LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer is sent to you as a Shareholder(s) of Indian Infotech & Software Limited ("IISL / Target Company"). If you require any clarifications about the action to be taken, you may consult your stockbroker or your investment consultant or the Manager to the Offer or the Registrar to the Offer. In case you have recently sold your shares in the Target Company, please hand over this Letter of Offer and the accompanying Form of Acceptance-cum-Acknowledgement, Form of Withdrawal and Transfer Deed to the member of the stock exchange through whom the said sale was affected.

CASH OFFER

Pursuant to regulations 10 and 12 of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto

By

Jayanti Prime Software Advisory Private Limited

a private limited company incorporated under the Companies Act, 1956

Registered office: 6/7/8 Shop, Pratap Nagar, Murlipura Scheme, Matraji, Jaipur – 302 013
Ph: + 91 78906 06445

to the shareholder(s) of

Indian Infotech & Software Limited

Registered office: Empire House, 3rd Floor, 214 DR. D. N. Road, Fort, Mumbai – 400 001
Ph:+91-22- 2207 8381; Fax: +91-22- 2207 4294

To acquire 865,661 fully paid up Equity Shares of Rs. 10/- each representing 20% of the current voting capital of Indian Infotech & Software Limited **at a price of Rs. 18.50 (Rupees Eighteen and Paise Fifty Only) (the "Offer Price")per fully paid-up Equity Share payable in cash.**

Please Note:

1. This Offer is being made pursuant to and in accordance with regulations 10 and 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, and subsequent amendments thereof (the "SAST Regulations / Regulations").
2. This Offer is neither conditional nor subject to any minimum level of acceptance by shareholders of the Target Company.
3. There are no statutory approvals required for the present Open Offer.
4. Shareholders who have accepted the Offer by tendering the requisite documents, in terms of the Public Announcement / Letter of Offer, shall have the option to withdraw their acceptance on or before Monday, September 26, 2011, i.e., 3 (three) working days prior to the date of closure of the Offer i.e. Thursday, September 29, 2011.
5. If there is any upward revision in the Offer Price by the Acquirer prior to or on the last date for revising the Offer Price viz., Tuesday, September 20, 2011, you will be informed by way of another Public Announcement in the same newspapers in which the first Public Announcement was published. The Acquirer shall pay such revised price for all shares validly tendered any time during the Offer and accepted under the Offer or if the Offer is withdrawn pursuant to Regulation 27 of the Regulations, the same would be communicated by a Public Announcement in the same newspapers in which the Public Announcement appeared.
6. **This is not a competitive bid.**
7. **If there is a competitive bid(s):**
   a. **The public offers under all the subsisting bids shall close on the same date;**
   b. **As the Offer Price cannot be revised during 7 (seven) working days prior to the closing date of the offers/ bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final offer price of each bid and tender their acceptance accordingly.**
8. No competitive bid has been announced till the date of this Letter of Offer.
9. A copy of the Public Announcement and the Letter of Offer (including the Form of Acceptance-cum-Acknowledgement and the Form of Withdrawal) will also be available on the website of Securities and Exchange Board of India ("SEBI") (http://www.sebi.gov.in).

Manager to the Offer	Registrar to the Offer
Microsec Capital Limited Azimganj House, 2nd Floor 7 Camac Street, Kolkata- 700 017 Tel.: 91-33-2282 9330 (5 Lines) Fax: 91-33-2282 9335 E-mail: mgoenka@microsec.in Website: www.microsec.in **Contact Person Mr. Manav Goenka**	**C. B. Management Services (P) Limited** P-22, Bondel Road Kolkata – 700 019 Tel.: 91-33-22806692/93/94 Fax: 91-33- 2287 0263 E-mail: rta@cbmsl.com **Contact Person: Mr. P. Basu**
Offer Opens on : Saturday, September 10, 2011	**Offer Closes on:** Thursday, September 29, 2011

SCHEDULE OF MAJOR ACTIVITIES OF THE OFFER

Activity	Original Time Schedule	Revised Time Schedule
Public Announcement Date	Tuesday, May 24, 2011	Tuesday, May 24, 2011
Specified Date *****	Friday, June 17, 2011	Friday, June 17, 2011
Last date for a competitive bid	Tuesday, June 14, 2011	Tuesday, June 14, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Friday, July 08, 2011	Wednesday, September 07, 2011
Offer Opening Date	Friday, July 15, 2011	Saturday, September 10, 2011
Last date for revising the offer price/offer size	Monday, July 25, 2011	Tuesday, September 20, 2011
Last date for withdrawal by shareholders	Friday, July 29, 2011	Monday, September 26, 2011
Offer Closing Date	Wednesday, August 03, 2011	Thursday, September 29, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Thursday, August 18, 2011	Friday, October 14, 2011

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

RISK FACTORS

RISK RELATED TO THE TRANSACTION

The transaction between the Acquirer, Sellers and the Target Company is subject to the fulfillment of certain precedent conditions mentioned in the Share Purchase Agreement entered into between them.

