539 Fax No.: N.A.	Ashit Shroff Jamini Shroff Ashit Shroff HUF	2,59,900 80,000 15,000	4.81 1.48 0.28	2,59,900 80,000 15,000	4.81 1.48 0.28
Total		**3,54,900**	**6.57**	**3,54,900**	**6.57**
Apurva R Shah 301 Asha Deep Azad Road Andheri (E) Mumbai - 400 069 Ph. No.: +91-22-26844438 Fax No.: N.A.	Apurva R Shah Rashmi A Shah Acer Softwares Pvt.Ltd Acer Esolutions Pvt.Ltd	95,000 50,000 2,55,000 85,000	1.76 0.93 4.72 1.57	95,000 50,000 2,55,000 85,000	1.76 0.93 4.72 1.57
Total		**4,85,000**	**8.98**	**4,85,000**	**8.98**
Yogesh D Patel 6 Gandhigram Society, Karelibaug, Vadodara 390 018 Ph.No.:+91-265-5536102 Fax No.: N.A.	Yogesh Dahyabhai Patel Dayabhai Khusalbhai Patel Prutha Patel Simony Y Patel Meena Patel Priti D Patel Shardabrn Dahyabhai Patel	2,34,100 23,570 4,500 7,500 13,000 900 14,500	4.33 0.44 0.08 0.14 0.24 0.02 0.27	2,34,100 23,570 4,500 7,500 13,000 900 14,500	4.33 0.44 0.08 0.14 0.24 0.02 0.27
Total		**2,98,070**	**5.52**	**2,98,070**	**5.52**
Ghanshyam D Patel D-201 Taksh Complex, Gotri Road, Vadodara - 390 021. Ph.No. :+91-265-2396793 Fax No. : N.A.	Patel Pinaben Ghanshyambhai Ramanbhai Dhanjibhai Patel Ranjan Ben Ramanbhai Patel Patel Ghanshyambhai Ghanshyambhai Patel (HUF) Ranjanben S Patel Ramanbhai D Patel (HUF)	18,100 35,000 74,500 99,000 41,200 3,700 50,000	0.33 0.65 1.38 1.83 0.76 0.07 0.93	18,100 35,000 74,500 99,000 41,200 3,700 50000	0.33 0.65 1.38 1.83 0.76 0.07 0.93
Total		**3,21,500**	**5.95**	**3,21,500**	**5.95**
Bharat C Patel B-41 Maninagar Society, Part II Gorwa Refinery Road, Vadodara - 390 016 Ph.No.:+91-265-2392006 Fax No.:N.A.	Patel Hasmukhbhai Chhaganbhai Patel Jayshreeben Hasmukhbhai Bharat C Patel Patel Rekhaben B	1,17,880 57,500 1,21,800 72,860	2.18 1.06 2.25 1.35	1,17,880 57,500 1,21,800 72,860	2.18 1.06 2.25 1.35
Total		**3,70,040**	**6.84**	**3,70,040**	**6.84**
Chirayu G Patel 48 Vitthalnagar Society, Karelibaug, Vadodara - 390 018 Ph. No.:+91-265-2392006 Fax No. N.A.	Jayshree Gordhanbhai Patel Falguni Chirayu Patel Jayesh Arvindbhai Patel Minaxi Jayesh Patel Chirayu Gordhanbhai Patel, Hansaben Gordhanbhai Patel, Gordhanbhai M Patel	89,680 84,300 1,000 2,500 75,700 69,000 61,700	1.66 1.56 0.02 0.05 1.40 1.28 1.14	89,680 84,300 1,000 2,500 75,700 69,000 61,700	1.66 1.56 0.02 0.05 1.40 1.28 1.14
Total		**3,83,880**	**7.11**	**3,83,880**	**7.11**
Grand Total		**32,98,070**	**61.02**	**32,98,070**	**61.02**

The table below gives details of Sellers II.

Name of Authorized Seller	Name of Shareholders who have pledged their power of Attorneys in favour of the authorised Seller	Number of Shares held as on the date of P. A.	% of outstanding Equity share capital held as on the date of PA	Number of shares being sold to the Acquirer as per SPA	% of outstanding Equity share capital being sold to the Acquirer as per the SPA
Narayanbhai A Patel	Ambalal Joitaram Patel	60,000	1.11	60,000	1.11
C-381 Ananadbaug Society,	Narayanbhai Ambalal Patel	65,000	1.20	65,000	1.20
Tarsali Ring Road,	Manish Narayanbhai Patel	68,380	1.27	68,380	1.27
Near Susan Textile,					
Vadodara 390 010					
Phone # 0265-2645404					
Fax # NIL					
Total		**1,93,380**	**3.58**	**1,93,380**	**3.58**
Vijay B Patel	Kamini G Patel	5,000	0.09	5,000	0.09
F/34 Maninagar Society,	Nita Thakur	5,600	0.10	5,600	0.10
Part II Gorwa,	Rita Thakur	4,900	0.09	4,900	0.09
Vadodara 390 016	Champaben R Patel	3,500	0.06	3,500	0.06
Cell # 93762 12608	Rekha G Patel	5,000	0.09	5,000	0.09
Fax # NIL	Kamini B Patel	3,500	0.06	3,500	0.06
	Asha P Patel	3,000	0.06	3,000	0.06
	Ramilaben A Patel	3,500	0.06	3,500	0.06
	Sudhaben B Patel	5,000	0.09	5,000	0.09
	Bhagwan R Patel	2,800	0.05	2,800	0.05
	Varshaben N Patel	3,700	0.07	3,700	0.07
	Dhara G Patel	5,000	0.09	5,000	0.09
	Naranbhai M Patel	10,000	0.19	10,000	0.19
	Himanshu R Patel	4,500	0.08	4,500	0.08
	Raju R Patel	5,000	0.09	5,000	0.09
	Belaben Sukhdevbhai Patel	5,100	0.09	5,100	0.09
	Tulsibhai R Patel	4,000	0.07	4,000	0.07
	Rupalben A Patel	3,000	0.06	3,000	0.06
	Pravin N Patel	3,500	0.06	3,500	0.06
	Pinaben N Patel	4,500	0.08	4,500	0.08
	Sheetal B Patel	6,400	0.12	6,400	0.12
	Jivatiben N Patel	2,500	0.05	2,500	0.05
	Bela S Patel	1,800	0.03	1,800	0.03
	Alpesh S Patel	7,000	0.13	7,000	0.13
	Navinbhai N Patel	5,000	0.09	5,000	0.09
	Alpaben Narendra Patel	4,500	0.08	4,500	0.08
	Paresh M Patel	8,200	0.15	8,200	0.15
	Jagruti P Desai	6,300	0.12	6,300	0.12
	Pradip T Desai	5,000	0.09	5,000	0.09
	Patel Narendrakumar C	4,500	0.08	4,500	0.08
	Pralhad B Vasava	3,300	0.06	3,300	0.06
	Patel Champaben D	1,000	0.02	1,000	0.02
	Tulsibhai Patel	1,000	0.02	1,000	0.02
	Rupalben Ashokbhai Patel	1,000	0.02	1,000	0.02
	Dhanjibhai R Patel	1,000	0.02	1,000	0.02
	Ashokbhai N Patel	1,000	0.02	1,000	0.02
	Ranjanben S Patel	1,000	0.02	1,000	0.02
	Pravinbhai N Patel	1,000	0.02	1,000	0.02
	Vinaben P Patel	4,500	0.08	4,500	0.08
	Sukhadevlal T Patel	1,000	0.02	1,000	0.02
	Babulal T Patel	2,000	0.04	2,000	0.04

Name of Authorized Seller	Name of Shareholders who have pledged their power of Attorneys in favour of the authorised Seller	Number of Shares held as on the date of P. A.	% of outstanding Equity share capital held as on the date of PA	Number of shares being sold to the Acquirer as per SPA	% of outstanding Equity share capital being sold to the Acquirer as per the SPA
	Ipa Alpesh Patel	4,000	0.07	4,000	0.07
	Ritaben B Patel	600	0.01	600	0.01
	Mahendra Tirathram Rehani	3,000	0.06	3,000	0.06
	Narendra M Dave	1,000	0.02	1,000	0.02
	Kamlesh B Patel	3,800	0.07	3,800	0.07
	Ishan H Patel	500	0.01	500	0.01
	Ranjan J Patel	4,000	0.07	4,000	0.07
	Savitaben B Patel	4,000	0.07	4,000	0.07
	Alka K Patel	4,000	0.07	4,000	0.07
	Jagruti S Patel	1,100	0.02	1,100	0.02
	Kalvati S Patel	2,900	0.05	2,900	0.05
	Champaben Patel	2,000	0.04	2,000	0.04
	Indiraben Patel	2,000	0.04	2,000	0.04
	Alpesh Sukhadevbhai Patel	1,800	0.03	1,800	0.03
	Yasminben Abbasali Musamji	13,480	0.25	13,480	0.25
	Dinesh Shantilal Shah	5,000	0.09	5,000	0.09
	Sandip Vasudevbhai Patel	4,500	0.08	4,500	0.08
	Nayana Vijay Patel	5,000	0.09	5,000	0.09
	Vijay Babulal Patel	7,150	0.13	7,150	0.13
	Pankaj S Shah	1,19,500	2.21	1,19,500	2.21
	Total	**3,48,430**	**6.39**	**3,48,430**	**6.39**
	Total Shares	**5,41,810**	**10.02**	**5,41,810**	**10.02**

2.1.6 The main provisions of SPA I are as follows :

a) The Acquirer will purchase so many equity shares under “SPA I” so that together with equity shares purchased through “SPA II” and acquisition through the open offer, the total holding of the Acquirer in FIL does not exceed 75% of the issued and paid-up voting equity share capital of FIL.

b) The Acquirer’s Auditor will calculate the Net Financial Condition as on 31st May, 2005. If the Net Financial Condition of the Company as on 31st May, 2005 is equal to or above Rs. 675 lacs, the “Purchase Price I” shall be Rs. 32.50/- per fully paid up equity share. However, if the Net Financial Condition as on 31st May, 2005 is less than Rs. 675 lacs, the “Purchase Price I” per fully paid up equity share shall be adjusted to an amount which is equal to the following :

Rs. 1,071.87 lacs less the difference between Rs. 675 lacs and the Net Financial Condition on 31st May 2005 divided by 32,98,070.

Net Financial Condition of FIL has been arrived by summing up accrued interest on fixed deposits, sundry debtors, cash & bank balances, loans and advances, investments and other current assets and then deducting current liabilities, provisions, secured loans and unsecured loans of FIL on a consolidated basis. Net Financial Condition of FIL on a consolidated basis as on March 31, 2005 was Rs. 724.74 lacs. However “Purchase Price I” of Rs 32.50 was pegged against a Net Financial Condition of Rs. 675 lacs in order to allow FIL to spend up to Rs. 49.74 lacs i.e difference between Rs. 724.74 lacs and Rs. 675 lacs in between March 31, 2005 and May 31, 2005 for any justifiable business reason.

c) Upon expiry of 22 (twenty two) days from the date of the PA, the Acquirer shall be entitled to, and may, appoint a director as its nominee on the Board of FIL. However, till date, the Acquirer has not nominated any director as its nominee on the Board of FIL.

d) Subject to the fulfillment of all the Conditions Precedent as mentioned in SPA I, the Sellers I shall deliver to the Acquirer the letters of resignation of all the directors of FIL (other than the Acquirer Nominee Director), effective from the conclusion of the Closing Board Meeting. The nominees of the Acquirer shall be appointed as additional directors on the Board of FIL.

e) Notwithstanding anything stated in this SPA I, in case of non- compliance of any provisions of the Regulations, the SPA I shall not be acted upon by Sellers I and the Acquirer.

f) Employment Agreements will be entered into by the Acquirer and/or any of its associated companies with Mr. Kantilal K Patel, Mr. Nitin N. Shah and Mr. Shailesh I. Rawal in order to utilize the rich experience of the current Management Team of FIL for future growth of FIL. They will continue to shoulder the same responsibilities post acquisition. The employment agreement with Mr. Kantilal K Patel, Mr. Nitin N. Shah and Mr. Shailesh I. Rawal will be to reflect an employer-employee relationship and will not result in dilution of control by the Acquirer in FIL after acquisition. The terms of the employment agreement will be mutually decided which will be generally in line with the employment agreement entered with the Senior Management Team members of the Acquirer and / or industry practice.

g) Sellers I declare and confirm that upon the Closing taking place, notwithstanding that Sellers I may continue to hold any Shares in FIL, Sellers I do not wish to remain and neither does the Acquirer desire that Sellers I remain as such and shall cease to be the promoters of FIL and the remaining equity shares shall be categorized as “the shares held by public.” The Acquirer would accordingly become the promoter of FIL in such an event.

h) The SPA I shall stand terminated if the Closing Date has not occurred on or before 180 days from the execution and delivery of the SPA I. Provided however that in the event that any delay beyond such 180 day period is caused by the failure of the Acquirer to obtain any statutory approvals required to be obtained by the Acquirer under the SPA I, the SPA I shall not terminate as provided above and shall continue for a further period of up to 60 days. Sellers I and the Acquirer may however by mutual consent agree to extend the SPA I beyond the termination date provided in the SPA I.

2.1.7 The SPA II provides the following :

a) The Acquirer and Sellers II agree that the Acquirer shall purchase from the Sellers II, Transaction Shares II at Rs. 32.50/- per fully paid up equity share on the Closing Date. It is clarified that the purchase of the Transaction Shares II under SPA II shall not be subject to and shall be without any reference to the completion of the purchase of the Transaction Shares I under SPA I.

b) Subject to the completion of Open Offer, on the Closing Date, Sellers II shall sell, and the Acquirer shall purchase the Transaction Shares II free from all liens, options, equity, charges and encumbrances whatsoever together with all rights attaching thereto up to the Closing Date at Rs. 32.50/- per fully paid up equity share.

c) The SPA II shall stand terminated if the Closing Date has not occurred on or before 180 days from the execution of SPA II. Provided however that in the event that any delay beyond such 180 day period is caused by the failure of the Acquirer to obtain any statutory approvals required to be obtained by the Acquirer under the SPA II, the SPA II shall not terminate as provided above and shall continue for a further period of up to 60 days. Sellers II and the Acquirer may however by mutual consent agree to extend the SPA II beyond the termination date.

2.1.8 Being parties to SPA I and SPA II, Sellers I and Sellers II will not participate in this offer being made by the Acquirer.

2.1.9 The Acquirer, the Target, Sellers I and Sellers II have not been prohibited by SEBI from dealing in securities, in terms of directions under Section 11B of SEBI Act or under any of the regulations made under the SEBI Act.

2.1.10 As mentioned in paragraph 2.1.6(c), upon expiry of 22 (twenty two) days from the date of the PA, the Acquirer shall be entitled to, and may, appoint a director as its nominee on the Board of FIL

The Acquirer, in accordance with regulation 22(7) of the Regulations, has made a 100% cash deposit in the Escrow Account with ABM Amro Bank with a lien in favour of Enam.

Further, as mentioned in paragraph 2.1.6(d), subject to the fulfillment of all the Conditions Precedent as mentioned in SPA I, the Sellers I shall deliver to the Acquirer the letters of resignation of all the directors of FIL (other than the Acquirer Nominee Director), effective from the conclusion of the Closing Board Meeting. The nominees of the Acquirer shall be appointed as additional directors on the Board of FIL.

2.2 The Offer

2.2.1 The Acquirer is making an offer to the shareholders (other than “Sellers I” and “Sellers II”) of FIL to acquire 10,81,020 fully paid up equity shares of Rs.10/- each representing 20% of the outstanding voting equity share capital of FIL at a price of Rs. 32.50 /- per fully paid-up equity share (the “Offer Price”) payable in cash. The offer is being made in accordance with regulations 10 & 12 of the Regulations pursuant to the proposed substantial acquisition of equity shares and change in control as a consequence of the “SPA I” and “SPA II” referred to in paragraph 2.1.1 and 2.1.2 above.

For the purpose of computing the voting percentage, the voting rights as at the expiration of fifteen days after the closure of the Offer has been reckoned.

2.2.2 The Offer is not conditional on any minimum level of acceptance.

2.2.3 This is not a Competitive Bid.

2.2.4 The Public Announcement, as per regulation 15(1) of the Regulations, was made in the following newspapers on June 09, 2005 :

Newspaper	Language	Editions
Financial Express	English	All editions
Jansatta	English	All editions
Vadodara Samachar	English	Vadodara edition

A copy of this Public Announcement is also available at SEBI’s website (www.sebi.gov.in).

If there is any upward revision in the Offer Price of Equity Shares/ Offer Size by the Acquirer till the last date of revision viz. August 04, 2005 or in case of withdrawal of the Offer, the same would be informed by way of a Public Announcement in the newspapers in which the original PA was published on June 09, 2005 and the same revised price would be payable by the Acquirer to all shareholders who tendered their Equity Shares at any time during the Offer and which are accepted by the Acquirer under the Offer.

2.2.5 The Offer is subject to the terms and condition set out herein in the Letter of Offer (“LOF”).

2.2.6 This Offer is subject to receipt of the statutory approvals mentioned in paragraph 8 of the LOF. In terms of regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

2.2.7 The Acquirer does not hold any sharers in the target as on the date of the PA except through the two SPAs mentioned in 2.1.1 and 2.1.2.

2.2.8 The Equity Shares will be acquired by the Acquirer free from all liens, charges and encumbrances and together with all rights attached thereto, including the right to all dividends, bonus and rights offer declared hereafter.

2.2.9 As on date of the LOF, the Manager to the Offer does not hold any shares in the Target.

3 RATIONALE FOR THE ACQUISITION AND OFFER

3.1 The Offer to the shareholders of FIL, as explained in paragraph 2.2.1 above, is being made pursuant to regulations 10 and 12 of the Regulations for substantial acquisition of equity shares of FIL accompanied by a change in control.

3.2 The Acquirer, an IT service company, is acquiring FIL to expand its BPO services capabilities. FIL is anticipated to be a key BPO delivery center for the Acquirer and the Acquirer's plan is to offer such BPO services to its existing and new clients globally. The Acquirer believes that because of its closely aligned delivery model and BPO experience, FIL is highly complementary to the Acquirer. FIL will help to strengthen the Acquirer's service offering and leadership position in the BPO market and increase the Acquirer's ability to meet the needs of existing and prospective clients in the commercial sector. Covansys Corporation, USA and FIL has signed a 'Teaming Agreement' on May 1, 2005 for jointly providing BPO services to various clients**.** The 'Teaming Agreement' does not mention any intention of Covansys Corporation, USA to acquire shares of FIL, either directly or indirectly.

To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of FIL. The Board of Directors of FIL will take appropriate decisions in these matters. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of FIL in the next two years except in the ordinary course of business of FIL and except to the extent mentioned above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of FIL except with the prior approval of the shareholders of FIL.

4 INFORMATION ON COVANSYS (INDIA) PRIVATE LIMITED ("THE ACQUIRER")

4.1 Covansys (India) Private Limited is a private limited company constituted under the Companies Act, 1956 originally incorporated under the name Total Business Solutions (India) Private Limited on July 18, 1991. It changed its name to Complete Business Solutions (India) Private Limited on October 04, 1994. Consequent to the name change of its parent company, the Acquirer again changed its name to Covansys (India) Limited on February 22, 2001 and to Covansys (India) Private Limited on May 24, 2001.

4.2 The Acquirer has its registered office at Unit 13, Block 2, SDF Buildings, Madras Export Processing Zone, Chennai 600045, India. Tel.: +91-44 -2262 8080; Fax: +91 - 44 -2262 8171.

4.3 The Acquirer is engaged in the business of software development services and expanding in the area of BPO services. It is an ultimate subsidiary of Covansys Corporation, USA. Established in 1991, the Acquirer has development centres in Chennai, Bangalore and Mumbai.

The Acquirer offers a range of services which include advisory services to clients on strategic business & technology plans, development, implementation and maintenance services. The Acquirers' end-to-end service capabilities include :

- Strategic Outsourcing
- Integration services
- Industry Specific Solutions

The Acquirer has a pool of close to 4000 skilled employees. Approximately 84% of revenue of the Acquirer in the financial year ended December 31, 2004 was generated from the US region, approximately 3% from Europe, and the rest from Asia Pacific region.