RISK RELATED TO THE OFFER

The risk factors set forth below pertain to the Offer and are not in relation to the present or future business operations of the Target Company or other related matters, and are neither exhaustive nor intended to constitute a complete analysis of the risks involved in participation or otherwise by a shareholder in the Offer. Shareholders of the Target Company are advised to consult their stockbroker or investment consultant, if any, for analyzing all the risks with respect to their participation in the Offer.

a. The Offer involves an offer to acquire up to 20% of the current Voting Capital of the Target Company. In the case of oversubscription in the Offer, as per the SEBI (SAST) Regulations, acceptance would be determined on a proportionate basis and hence there is no certainty that all the shares tendered by the shareholders in the Offer will be accepted.

b. In the event that (a) a statutory and regulatory approval, if applicable, is not received in a timely manner, (b) there is any litigation leading to a “stay” of the Offer, or (c) SEBI instructing the Acquirer not to proceed with the Offer, then the Offer process may be delayed beyond the schedule of activities indicated in this Letter of Offer. Consequently, the payment of consideration to the shareholders of the Target Company whose shares have been accepted in the Offer as well as the return of Shares not accepted by the Acquirer may be delayed.

c. The Shares tendered in the Offer will lie in trust with the Registrar in credit of designated escrow account until the completion of the Offer formalities. During such period, there may be fluctuations in the market price of the equity shares of IISL. Accordingly, the Acquirer makes no assurance with respect to the market price of the shares both during the Offer Period and upon the completion of the Offer, and disclaims any responsibility with respect to any decision by any shareholder of IISL on whether to participate or not to participate in the Offer.

d. The shareholders who have lodged their shares would not be able to withdraw them after the last date of withdrawal i.e. Monday, September 26, 2011 even if the acceptance of Shares under the Offer and dispatch of consideration gets delayed. The tendered shares and documents would be held by the Registrar to the Offer, in the designated escrow account, till such time as the process of acceptance of tendered shares and the payment of consideration is completed.

RISK RELATED TO ASSOCIATION WITH THE ACQUIRER

The Acquirer makes no assurance with respect to the financial performance of the Target Company or with respect to their investment/divestment relating to their proposed shareholding in the Target Company.

TABLE OF CONTENTS

1 DEFINITIONS

Acquirer / Jayanti Prime Software Advisory Private Limited/ JPSAPL	A Company incorporated under the Companies Act, 1956 and having its registered office at 6/7/8 Shop, Pratap Nagar, Murlipura Scheme, Matraji, Jaipur – 302 013.
ASE	Ahmedabad Stock Exchange Limited
BSE	Bombay Stock Exchange Limited
CDSL	Central Depository Services (India) Limited
Date of closure of Offer	Thursday, September 29, 2011
DP	Depository Participant
Letter of Offer/LOO	This Letter of Offer dated September 1, 2011
Eligible Person(s) / Eligible Shareholder(s) for the Offer	All shareholders / beneficial owners (registered or otherwise) of the shares of the Target Company except the Acquirer and the Sellers.
Form of Acceptance/FOA	Form of Acceptance cum Acknowledgement
FOW	Form of Withdrawal
Indian Infotech & Software Limited / IISL/Target Company	A Company incorporated under the Companies Act, 1956 and having its registered office at Empire House, 3rd Floor, 214 DR. D. N. Road, Fort, Mumbai – 400 001
Microsec/MCL/Manager to the offer/MB/Merchant Banker	Microsec Capital Limited, the Merchant Banker appointed by the Acquirer pursuant to regulation 13 of the SAST Regulations, having registered office at 53 Syed Amir Ali Avenue, 1st floor, Kolkata – 700 019
NSDL	National Securities Depositories Limited
Offer	Open Offer for acquisition of 865,661 equity shares of the Target Company, representing 20% of its current voting capital at the Offer Price payable in cash.
Offer Price	Rs 18.50 (Rupees Eighteen and Paise Fifty Only).
Offer Period	20 (twenty) days period from the date of opening of Offer on Saturday, September 10, 2011 to closing of offer on Thursday, September 29, 2011
Public Announcement/PA	Public Announcement of the Offer made by the Acquirer on May 24, 2011 • In all editions of Financial Express (English); • In all editions of Jansatta (Hindi); • In Mumbai edition of Nav Shakti (Marathi)
Registrar/ Registrar to the Offer/	C.B Management Services (P) Limited, a company incorporated under the provisions of the Companies Act, 1956 and having its registered office at P-22, Bondel Road, Kolkata – 700 019
Regulations / SAST Regulations/ Takeover Code	Securities & Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.
SEBI	Securities & Exchange Board of India
SEBI Act	Securities & Exchange Board of India Act 1992
Sellers	Chemo Pharma Laboratories Limited and Shree Consultations and Services Private Limited
Share(s)	Fully Paid up equity shares of face value of Rs 10/- each of Indian Infotech & Software Limited
SPA / Share Purchase Agreement	Share Purchase Agreement dated May 20, 2011 entered between Chemo Pharma Laboratories Limited and Shree Consultations and Services Private Limited (“Sellers”) and Jayanti Prime Software Advisory Private Limited (Acquirer)
Specified Date	Date for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent
Voting Capital /Paid-up capital of Target Company	Equity share capital of India Infotech & Software Limited comprising of 43,28,301 equity shares of Rs. 10 each.