4.4 Covansys (Mauritius) Limited is the promoter of the Acquirer. Covansys (Mauritius) Limited, in turn is a wholly owned subsidiary of Covansys Corporation, USA. Therefore, Covansys Corporation, USA, is the ultimate holding company of Covansys (India) Private Limited.

4.5 The Acquirer is an unlisted company. It does not hold 5% or more of the equity shares or voting rights in any Company listed on any of the stock exchanges in India. It has not promoted any Company and is not in control of any Company. Hence, provisions of Chapter II of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulation, 1997 is not applicable to the Acquirer.

4.6 The Shareholding pattern of the Acquirer as on June 9, 2005 is as under :

Sr. No	Shareholders Category	No. of shares held	% of shares
1	Promoters –		
	• Covansys (Mauritius) Limited	3,99,99,980	100
	• Mr. Raj B Vattikuti, Nominee of Covansys (Mauritius) Limited	20	
2	FII/Mutual Funds/FIs/Banks	—	—
3	Public	—	—
	Total paid up capital	4,00,00,000	100.00

4.7 Details of the Board of Directors of the Acquirer are as below :

Name and Designation	Residential Address	Qualification & Experience	Date of Joining
Mr. Raj B Vattikuti Chairman	3350 Eastpointe, Bloomfield Hills Michigan 48302, USA	BE, Master of Science degree in Electrical and Computer Engineering, Wayne State University. Honorary doctorate in Business administration, Bryant College. 28 years	28.02.1992
Mr. K Subrahmaniam President & CEO	F1, Salarpuria Haven, 160, 6th Cross, 5th Main, Defence Colony, Hal 2nd Stage, Bangalore 560 038	BE, PG Diploma in Business Administration, 31 years	24.09.2003

Name and Designation	Residential Address	Qualification & Experience	Date of Joining
Mr. James S Trouba	744 Eltham Court, Ann Arbor, Michigan 48103, USA	Bachelor's degree in Business Administration, Michigan University Certified Public Accountant 20 years	23.09.2004
Mr. S Ramanathan	AA 99, First Street III Main Road, Anna Nagar Chennai 600 040.	BE in Mechanical Engineering 31 years	28.02.1992
Mr. John A Stanley	9 Rue Du Comte D'orsay, 78240 Chambourcy, France	Master of Arts Degree, Cambridge University, UK 41 years	19.02.2001

As on the date of the Public Announcement, none of the Directors of the Acquirer is on the Board of Directors of FIL.

4.8 The authorized share capital of the Acquirer is Rs. 25,00,00,000 divided into 5,00,00,000 equity shares of Rs. 5/- each. It's issued and paid-up capital is Rs. 20,00,00,000 divided into 4,00,00,000 equity shares of Rs. 5/- each.

4.9 The adjusted audited financial highlights (as required under point no. 12 of Annexure I of 'Standard Letter of Offer for an Open Offer' in terms of Regulations) of Covansys for the last three years as certified by Mr. Jatin Sanghvi of M/s. Jatin Sanghvi & Associates, Chartered Accountants, (Membership No. 212540) , vide their report dated June 14, 2005, are as below :

(Rs. Lacs except ratio and share data)

Particulars	For the year ended December 31, 2004	For the year ended December 31, 2003	For the year ended December 31, 2002
Profit and Loss Statement			
Income from operations	34,004.58	21,493.93	20,037.23
Other Income	285.87	661.17	794.82
Total Income	34,290.45	22,155.10	20,832.05
Total Expenditure	27,957.15	17,992.59	15,209.44
Profit Before Depreciation Interest and Tax	6,333.30	4,162.51	5,622.61
Depreciation	2,097.65	1,873.99	1,462.28
Interest	0	0	0
Profit Before Tax (before extra ordinary item)	4,235.65	2,288.52	4,160.33
Profit Before Tax (after extra ordinary item)	4,235.65	2,288.52	4,160.33
Provision for Tax	362.31	432.57	376.98
Profit After Tax	3,873.34	1,855.95	3,783.35
Sources of Funds			
Paid up Share Capital	2,000.00	2,000.00	2,000.00
Reserves and Surplus (Excluding Revaluation Reserves)	21,167.15	17,293.81	15,437.86
Networth	23,167.15	19,293.81	17,437.86
Secured Loans	0	0	0
Unsecured Loans	0	0	0
Total	**23,167.15**	**19,293.81**	**17,437.86**
Use of Funds			
Net Fixed Assets	6,108.61	4,892.50	4,229.84
Investments	7,096.40	6,561.61	5,870.66
Net Current Assets	9,623.32	7,604.15	7,159.24
Deferred Tax Assets	338.82	235.55	178.12
Misc. Expenses not written off	0	0	0
Total	**23,167.15**	**19,293.81**	**17,437.86**
Other Financial Data			
Dividend (%)	Nil	Nil	Nil
Earning Per Share (Rs.) =			
(Profit After Tax /Number of shares)	9.68	4.64	9.46
Return on Networth (%) =(Profit After Tax ×100)/Networth}	16.72%	9.62%	21.70%
Book Value Per Share (Rs.)=(Networth/Number of shares)	57.92	48.23	43.59

4.10 Details of contingent liabilities of the Acquirer as on December 31, 2004 are as follows :

(Rs. Lacs)

Sr No.	Description of contingent Liabilities	As at December 31, 2004
1	Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances):	558.16
2	Guarantees given by Bank	60.07
3	Letters of Credit	151.06
4	Bills discounted	460.00

The Company has undertaken export obligations in respect of its 100 % Export Oriented Units. In the opinion of the management, the Company would be able to meet all the export obligations.

Claims against the Company pertaining to Income Tax matter amounting Rs. 272.30 lacs is contested and for the same no provision has been made in accounts.

4.11 For the year ended December 31, 2003, the net profit after tax dropped by 51 % mainly on account of downward pressures in billing rates. For the year ended December 31, 2004 the net profit after tax increased by 108% on account of execution of new projects and growth in volumes.

4.12 Significant accounting policies of the Acquirer are as follows:

- **Basis of preparation of financial statements**

  The financial statements are prepared under the historical cost convention, on the accrual basis of accounting and in accordance with the generally accepted accounting principles applicable in India (GAAP) and the provisions of the Companies Act, 1956 of India.

- **Use of estimate**

  The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

- **Income Recognition**

  Revenue from computer software and related services are recognised in accordance with the terms of the contracts as the services are performed in case of time and material contracts and using proportionate completion method in case of fixed price contracts. Revenue from computer software and related services include billable expenses. Revenue to be billed in subsequent period as per the terms of the contracts are represented as unbilled revenue and included under sundry debtors.

  Dividend income is recognised as and when the right to receive is established.

- **Fixed Assets and Depreciation**

  Fixed assets are stated at cost. Acquisition cost comprise of purchase price and any attributable cost of bringing the asset to working condition for its intended use.

  Depreciation on fixed assets (other than software) is calculated on Straight Line Method based on management’s estimate of useful life of assets as stated below, which are higher than the rates specified in Schedule XIV to the Companies Act 1956. Depreciation for additions / deletions during the year is proportionately charged. Individual assets costing Rs.5,000 and less are entirely depreciated in the year of acquisition.

Particulars	Rates of depreciation (%)
Buildings	3.34
Leasehold improvements	20
Computers and other equipment	33.33
Electrical installations	20
Furniture and fittings	20
Office equipment	20
Vehicles	20

  Software purchased and which are not billable to customers are capitalised and are amortized over the period of the license (or) the estimated useful life not exceeding three years whichever is lower. Software costs billable to the customers are expensed in the year of purchase.

- **Investments**

  Current investments are carried at the lower of cost / fair value.

- **Foreign Currency Transactions**

  Foreign currency transactions are recorded at rates of exchange prevailing on the date of the transaction. At the year end, all monetary foreign currency denominated assets and liabilities are restated at the rate of exchange prevailing on the date of the balance sheet other than forward exchange contracts. All the exchange differences are dealt with in the statement of profit and loss, except those relating to acquisition of fixed assets, which are adjusted in the cost of the assets. The gains or losses arising from forward cover transactions are recognised over the life of the forward contract in the statement of profit and loss except those relating to acquisition of fixed assets which are adjusted in the cost of assets.

The gains or losses arising from forward cover transactions are recognized over the life of the forward contract in the statement of profits and loss except those relating to acquisition of fixed assets which are adjusted in the cost of the assets.

- **Employee Benefits**

  a) Retirement benefits to employees comprise payments to gratuity, superannuation and provident find under the schemes of the Company. In respect of gratuity amounts as determined by the actuary / Life Insurance Corporation of India (LIC) are charged to revenue and contributions are made to LIC there of. Contributions to the superannuation fund are made to LIC and contributions to the provident fluid are based on specified percentages of each covered employees' salary and are charged to revenue.

  b) Liability for leave encashment of employees, in accordance with the rules of the Company, is provided at encashable salary rates and on the unavailed leave balance standing to the credit of employees as at the balance sheet date on total estimated liability basis.

- **Deferred Tax**

  In accordance with the Accounting Standard - 22, Accounting for taxes on income, issued by the Institute of Chartered Accountants of India, the deferred tax for timing differences between the book and tax profits for the year is accounted for using the tax rates and laws that have been substantially enacted as of the Balance Sheet date.

  Deferred tax assets arising from temporary timing differences are recognized to the extent there is virtual certainty that the assets can be realized in the future.

- **Impairment of Assets**

  Consideration is given at each Balance Sheet date to determine whether there is nay indication of impairment of the carrying amount of the Company's' fixed assets. If any indication exits, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds recoverable amount.

4.13 There was no earlier acquisition made by the Acquirer.

4.14 The Acquirer has not promoted any companies.

4.15 The Acquirer has not been prohibited by SEBI from dealing in securities, in terms of directions issued under Section 11B of the SEBI Act, 1992, as amended (the "SEBI Act") or under any other regulation made under the SEBI Act.

4.16 The Acquirer, an IT service company, is acquiring FIL to expand its BPO services capabilities. FIL is anticipated to be a key BPO delivery center for the Acquirer and the Acquirer's plan is to offer such BPO services to its existing and new clients globally. The Acquirer believes that because of its closely aligned delivery model and BPO experience, FIL is highly complementary to the Acquirer. FIL will help to strengthen the Acquirer's service offering and leadership position in the BPO market and increase the Acquirer's ability to meet the needs of existing and prospective clients in the commercial sector. Covansys Corporation, USA and FIL has signed a 'Teaming Agreement' on May 1, 2005 for jointly providing BPO services to various clients.

To the extent required and to optimize the value to all shareholders, the Acquirer may, subject to applicable shareholders' consent, enter into any compromise or arrangement, reconstruction, restructuring, merger, rationalizing and/or streamlining of various operations, assets, liabilities, investments, businesses or otherwise of FIL. The Board of Directors of FIL will take appropriate decisions in these matters. The Acquirer does not have any plan to dispose off or otherwise encumber any asset of FIL in the next two years except in the ordinary course of business of FIL and except to the extent mentioned above. However, the Acquirer undertakes that it shall not sell, dispose off or otherwise encumber any substantial assets of FIL except with the prior approval of the shareholders of FIL.

5 INFORMATION ON FORTUNE INFOTECH LIMITED (THE TARGET/ "FIL")

5.1 Fortune Infotech Limited was incorporated on February 03, 1998 as a limited company under the name, Chimanlal Maniklal Fortune Fiscal Limited, under the Companies Act 1956. Subsequently the name was changed to Fortune Infotech Limited on December 15, 1998.

5.2 It has its registered office at Plot No. 160/4, Old Chhani Road, Vadodara 390 002, Gujarat, India. Tel.: +91 265 276 1824; Fax: +91 265 277 3152.

5.3 FIL was originally formed with the main objective of carrying out broking activities in the capital market under the name of Chimanlal Maneklal Fortune Fiscal Ltd. However FIL did not pursue much business in these activities. As many promoters of the company were technocrats, within short span of 10 months the Board decided to carry out activities in Information Technology business. The name of the company was changed to Fortune Infotech Ltd on 15th December 1998. Also objectives were changed to providing internet and intranet based services, software development, to developed countries utilizing India's cheap but talented labour force.

Initially for few months FIL carried out computer training activities for high end courses such as Oracle DBA, and Microsoft certified Systems Administrators. At the same time the management of FIL continued to research suitable areas in IT field to focus and expand the activities. After extensive research and analysis finally the company management decided to concentrate on IT Enabled services and BPO services and started providing Medical Transcription Services from February, 2000. Presently FIL is providing Back Office Services such as Transaction Processing, Claim Processing, Accounts Payable Processing and Medical Transcription Services. Presently it's total revenue from operations comes from USA only.

5.4 FIL has operations in Vadodara and Bangalore, India as well as a U.S. office in Princeton, NJ through its subsidiary Fortune Infotech USA Inc.

5.5 The share capital structure of FIL as on the date of the Public Announcement was as follows :

Issued and paid-up Equity Share Capital	No. of Equity Shares (Face Value - Rs. 10/-)/ Voting Rights	% of Equity Shares / Voting Rights
Fully paid-up Equity Shares (a)	5,405,100	100 %
Partly paid-up Equity Shares (b)	—	—
Total Issued and paid-up Equity Shares (a+b)	**5,405,100**	**100 %**
Total Voting Rights	**5,405,100**	**100%**

As on the date of the Public Announcement, there are no outstanding convertible instruments of FIL. There are no partly paid up shares.

5.6 The capital build-up of FIL since its inception is as follows :

Date of Allotment	Number & % of shares issued	Cumulative paid-up capital in Rs.	Mode of allotment	Identity of allottees (Promoters/ex-promoters/ others)	Status of compliance
03.02.1998	1000	10,000	Subscription of MOA and AOA	Promoters	
25.03.1999	37,500	3,85,000	Private Placement against Cash	Promoters & and their associates	Complied with
30.11.1999	2,15,500	25,40,000	Private Placement against Cash	Promoters & and their associates	Complied with
31.03.2000	32,46,000	3,50,00,000	Private Placement against Cash	Promoters & and their associates	Complied with
08.12.2000	19,05,100	5,40,51,000	Public Issue	Subscriber to the Public Issue	Complied with

5.7 The shares of FIL are listed and infrequently traded on The Stock Exchange, Ahmedabad and the Vadodara Stock Exchange Limited. The shares of the company are listed on the Stock Exchange, Ahmedabad w.e.f. 24th January, 2001 and the Vadodara Stock Exchange Limited w.e.f. 22nd January, 2001

5.8 FIL has duly complied with all the provisions of the listing agreement entered into with ASE and VSE from time to time. No penal action has been initiated or taken by ASE or VSE and the shares have not been suspended for trading on either stock exchange nor has any of the stock exchanges denied listing.

5.9 FIL as well as Sellers I, Sellers II and other major shareholders have duly complied with the provisions of chapter II of the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 1997 from time to time except stated as under:

There have been delays in filings u/r 7(3) for the year 2001 (delay of 1461 days) and u/r 8(3) for the years 2001 (delay of 1485 days), 2002 (delay of 1120 days) and 2004 (delay of 18 days). FIL has filed papers u/r 7(3) for the year 2001 as well as papers u/r 8(3) for the years 2001 & 2002 with ASE on May 23, 2005 with VSE on May 24, 2005. FIL had also filed papers u/r 8(3) for the year 2004 on December 2, 2004. No subsequent action has been taken by FIL in this regard.

SEBI may initiate appropriate actions against FIL for any non-compliance/delay in compliance with the disclosure requirements specified in Chapter II of the Regulations.

5.10 As on date of the Public Announcement, the Board of Directors of FIL was as below :

Name and Designation	Qualification	Experience	Date of Joining	Residential Address
Shri. Kantilal K.Patel MD & CEO	B.E. (Mechanical) also having specialization in Oracle and e-commerce	Being an Oracle & E-commerce professional, he is MD & CEO of the Company since 2001. He has profound knowledge and experience of 20 years in Petrochemicals and Fertilizer industry in the areas of project planning, trouble shooting techniques and development. As an IT professional, he has experience of more than 10 years in Medical Transcription and Software Development in the Company. The responsibilities shouldered by him in the Company are Finance, Secretarial, Medical & Non-Medical Transcription and Software Development Division.	05.02.2000	A-7, Mehsanagar Society, Nizampura, Vadodara – 390 002

Name and Designation	Qualification	Experience	Date of Joining	Residential Address
Shri. Nitin N.Shah Director & COO	B.E. (Mechanical)	He has functional experience of about 20 years in computer and engineering industry in the areas of quality control & quality assurance. He was involved in defining business rules for development of software for on-line trading of securities at Vadodara Stock Exchange Ltd. and has also been the member of the Vadodara Stock Exchange. He heads the Systems Department, Production Department and Personnel & Administration Department of Baroda Unit of the Company.	05.02.2000	8, Kasturba Nagar Free Hold Plots, New Sama Road, Vadodara – 390 008
Shri. Ashit R.Shroff Director (Operations)	Commerce Graduate	He has experience of 23 years in the field of Import & Export procedures. He has been a member of Vadodara Stock Exchange. He is in charge of total Bangalore Unit of the Company and in charge of the overall operations of the Bangalore office.	05.02.2000	12, Jayant Mahal, D-Road, Churchgate Mumbai – 400 020
Shri. Yogesh D.Patel Director	M.com D.T.P.	He has functional experience in handling financial matters of small to medium scale industries. He has also been member of the Vadodara Stock Exchange. He has an overall experience of 15 years.	05.02.2000	6, Gandhigram Society, Karelibaug Vadodara – 390 018
Shri. Sailesh I.Rawal Director	B.E. (Electrical)	He has 17 years of working experience in a large petrochemical complex. Presently he is overall in charge of overseas office at USA of the Company and also heading Marketing and Overseas Business activities of the Company.	05.10.2001	32, Hendrickson Drive Pike Run, Montgomery Belle Mead, NJ08502, USA
Shri. Apurva R.Shah Director	C.A. & Software Engineer	He runs a Software Company in Mumbai. He is also Chairman of the Audit Committee and Remuneration Committee of the Company. He has an overall experience of 12 years.	05.10.2001	301, Ashadeep, Azad Road, Andheri (E), Mumbai – 400 069
Shri. Chirayu G.Patel Director	B.E. (Electronics & Communications)	He runs a construction business and also has in-depth knowledge of Capital Market. He has an overall experience of 10 years.	05.10.2001	48, Vitthalnagar Society, Karelibag, Vadodara – 390 018
Shri. Ghanshyam D.Patel Director	B.Com	He is running his own Computer Education classes for the last ten years. He has been the member of the Vadodara Stock Exchange. He has an overall experience of 12 years.	05.10.2001	D-201, Taksh Complex Gotri Road Vadodara – 390 021
Shri. Bharat C.Patel Director	B.Com	He is having functional experience and expertise in the areas of capital market. He has an overall experience of 10 years.	01.11.2001	B-41, Maninagar Society Part – II, Gorwa Refinery Road Vadodara – 390 016

As on the date of the Public Announcement, none of the Directors of the FIL represent the Acquirer.

Though the Acquirer, in terms of SPA I, is entitled to appoint a director as its nominee on the Board of FIL upon expiry of 22 (twenty two) days from the date of the PA, the Acquirer has not nominated any director as its nominee on the Board of FIL till date.