Note: All terms beginning with a capital letter used in this Letter of Offer, but not otherwise defined herein, shall have the meaning ascribed thereto in the Regulations unless specified.

2 DISCLAIMER CLAUSE

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE 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 INDIAN INFOTECH & SOFTWARE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRER OR THE TARGET COMPANY WHOSE 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 DISCHARGES ITS RESPONSIBILITIES ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, MICROSEC CAPITAL LIMITED, THE MANAGER TO THE OFFER HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED JUNE 3, 2011 TO SEBI IN ACCORDANCE WITH THE SEBI (SAST) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) 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.

3 DETAILS OF THE OFFER

3.1 Background of the Offer

3.1.1 This Open Offer (the "Offer") is being made by the Acquirer to the shareholders of the Target Company in compliance with regulations 10 and 12 of the SAST Regulations triggered by an acquisition of more than 15% of the voting rights of the Target Company under the Share Purchase Agreement dated May 20, 2011. After successful completion of the Open Offer, the entire shareholding of the promoter group in the Target Company shall be transferred to the Acquirer and the Acquirer shall be in control of the affairs of the Target Company.

3.1.2 The Acquirer is making a mandatory offer ("the Offer" or "Open Offer") to the public shareholders of the Target to acquire 865,661 fully paid up equity shares of Rs. 10/- each constituting 20% of the total voting capital of the Target Company at a price of Rs. 18.50 (Rupees Eighteen and Paise Fifty Only) ("Offer Price") per Equity Share aggregating to Rs. 1,60,14,729 (Rupees One Crore Sixty Lacs Fourteen Thousand Seven Hundred Twenty Nine Only) ("Offer Size") payable in cash.

3.1.3 The Acquirer has entered into a Share Purchase Agreement ('SPA') on May 20, 2011 with (a) Chemo Pharma Laboratories Limited and (b) Shree Consultations and Services Private Limited (collectively referred to as the "Sellers") to acquire 26,17,050 fully paid-up equity shares (the 'Sale Shares') representing 60.46% of the present paid-up and voting equity capital of Target Company at a price of Rs. 10/- (Rupees Ten only) (the 'Negotiated Price') per fully paid-up equity share in cash. The total consideration payable for the Sale Shares is Rs.2,61,70,500/- (Rupees Two Crore Sixty One Lacs Seventy Thousand Five Hundred only). As per the stock exchange filings by IISL, Chemo Pharma Laboratories Limited and Shree Consultations and Services Private Limited belong to the Promoter Group of the Target Company and hold 2,188,300 and 428,750 equity shares representing 50.56% and 9.90% respectively of the paid up and voting capital of the Target Company.

3.1.4 **The salient features of the SPA are as follows:**

a) In the event of non-compliance of any of the provisions of SEBI (SAST) Regulations the agreement shall not be acted upon by any of the parties.

b) The Sale shares shall be transferred in favour of the Acquirer only after the completion of compliances under the Regulations.

c) The Target Company shall continue to operate under the supervision of the Sellers and Sellers shall manage the Target Company in proper manner and as per the prudent business policies till the completion of the Takeover formalities.

d) The Acquirer is entitled to appoint their nominees on the Board of the Target Company after the completion of the Open Offer.

3.1.5 The Acquirer has not acquired shares/ voting rights of the Target Company during the 12 months period prior to the date of Public Announcement except as stated in para 3.1.3 above.

3.1.6 Microsec Capital Limited, the Manager to the Offer, does not hold any shares of the Target Company and they shall not participate in the Open Offer.

3.1.7 The Acquirer has not entered into any non–compete agreement with the Sellers.

3.2 **Details of the Offer**

3.2.1 In accordance with regulation 14(1) of the SEBI SAST Regulations the Acquirer has made a public announcement within 4 (four) working days of signing of the SPA. In accordance with regulation 15(1) of the SEBI SAST Regulations, the public Announcement has been published in the following newspapers:

Name of the Newspaper	**Edition**	**Date**
Financial Express (English)	All Editions	May 24, 2011
Jansatta (Hindi)	All Editions	May 24, 2011
Nav Shakti (Marathi)	Mumbai - Edition	May 24, 2011

3.2.2 A copy of the Public Announcement for the Open Offer is also available on the SEBI website (www.sebi.gov.in)

3.2.3 The Acquirer is making an offer to acquire 865,661 Equity shares of Rs.10/- each representing 20% of the current issued, subscribed and fully paid-up equity capital of Target Company, in terms of regulation 21(1) of the Regulations, at a price of Rs. 18.50 (Rupees Eighteen and Paise Fifty Only) per fully paid up Equity Share for cash.