5.11 No mergers/ demergers/ spin offs has taken place in FIL during the period of last three years.

5.12 The brief audited financial highlights of FIL for the year ended March 31, 2002; March 31, 2003 and March 31, 2004 and limited reviewed financial results for the year ended March 31, 2005 as certified by the Statutory Auditors of FIL, Mr. Ketan H Bhatt of M/s. K H Bhatt & Co., Chartered Accountants (Membership no. 40652), S/8, National Plaza, 2nd Floor, R.C.Dutt Road, Alkapuri, Vadodara 390 007 vide their report dated May 5, 2005, are as below :

Particulars	Year ended March 31, 2005 (Limited Reviewed)	Year ended March 31, 2004 (Audited)	Year ended March 31, 2003 (Audited)	Year ended March 31, 2002 (Audited)
Profit and Loss Statement				
Income from operations	1022.83	1126.08	1400.86	416.92
Other Income	29.61	32.13	10.59	9.25
Total Income	1,052.44	1158.21	1,411.45	426.17
Total Expenditure	786.50	761.08	630.84	213.30
Profit Before Depreciation Interest and Tax	265.94	397.13	780.61	212.87

Particulars	Year ended March 31, 2005 (Limited Reviewed)	Year ended March 31, 2004 (Audited)	Year ended March 31, 2003 (Audited)	Year ended March 31, 2002 (Audited)
Depreciation	104.11	92.97	66.92	34.96
Interest	0.00	1.72	9.53	8.64
Profit Before Tax (before extra ordinary item)	161.83	302.44	704.16	169.27
Extra ordinary item	0.00	72.82	0.00	0.00
Profit Before Tax (after extra ordinary item)	161.83	375.26	704.16	169.27
Provision for Tax	10.32	-27.58	61.58	26.88
Profit After Tax	151.51	402.84	642.58	142.39
Balance Sheet Statement				
Sources of Funds				
Paid up Share Capital	540.51	540.51	540.51	540.51
Reserves and Surplus (Excluding Revaluation Reserves)	1072.59	1043.31	762.42	241.88
Networth	1613.10	1583.82	1302.93	782.32
Secured Loans	0.00	0.00	0.00	128.28
Unsecured Loans	0.00	0.00	37.95	33.99
Deffered Tax Liability	50.04	45.28	81.66	21.00
Total	1663.14	1629.10	1422.54	965.59
Use of Funds				
Net Fixed Assets	805.92	846.70	796.29	549.45
Investments	259.99	239.83	242.48	92.48
Net Current Assets	594.05	528.87	356.51	282.73
Total Misc. expenditure not written off	3.18	13.70	27.29	40.93
Total	1663.14	1629.10	1422.54	965.59
Financial Data				
Dividend (%)	20.00%	20.00%	20.00%	0.00%
Earning Per Share (Rs.) = (Profit After Tax /Number of shares)	2.80	7.45	11.89	2.63
Return on Networth (%) ={(Profit After Tax ×100)/Networth}	9.41%	25.66%	50.37%	19.21%
Book Value Per Share (Rs.) =(Networth/Number of shares)	29.79	29.05	23.60	13.72

5.13 Since fiscal 2002-03 the revenue and profit of FIL has been falling on account of its dependence on limited number of customers and decreasing volume of claims received for processing

5.14 Pre and Post- Offer share holding pattern of the target company is as follows :

	Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer. (A)		Shares /voting rights agreed to be acquired which triggered off the Regulations. (B)		Shares/voting rights to be acquired in open offer (Assuming full acceptances) (C)		Share holding / voting rights after the acquisition and offer. (A)+(B)+(C)=(D)	
		No.	%	No.	%	No.	%	No.	%
(1)	<u>Promoter group</u>								
	a. Parties to agreement (Sellers I)*	32,98,070	61.02 %	(32,98,070)	(61.02%)	-	-	8,67,075	16.04%
	b. Promoters other than (a) above	-	-	-	-	-	-	-	-
	<u>Total 1 (a+b)</u>	32,98,070	61.02 %	(32,98,070)	(61.02%)	-	-	8,67,075	16.04%
(2)	<u>Acquirers</u>								
	Covansys*	-	-	3,839,880	71.04 %	10,81,020	20.00%	40,53,825	75%
(3)	<u>Parties to agreement other than(1) (a) & (2)</u>	5,41,810	10.02%	(5,41,810)	(10.02%)	-	-	Nil	Nil

	Shareholders' Category	Shareholding & voting rights prior to the agreement/ acquisition and offer. (A)		Shares /voting rights agreed to be acquired which triggered off the Regulations. (B)		Shares/voting rights to be acquired in open offer (Assuming full acceptances) (C)		Share holding / voting rights after the acquisition and offer. (A)+(B)+(C)=(D)	
		No.	%	No.	%	No.	%	No.	%
(4)	Public (other than parties to agreement, acquirers								
	a. FIs/MFs/FIIs/Banks, SFIs	Nil	Nil					Nil	Nil
	b. Others	15,65,220	28.96%			(10,81,020)	(20.00)%	4,84,200	8.96%
	(Indicate the total number of shareholders in "Public" category) #								
	<u>**Total (4)(a+b)**</u>	**15,65,220**	**28.96%**			(10,81,020)	(20.00)%	**4,84,200**	**8.96%**
	GRAND TOTAL (1+2+3+4)	**54,05,100**	**100.00%**					**54,05,100**	**100.00%**

* As per SPA I, Acquirer will purchase so many equity shares under "SPA I" so that together with equity shares purchased through "SPA II" and acquisition through the open offer, the total holding of the Acquirer in FIL does not exceed 75% of the issued and paid-up voting equity share capital of FIL

\# Total No. of shareholders in Public Category are 1484.

For the purpose of computing the voting percentage, the voting rights as at the expiration of fifteen days after the closure of the Offer has been reckoned.

As per the undertaking dated June 16, 2005 from the Promoter, there has been no substantial change in the Promoters' Holding in FIL since the date of the Public Issue requiring compliance with the provisions of the SEBI (SAST) Regulations/other applicable Regulations under the SEBI Act, 1992 and other statutory requirements.

5.15 The Company has duly complied with all the provisions under Clause 49 of the Listing Agreement relating to Corporate Governance.

5.16 Details of Pending Litigations are as follows :

Sr. No.	Name	Case Details	Present Status	Contingent Liability
1)	Mr. Manish O.Bhangadiya 439/16, Satyam Apartment, Gorwa Refinery Road, Vadodara – 390 016	Discharge from the company by paying one months notice period	Matter is at Labour court. Reference LCV No.712/2003, Court No.1, Labour Court, Karelibaug water tank, Baroda	We do not envisage any liability in this respect as company has paid him one month pay and discharged him as per the terms of his appointment letter
2)	Nur Aali Barkatali Gelani 1, Kalinivas Colony, Akota, Vadodara – 390 020	Discharge from the company by paying one months notice period	Matter is at Labour court. Reference LCV No.13208/2002, Court No.1, Labour Court, Karelibaug water tank, Baroda	We do not envisage any liability in this respect as company has paid him one month pay and discharged him as per the terms of his appointment letter
3)	Digant T.Joshipura 99/B, Umang Society, Behind Mothers School, Hari Nagar, Vasna Road, Baroda	Not reported for duty not resigned	Matter is at Labour court. Reference LCV No.268/2005, Court No.1, Hingorani Saheb, Labour Court, Karelibaug Water Tank, Baroda	No Continent Liability is envisaged as Management discharged him on account of more that 30 days absenteesim
4)	Mr. Arunbhai Amin Pratiksha, Vadivadi, Nr. Municipal Tank Sarabhai Road, Baroda	Gratuity Payment Demand	Matter is at High court. Special Civil application No.9448 of 2004 Coram: Mr.K.S.Jhaveri.J. High Court, Ahmedabad	Order Issued form High Court on 03.08.2004 that to deposit gratuity amount Rs.2,10,901.70 in the court. Company has deposited the same amount by cheque No.29562 dated 31.08.2004. The matter is pending with High Court. No contingent liability.
5)	Mrs. Dhuriben Shivabhai Parmar	Gratuity Payment Demand	Matter is at Labour Court. Recovery No.403/2002, Labour Court No.1, Karelibag, Baroda	Company has already paid the Gratuity Amount to Ms. Dhiruben vide Cheque No.265818 dated 04.01.2003 of Rs.13048/-. We do not envisage any liability in this respect as company has paid the Gratuity.

5.17 Details of the compliance officer are as follows :

Mr. Jigar Y Purohit

The address of the compliance officer is as follows :

Fortune Infotech Limited
Plot No. 160/4, Old Chahni Road,
Vadodara, Gujarat 390 002
Tel: +91 - 265 -276 1824; Ext 131
Fax: +91 -265 -277 3152

6 OFFER PRICE AND FINANCIAL ARRANGEMENTS

6.1 Justification for the Offer Price

6.1.1 The equity shares of FIL are listed on The Ahmedabad Stock Exchange ("ASE") and the Vadodara Stock Exchange Limited ("VSE").

6.1.2 The annualized trading turnover in the shares of FIL in each of the above mentioned Stock Exchanges based on trading volume during December 2004 to May 2005 (six calendar months preceding the month in which the PA is made) is as given below :

Stock Exchange	Shares Traded (December 2004 - May 2005)	Total Shares Listed	Trading Turnover (Annualized) (% of total shares listed)
ASE	Nil	5,405,100	N.A.
VSE	Nil	5,405,100	N.A.

Source : ASE, VSE.

The shares of FIL are infrequently traded on ASE and VSE within the meaning of regulation 20(5)(i) of the Regulation.

The Offer price of Rs. 32.50/- per share is justified in terms of regulation 20 of the Regulations, in view of the following:

a.	Negotiated Price under the agreement for acquisition of shares or voting rights or deciding to acquire shares or voting rights		Rs. 32.50
b.	Highest Price paid by the Acquirer for acquisitions including by way of allotment in a public or rights or preferential issue during the 26 weeks prior to the date of P.A. i.e June 09, 2005		N.A.
c.	Other Parameters based on the accounts of FIL for financial year ended on March 31,		
		2005 (limited reviewed)	**2004 (audited)**
(i)	Return on Networth (%)	9.41%	25.66%
(ii)	Book Value per Share (Rs)	29.79	29.05
(iii)	Earning Per Share (Rs)	2.8	7.45
(iv)	PE ratio	N.A	N.A

Mr. Ketan Bhatt of M/S. K H Bhatt & Co, Chartered Accountants, (Membership No. 40652) have vide their report dated June 08, 2005 stated that considering the decision of Hon'ble Supreme Court of India in the case of Hindustan Lever Employee Union Vs Hindustan Lever Limited, 1995, (83 Com case 30) and precedences where weighted average has been used the Value Per Share on a weighted basis, the value of shares of the Target, based on the limited reviewed financial for the year 2004-05; would be Rs. 22.10 per share (as per CCI formula), considering the Net Asset Value of the Target of Rs. 29.79 per share and the Earning Based Value per share (PECV) of Rs. 14.41. Since the shares of the Target were not traded during the 2 weeks prior to June 9, 2005; no market price was available and therefore 'market price' parameter has not been used to determine the price.

Similarly, the value of shares of the Target, based on the audited financial for the year 2003-04; would be Rs. 27.57 per share (as per CCI formula), considering the Net Asset Value of the Target of Rs. 29.05 per share and the Earning Based Value per share (PECV) of Rs. 26.09. Since the shares of the Target were not traded during the 2 weeks prior to June 9, 2005; no market price was available and therefore 'market price' parameter has not been used to determine the price.

Hence the offer price of Rs. 32.50 per share offered by Covansys to the shareholders of FIL under the proposed open offer is justified.

6.1.3 The Acquirer has not acquired any equity shares of FIL from the date of the PA up to the date of the Letter of Offer.

6.1.4 In the opinion of the Manager to the Offer, the Offer Price of Rs. 32.50/- per fully paid-up Equity Share of FIL is justified in terms of regulation 20(11).

6.1.5 The Offer Price shall not be less than the highest price paid by the Acquirer for any acquisition of Equity Shares of FIL from the date of the Public Announcement up to 7 working days prior to the date of closing of the Offer.

6.1.6 There is no non-compete agreement.

6.2 Funding Arrangement for the Offer

6.2.1 The Acquirer has made firm financial arrangements for financing the acquisition of equity shares under the public offer, in terms of regulation 16 (xiv) of the Regulations.

6.2.2 The maximum fund requirement for the acquisition of 10,81,020 shares of FIL at the offer price of Rs. 32.50/- per equity share (fully paid-up), assuming full acceptance of the shares tendered, would be Rs. 3,51,33,150.

In accordance with regulation 28 of the Regulations, the Acquirer has created an Escrow Account by depositing cash aggregating Rs. 3,51,33,150 (with a Lien marked in favor of ENAM), with ABN Amro Bank having its Country Office at Mumbai and a Branch Office at 18 Haddows Road, Nungambakkam, Chennai – 600006. Tel:- 044 2821 7171, Fax:- 044 2824 0951

The Manager to the Offer, Enam has been empowered to operate the Escrow Account and is authorized to realize the value of the aforesaid Escrow Account.

6.2.3 Mr. Jatin Sanghvi, of M/S. Jatin Sanghvi & Associates, Chartered Accountants, (Membership no. 212540), First Floor, Hari's Arcade, No 93, Perambur Barracks Road, Vepery, Chennai 600 007, Tel:- 044 5214 1024 have certified vide their letter dated June 07, 2005, that on the basis of the information and explanation given by the Acquirer and availability of funds in the escrow account with ABN Amro Bank having its Country Office at Mumbai and a Branch Office at 18 Haddows Road, Nungambakkam, Chennai – 600006, Tel:- 044 2821 7171, Fax:- 044 2824 0951, the Acquirer has adequate resources to meet the financial requirements of the open offer.

6.2.4 ENAM, on basis of the above, has satisfied itself that the Acquirer has adequate and firm financial arrangements to implement the offer in accordance with the Regulations.

7 TERMS AND CONDITIONS

7.1 The Acquirer made a Public Announcement on June 09, 2005 for the Offer. This Offer is being made to all the equity shareholders of FIL (other than the Acquirer, Sellers I and Sellers II) and the Letter of Offer together with the Form of Acceptance, Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) is being mailed to those shareholders of FIL whose names appear on the register of members of FIL and to the beneficial owners of the equity shares of FIL whose names appear as beneficiaries on the beneficial record of the respective Depositories, at the close of business on the Specified Date (i.e. June 10, 2005). Owners of equity shares but not registered as shareholder(s) are also eligible to participate in the Offer at any time prior to the date of closing of the Offer. No Letter of Offer together with a Form of Acceptance, Form of Withdrawal and Transfer Deed will be mailed to the Acquirer, Sellers I and Sellers II.

7.2 The Offer is subject to the terms and condition set out herein in the Letter of Offer, the Form of acceptance, the Form of Withdrawal, the PA and any other public announcements that may be issued about the Offer.

7.3 This Offer is subject to receipt of the statutory approvals mentioned in paragraph 8 of this LOF. In terms of regulation 27 of the Regulations, if the statutory approvals are refused, the Offer would stand withdrawn.

7.4 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.

7.5 The Offer will open on July 28, 2005 and close on August 16, 2005.

7.6 The Offer is not subject to any minimum level of acceptance. The acceptance of the Offer is entirely at the discretion of the equity shareholders of FIL. Each shareholder of FIL to whom the Offer is being made, is free to offer his shareholding in FIL, in whole or in part while accepting the Offer.

7.7 The acceptance of the Offer must be unconditional and should be on the enclosed Form of Acceptance and sent along with the other documents duly filled in and signed by the applicant shareholder(s).

7.8 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 FIL 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 under the Offer prior to the date of closing of the Offer.

7.9 The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and other documents during transit. The equity shareholders of FIL are therefore advised to adequately safeguard their interest in this regard.

8 STATUTORY/OTHER APPROVALS REQUIRED FOR THE OFFER

8.1 The Offer is subject to the Acquirer obtaining the approval of RBI under FEMA to acquire shares, if any, from all the non-resident India/OCB shareholders.

8.2 The Acquirer will make the above applications, if required, to acquire the shares pursuant to the Offer at an appropriate time.

8.3 There are no other statutory approvals required for the purpose of this Offer. However, the Offer would be subject to all statutory approvals that may become applicable at a later date.

8.4 Non-resident shareholders should also enclose a copy of the RBI permission received by them for acquiring equity shares held by them in FIL. In case the RBI permission is not submitted, the Acquirer reserves the right to reject such equity shares tendered in the Offer.

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

8.6 In case of delay, due to non-receipt of statutory approvals, as per regulation 22(12) of the 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 day from the date of closing of the Offer.

8.7 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 the Regulations.

8.8 The Acquirer reserves the right to withdraw the Offer in the event of the requisite statutory approvals 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.

In case the RBI's approval for acquisition of equity shares from Non-Resident Shareholders is unduly delayed, the Acquirer reserve the right to proceed with the payment to the resident shareholders whose equity shares have been accepted by the Acquirer in terms of the Offer pending payment to Non-Resident Shareholders, subject to total consideration payable to the Non-Resident shareholders being deposited in the escrow/special account with lien marked in favor of the Manger to the Offer.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Acquirer has appointed M/s Intime Spectrum Registry Limited ("Intime") as Registrar to the Offer.

9.2 Intime has set up the following centres to collect the acceptances being tendered in this offer

Name & Address of Collection Centres	**Mode of Delivery**	**Contact Person**	**Contact No.**	**Fax. No.**
Intime Spectrum Registry Ltd., 211 sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad – 380 009.	Hand Delivery	Mr. Hitesh Patel	079-26465179	079-26465179 (TeleFax)
Intime Spectrum Registry Ltd., 203, Davar House, Next to Central Camera, D. N. Road, Fort, Mumbai - 400 001	Hand Delivery	Mr.Vivek Limaye	022-22694127	022-55555353
Intime Spectrum Registry Ltd. C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup, Mumbai – 400 078.	Hand Delivery/ Registered Post	Mr.Vishwas Attawar	022-55555491 to 022-55555494	022-55555499
Intime Spectrum Registry Ltd., 201, Sidcup Tower, Near Marble Arch, Race Course Circle, Vadodara – 390 007.	Hand Delivery	Mr. Sunil S Joshi	0265-2332474 0265-2312489	0265-2332474

The documents can be tendered at the above centers between 10.00 am to 1.00 pm and 2.00 pm to 4.00 pm from Monday to Friday. The centers will be closed on Saturdays, Sundays and public holidays.

Shareholders of FIL, other than the Acquirer, Sellers I and Sellers II, who wish to avail this Offer should forward the under mentioned documents, by hand delivery on days and during the business hours mentioned above, at any of the collection centers listed above, or by registered post to the Registrar to the Offer, M/s Intime Spectrum Registry, at their office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078, Tel.: +91 – 022 - 5555 5454; Fax : + 91- 022 - 5555 5353; Email: fortuneinfo@intimespectrum.com, Contact Person: Mr. Vishwas Attavar so as to reach the Registrar on or before August 16, 2005. (i.e. the date of Closing of the Offer).

In case of dematerialised Equity Shares, the shareholders should ensure that the credit to the Special Depository Account mentioned below should be received on or before August 16, 2005. In order to ensure this, Beneficial Owners should tender the Delivery Instructions at least two working days prior to August 16, 2005 (i.e. the date of closing of the Offer). Form of Acceptance of such dematerialised Equity Shares not credited to the Special Depository Account before the date of closing of this Offer is liable to be rejected.

No document should be sent to the Acquirer or the Manager to the Offer or FIL.

9.3 Procedure for Equity Shares held in Physical Form

- **Registered shareholders of FIL should enclose :**
  - ➢ Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose name(s) appears on the equity share certificate(s) and in the same order and as per the specimen signature lodged with FIL;
  - ➢ Original Equity Share Certificate(s);
  - ➢ Valid Share Transfer Deed(s) duly signed as transferor(s) by the sole/joint shareholder(s) in the same order and as per specimen signatures lodged with FIL and duly witnessed at the appropriate place. The Transfer Deed should be left blank, except for the signatures as mentioned above. Attestation, where required (thumb impressions, signature difference, etc.) should be done by a Magistrate, Notary Public or Special Executive Magistrate or a similar authority holding a public office and authorized to use the seal of his office or a member of a recognized stock exchange under their seal of office and membership number or manager of the transferor's bank. A blank share transfer form is enclosed along with this Letter of Offer.

Incase of registered shareholder, non receipt of the aforesaid documents, but receipt of the share certificates and the duly completed transfer deed, shall be deemed that the offer has been accepted.

Notwithstanding that the signature(s) of the transferor(s) has/have been attested as aforesaid, if the signature(s) of the transferor(s) differs from the specimen signature(s) recorded with FIL or are not in the same order, such Equity Shares are liable to be rejected under this Offer even if the Offer has been accepted by a *bona fide* owner of such Equity Shares.

- **Unregistered owners of Equity Shares of FIL should enclose :**
  - ➢ Form of Acceptance duly completed and signed in accordance with the instructions contained therein;
  - ➢ Original Equity Share Certificate(s);
  - ➢ Original Broker Contract Note;
  - ➢ Valid Share Transfer Deed(s) as received from the market. The details of buyer should be left blank failing which the same will be considered invalid under the Offer. All other requirements for valid transfer (including matching of signatures) will be preconditions for acceptance.
  - ➢ The acknowledgement received, if any, from FIL in case the Equity Shares have been lodged with FIL. Such persons should instruct FIL and its Registrar and Transfer agents to send the transferred share certificate(s) directly to the collection center as mentioned in 9.2 above. The applicant should ensure that the certificate(s) reach the designated collection center before the date of closing of the Offer.

Unregistered owners can send their acceptance of the Offer in writing to the Registrar to the Offer, Intime, at the collection centers as mentioned in paragraph 9.2 above, on plain paper stating Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No., together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form or photocopy or counterfoil of the delivery instructions in “Off-market” mode in case of Equity Shares held in dematerialised form and the original contract note issued by the broker through whom they acquired their Equity Shares. No indemnity is required from the unregistered owners.

Unregistered owners if they so desire may also apply on the Form of Acceptance downloaded from the SEBI’s website (www.sebi.gov.in).

9.4 Procedure for Equity Shares held in Demat Form

- **Beneficial Owners should enclose :**
  - ➢ Form of Acceptance duly completed and signed in accordance with the instructions contained therein, by sole/joint shareholders whose names appear in the beneficiary account and in the same order therein. The Form of Acceptance has to be tendered by the beneficial holder of Equity Shares only.

Incase of non receipt of the aforesaid documents, but receipt of the shares in the special depository account, the Offer shall be deemed to be accepted.

  - ➢ A photocopy or counterfoil of the Delivery Instructions in “off market” mode, duly acknowledged by the beneficial owners depository participant and filled as per the details of the Special Depository Account given below.

Registrar to the Offer has for the purpose of this Open Offer, opened a Special Depository Account with NSDL named “**ISRL - Escrow A/c –Fortune Infotech Ltd.**” with **HDFC BANK**, the details of which are given below :

DP ID Number	:	IN 301549
DP Name	:	HDFC – BANK
Client ID Number	:	18850685
Depository	:	NSDL

Shareholders, having their beneficiary account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL. Since the Equity Shares of FIL are in compulsory demat mode, the minimum marketable lot for such shares will be one.

- **Shareholders who have sent their Equity Share Certificates for dematerialisation should enclose :**
  - ➢ Form of Acceptance duly completed and signed in accordance with the instructions contained therein by the sole/ joint Equity Shareholders whose name appears on the Equity Share Certificate and in the same order and as per the specimen signature lodged with FIL.
  - ➢ A copy of the dematerialisation request form duly acknowledged by the Equity Shareholders depository participant.

Such Equity Shareholders should ensure that the credit of their Equity Shares tendered under Offer to the Special Depository Account is made on or before the date of closing of the Offer, otherwise the same are liable to be rejected. Alternatively, if the Equity Shares sent for dematerialisation are yet to be processed by the Equity Shareholders depository participants, the Equity Shareholders can withdraw their dematerialisation request and tender the Equity Share Certificates in the Offer as per procedure mentioned in paragraph 9.3 above.

9.5 Procedure to be adopted in case of non-receipt of the Letter of Offer

- **By Equity Shareholders holding Equity Shares in physical form**

  In case of non-receipt of the Letter of Offer, eligible persons may send their acceptance of the Offer in writing to the Registrar to the Offer, Intime, at the collection centers as mentioned in paragraph 9.2 above, on plain paper stating their Name, Address, No. of Equity Shares held, No. of Equity Shares offered, Distinctive Nos., Folio No together with the original Share Certificate(s), valid transfer deeds in case of Equity Shares held in physical form, so as to reach the Registrars to the Offer on or before the date of closing of the Offer.

  Shareholders who have lodged their Equity Shares for transfer with FIL must also send the acknowledgement received, if any, from FIL towards such lodging of Equity Shares.

  Shareholders who have sent their equity share certificates for dematerialisation should send a copy of the dematerialised request form duly acknowledged by their depository participant.

- **By Equity Shareholders holding Equity Shares in dematerialised form**

  Beneficial Owners may send the acceptance of the Offer in writing to the Registrar to the Offer, Intime, at the collection centers as mentioned in paragraph 9.2 above, on plain paper, stating Name, Address, Number of Equity Shares held, Number of Equity Shares offered, DP name, DP ID, beneficiary account number and a photocopy or counterfoil of the delivery instructions in “Off market” mode, duly acknowledged by the beneficial owners depository participant, in favour of the Special Depository Account, the details of which are mentioned in paragraph 9.4 above, so as to reach the Registrar to the Offer on or before the closing of the Offer.

  Shareholders, having their beneficial account with CDSL have to use inter-depository delivery instruction slip for the purpose of crediting their Equity Shares in favour of the Special Depository Account with NSDL.

  No indemnity is required while sending the acceptance of the Offer on plain paper.

  Shareholders not receiving the Letter of Offer, if they so desire, may also apply on the Form of Acceptance downloaded from SEBI web site (www.sebi.gov.in).

9.6 **As per the provisions of section 196D(2) of the Income-tax Act, 1961, and as amended (“Income-tax Act”), no deduction of tax at source shall be made from any income by way of capital gains arising from the transfer of securities referred to in section 115AD payable to a Foreign Institutional Investor (“FII”) as defined in section 115 AD of the Income-tax Act. However, while tendering their equity shares under the Offer, Non Resident Individuals, Overseas Corporate Bodies and other non-resident shareholders will be required to submit a No Objection Certificate (“NOC”) or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate from Income Tax authorities under the Income-tax Act indicating the amount of tax to be deducted by the Acquirer before remitting the consideration. In case the aforesaid NOC or Tax Clearance Certificate or Certificate for Deduction of Tax at Lower Rate is not submitted, the Acquirer will arrange to deduct tax at the maximum marginal rate as may be applicable to the category of shareholders on the entire consideration amount payable to such shareholders.**

Non Resident shareholders should also submit copy of the permission received from Reserve Bank of India for acquisition of the shares of FIL. In case of its non-submission, Acquirer reserves its right to reject the shares tendered in the Offer.

9.7 The shareholders should also provide all relevant documents, which are necessary to ensure transferability of the Equity Shares in respect of which the acceptance is being sent. Such documents may include, but are not limited to :

i) duly attested death certificate and succession certificate in case of single shareholder;

ii) duly attested Power of Attorney if any person apart from the shareholder has signed the Form of Acceptance and/or transfer deed(s);

iii) in case of companies, the necessary corporate authorization (including Board Resolutions);

iv) any other relevant documentation.

9.8 The Registrar to the Offer will hold in trust the FOA, equity share certificates, transfer deeds and shares lying in credit of the special depository account and other documents on behalf of the shareholders of FIL who have tendered in the Offer, until the cheques/drafts for the consideration and/or the unaccepted Equity Shares/ Equity Share certificates are dispatched/returned. The Acquirer would not have access to these Equity Shares till such time.

9.9 The Acquirer shall accept all valid fully paid up shares and partly paid up shares tendered (except those which are withdrawn, within the date specified for withdrawal). Equity shares will be acquired by the Acquirers free from lien, charges and encumbrances of any kind whatsoever and together with all the rights attached thereto including the right to dividend, bonus and rights issue dividend thereafter.

9.10 If the number of shares tendered by the shareholders is more than the offer size, the acquisition from each shareholder will be as per regulation 21(6) of the Regulations, on a proportionate basis in consultation with the Manager to the Offer taking care to ensure that the basis of acceptance is decided in a fair and equitable manner and does not result in non-marketable lots. Provided that acquisition of equity shares from a shareholder shall not be less than the minimum marketable lot or the entire holding, if it is less than the marketable lot. As the Shares trade in compulsory dematerialized segment, the minimum marketable lot for the Shares is 1 (one).

9.11 The consideration for the Equity Shares accepted by the Acquirer will be paid by crossed account payee cheques/demand drafts. Such cheques/demand drafts exceeding Rs. 1,500/- or unaccepted Equity Share certificates, transfer deeds and other documents, if any, will be returned by Registered Post/Speed Post at the shareholders’/unregistered owners’ sole risk, to the sole/first shareholder/unregistered owner. Cheques/demand drafts for Rs 1,500/- or less will be sent under certificate of posting. All cheques/demand drafts will be drawn in the name of the first holder, in case of joint registered holders.

In case of dematerialised Equity Shares, the Equity Shares would reside in the Special Depository Account as mentioned above. The Registrars to the Offer will debit the Special Depository Account to the extent of payment of consideration made by the Acquirer and give instructions for the credit to the beneficial account of the Acquirer. The Equity Shares held in dematerialised form to the extent not accepted as a result of non-payment/ part payment of consideration by the Acquirer under the Offer will be released to the Beneficial Owner's Depository Account with the respective beneficial owners depository participant as per details furnished by the Beneficial Owner in the Form of Acceptance, at the sole risk of the Beneficial Owners.

9.12 In terms of regulation 22(5A) of the Regulations, shareholders desirous of withdrawing their acceptance tendered by them in the Offer, may do so up to three working days prior to the date of closing of the Offer. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrars to the Offer at any of the collection centers mentioned above as per the mode of delivery indicated therein on or before August 16, 2005.

The withdrawal option can be exercised by submitting the following :

i. For Equity Shares held in demat form :

Beneficial owners should enclose :

- Duly signed and completed Form of Withdrawal accompanying the LOF. The signature(s) should be attested by the depository participant.
- Acknowledgement slip in original/copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.
- Photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP.

ii. For Equity Shares held in physical form:

Registered Shareholders should enclose :

- Duly signed and completed Form of withdrawal accompanying the LOF.
- Acknowledgement slip in original/copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.
- In case of partial withdrawal, valid Share Transfer form(s)duly signed as transferors by all registered shareholders (in case of joint holdings) in the same order and as per specimen signatures registered with FIL and duly witnessed at the appropriate place.

Unregistered owners should enclose:

- Duly signed and completed Form of Withdrawal.
- Acknowledgement slip in original/Copy of the submitted Form of Acceptance cum Acknowledgement submitted by Registered post.

In case of non-receipt of Form of Withdrawal, the withdrawal option can be exercised by making a plain paper application along with the following details ;

- In case of physical shares: Name; Address; Distinctive Numbers; Folio Number, Number of Shares tendered and to be withdrawn and
- In case of dematerialized shares: Name; Address; Number of Shares offered and number of shares to be withdrawn; DP name; DP ID; Beneficiary Account Number and a photocopy of the delivery instruction in "Off-market" mode or counterfoil of the delivery instruction in "Off-market" mode, duly acknowledged by the DP, in favour of the special depository account.

b) The withdrawal of shares will be available only for the share certificates/shares that have been received by the Registrar to the Offer / credited to Special Depository Account.

c) The intimation of returned shares to the Shareholders will be at the address as per the records of the FIL/Depository as the case may be.

d) The Form of Withdrawal should be sent only to the Registrar to the Offer.

e) In case of partial withdrawal of shares tendered in physical form by the registered shareholder, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from FIL.

f) Partial withdrawal of tendered shares can be done only by the Registered shareholders/Beneficial owners. In case of partial withdrawal, the earlier Form of Acceptance will stand revised to that effect.

g) Shareholders holding shares in dematerialized form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.

9.13 Barring unforeseen circumstances and factors beyond their control, the Acquirer intend to complete all procedures relating to the Offer, including payment of consideration to the shareholders who have accepted the Offer, within 15 days from the date of closing of this Offer and for the purpose open a special account as provided under regulation 29 of the Regulations.

Provided that where the Acquirer is unable to make the payment to the shareholders who have accepted the Offer before the said period of 15 days due to non-receipt of requisite statutory approvals, SEBI may, if satisfied that non-receipt of requisite statutory approvals was not due to any willful default or neglect of the Acquirer or 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, in accordance with regulation 22(12) of the Regulations.

10 DOCUMENTS FOR INSPECTION

10.1 The following documents will be available for inspection to the shareholders of FIL at the office of Fortune Infotech Limited - It has its registered office at Plot No. 160/4, Old Chhani Road, Vadodara 390 002, Gujarat, India, on all working days, from the date of opening of the Offer till the date of closing of the Offer, between 10.00 a.m. and 1.00 p.m., except Saturdays, Sundays and Holidays:

1. Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.
2. Mr. Jatin Sanghvi of M/S. Jatin Sanghvi & Associates, Chartered Accountants, (Membership no. 212540), vide their report dated June 14, 2005 certifying the financial data of Acquirer.
3. Mr. Ketan Bhatt of M/S. K H Bhatt & Co, Chartered Accountants, Chartered Accountants, (Membership no. 40652), vide their report dated May 05, 2005, 2005 certifying the financial data of FIL.
4. Copy of the Share Purchase Agreement I dated June 03, 2005.
5. Copy of the Share Purchase Agreement II dated June 03, 2005.
6. Audited Accounts of Covansys for the accounting years ended December 31, 2002, 2003, 2004.
7. Annual Reports of FIL for the accounting years ended March 31, 2002, 2003 and 2004 and limited review audited accounts for financial year 2004-05.
8. Certificate of Incorporation, Memorandum and Articles of Association of FIL.
9. Copy of the Board Resolution of Covansys authorizing Mr. K. S Mohan Ramanathen and K Subrahmaniam severally to do all acts, things and deeds in the name of and on behalf of Covansys in connection with the proposed acquisition of the Equity Shares in the Target.
10. Mr. Jatin Sanghvi of M/S. Jatin Sanghvi & Associates, Chartered Accountants, (Membership no. 212540), vide their report dated June 07, 2005 regarding the adequacy of financial resources with the Acquirer for the Open Offer.
11. Letters from the Escrow Bank – ABN AMRO Bank confirming cash deposit of Rs. 3,51,33,150 deposited in the Escrow Account and a lien marked in favor of the Manager to the Offer.
12. Copy of the observation letter from SEBI, dated July 7, 2005 in terms of proviso to regulation 18(2) of the Regulations.
13. A published copy of Public Announcement issued on June 09, 2005.
14. Letters from the Ahmedabad Stock Exchange and Vadodara Stock Exchange on price-volume data of FIL.

11 DECLARATION BY COVANSYS CORPORATION, USA AND THE ACQUIRER

Declaration by Covansys Corporation, USA

Covansys Corporation, USA accepts full responsibility for the information contained in this Letter of Offer, Form of Acceptance, Form of Withdrawal and also for ensuring compliance with the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. Mr. James S Trouba has been authorised by the Board of Directors of Covansys Corporation, USA to be its authorised signatory to the Letter of Offer.

By Order of the Board,

For **Convansys Corporation, USA**

Sd/-
Mr. James S Trouba
(Authorised Signatory)
Date : July 19, 2005

Declaration by Covansys (India) Private Limited ("the Acquirer")

The Acquirer and its Directors severally and jointly accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance, Form of Withdrawal and also for ensuring compliance with the Regulations. All information contained in this document is as on the date of the Public Announcement, unless stated otherwise. Mr. K. S. Mohan Ramanathen has been authorised by the Board of Directors of the Acquirer to its authorised signatory to the Letter of Offer.

By Order of the Board,

For Covansys (India) Private Limited ("the Acquirer")

Sd/-

Mr. K. S Mohan Ramanathen
(Authorised Signatory)

Date: July 19, 2005

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(Please read paragraph 9 of the Letter of Offer titled **"PROCEDURE FOR ACCEPTANCE & SETTLEMENT"** before filing this form)

FORM OF WITHDRAWAL

(All terms and expressions used herein shall have the same meaning as ascribed thereto in the Letter of Offer)

From

OFFER		
Opens on	:	July 28, 2005
Closes on	:	August 16, 2005
Last Date for Withdrawal	:	August 10, 2005

To,
Intime Spectrum Registry Limited
Unit : **Fortune Infotech Limited (FIL)**
C/13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078.

Dear Sir,

Sub.: Open Offer to acquire 10,81,020 fully paid-up Equity Shares of Rs. 10/- each of Fortune Infotech Limitd ("FIL"), representing 20% of the outstanding equity share capital of FIL, at a price of Rs. 32.50/- per fully paid-up Equity Share, payable in cash, by Covansys India Private Limited ("the Acquirer")

I/We refer to the Letter of Offer dated July 19, 2005 for acquiring the Equity Shares held by me/us in FIL.

I/We, the undersigned, have read the Letter of Offer including the procedure for withdrawal of equity shares tendered by me/us in the Offer as mentioned in Paragraph 10 of the Letter of Offer and accept unconditionally its contents including the terms and conditions and procedures as mentioned therein.

I/We have read I/we hereby consent unconditionally and irrevocably to withdraw my/our equity shares as mentioned below from the Offer and I/we further authorize 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 equity 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 any of the collection centres mentioned in the Letter of Offer as per the mode of delivery indicated therein on or before the last date of withdrawal (i.e. August 10, 2005).

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 of the equity shares held in physical form and also for the non receipt of equity shares held in the dematerialized form in the DP account due to inaccurate/incomplete particulars/instructions.

I/We also note and understand that the Acquirer will return Original Share Certificate(s), Share Transfer Deed(s) and equity shares only on completion of verification of the documents, signatures and beneficiary position data as available from the Depository from time to time, respectively.

SHARES IN PHYSICAL FORM

The particulars of withdrawal of original shares certificates and duly signed transfer deed(s) are detailed below:

Sr. No.	Ledger Folio No.	Certificate No.	Distinctive Nos.		No. of Equity Shares
			From	To	
	TENDERED				
1					
2					
3					
	WITHDRAWN				
1					
2					
3					
Total No. of Certificates			Total No. of Equity Shares		

Please attach an additional sheet of paper if the above space is insufficient.

SHARES IN DEMAT FORM

I/We hold the following equity shares in dematerialized Form and tendered the Equity Shares in the Offer through an off-market transaction for crediting the Shares to the Special Depository Account with NDSL "ISRL - Escrow A/c –Fortune Infotech Ltd", whose particulars are:

DP ID Number: IN 301549**; DP Name:** HDFC BANK**; Client ID Number:** 18850685**; Depository:** National Securities Depositories Limited

I/we have tendered ____ Equity Shares by debiting my/our account as mentioned below and hereby consent to withdraw _______ (___________ in words) Equity Shares from the Offer.

Please find enclosed a photocopy of the Depository Delivery Instruction(s) duly acknowledged by DP.

The particulars of the account from which my/our Shares have been tendered are as detailed below :

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

Address of First/Sole Shareholder : ____

____

Tel. No.: ______________ Fax No.:________________ E-mail : ________________________

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.

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

In case of dematerialized 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.

Yours faithfully,

Signed and delivered	Full Name(s)	Signature(s)	Verified and Attested by us. Please affix the stamp of DP (in case of demat Shares)/Bank (in case of physical Shares)
First/Sole Shareholder			
Second Shareholder			
Third Shareholder			
Fourth Shareholder			

Note: In case of joint holders all must sign. In case of body corporate, stamp of the company should be affixed and necessary Board resolution should be attached.

Place :

Date :

— — — — — — — — — — — — — — — — Tear along this line — — — — — — — — — — — — — — — —

Acknowledgement Slip

Sr. No.

FOLIO NO.____________________

INTIME SPECTRUM REGISTRY LIMITED

UNIT : FIL

C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (W), Mumbai - 400 078.

Signature of Official and Date of Receipt	Stamp of the Collection center

Received from Mr./Ms. ____

Address ____

Form of Withdrawal instructing for the withdrawal of____________________(______________________ in words) Equity Shares from the Offer.

Note : All future correspondence, if any, should be addressed to Registrars to the Offer: INTIME SPECTRUM REGISTRY LIMITED, C 13, Pannalal Silk Mills Compund, LBS Marg, Bhandup (W), Mumbai 400 078. Tel.: +91-22-5555 5454 ; Fax: +91 -22 -5555 5353 ; Email : fortuneinfo@intimespectrum.com

Contact Person : Vishwas Attavar