3.2.4 The Acquirer, Sellers and the Target Company have 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 any other regulation made under the SEBI Act.

3.2.5 There are no partly paid –up shares of the Target Company.

3.2.6 This is not a competitive bid and there have been no competitive bid(s) as on the date of this letter of offer.

3.2.7 This Offer is neither conditional nor subject to any minimum level of acceptance.

3.2.8 The Acquirer will acquire 865,661 Equity shares that are validly tendered in accordance with the terms of the Offer at the offer price.

3.2.9 The equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof

3.2.10 In the event the equity shares tendered in the offer by the shareholders of IISL are more than the equity shares to be acquired under the offer, the acquisition of equity shares from each shareholder will be on the proportionate basis, irrespective of whether the equity shares are held in physical or dematerialised form.

3.2.11 There are no Persons acting in Concert in relation to this Offer and the equity shares tendered and accepted pursuant to the Offer will be acquired by the Acquirer only.

3.2.12 The Acquirer has not acquired any shares of the Target Company from the date of the PA up to the date of this Letter of Offer.

3.3 **Reason for the acquisition/ offer**

3.3.1 On completion of the offer (assuming full acceptance in the Offer), the Acquirer may hold, in the aggregate, up to 34,82,711 fully paid-up shares representing 80.46% of the voting capital of the Target Company and will be in control of the Target Company. The Offer is being made in accordance with regulations 10 and 12 of the Regulations as a result of the proposed substantial acquisition of shares accompanied with change in control of the Target Company.

3.3.2 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

3.3.3 Other than in the ordinary course of business, the Acquirer undertakes that it will not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

3.3.4 The Acquirer would strengthen the Target Company with the requisite financial and human resources and would explore various business options in line with their core expertise. Any new line of activity would be subject to the necessary approval of the shareholders of the Target Company and compliance with applicable laws.

4 BACK GROUND OF THE ACQUIRER

4.1 Jayanti Prime Software Advisory Private Limited ('JPSAPL'), the Acquirer, is a private limited company incorporated on March 14, 2011 under the Companies Act, 1956. Its registered office is situated at 6/7/8 Shop, Pratap Nagar, Murlipura Scheme, Matraji, Jaipur – 302 013. Ph: + 91 78906 06445. The name of the company has not changed since incorporation.

4.2 JPSAPL has been incorporated with the objects of development of computer software and providing software consultancy.

4.3 The promoters of the Acquirer are Jahnu Multitrading Private Limited ("JMPL") and Quince Blossom Multitrading Private Limited ("QBMPL"). The promoters and directors of JMPL and QBMPL are Mr. Ruchir Mohunta and Mr. Kamal Nayan Sharma. The promoter group of the Acquirer holds 100% of the shareholding and voting rights of JMPL and QBMPL.

4.4 As on the date of the PA, the issued, subscribed and paid up share capital of the Acquirer is Rs. 51 Lacs comprising of 5,10,010 fully paid up equity shares of Rs. 10/- each.

4.5 The promoter group of the Acquirer holds 100% of the shareholding and voting rights of the Acquirer. The shareholding pattern of the Acquirer as on the date of the Letter of Offer is as under:

Name of shareholder	No. of Shares	% of paid-up capital
Jahnu Multitrading Private Limited	250,000	49.02%
Quince Blossom Multitrading Private Limited	250,000	49.02%
Ruchir Mohunta	5,010	0.98%
Kamal Nayan Sharma	5,000	0.98%
Total	**510,010**	**100.00%**

4.6 Jayanti Prime Software Advisory Private Limited has never acquired any shares of the Target Company. Hence the provisions of chapter II of the Regulations do not apply to the Acquirer.

4.7 Being a private limited company, the shares of Acquirer are not listed on any stock exchange and hence provisions of regulation 6, 7(3) and 8(3) of the SAST Regulations are not applicable to the company.

4.8 Since the Acquirer is a private limited company, the provisions of Corporate Governance under Clause 49 of the Listing Agreement are not applicable.

4.9 The details of the Board of Directors of the Acquirer are given as below:

Name & Designation	DIN	Date of Appointment	Qualification	Experience	Residential Address
Mr. Ruchir Mohunta - Director	02825476	April 30, 2011	B.Com	Mr. Mohunta has 10 years of experience in IT Industry	AE-95, Sushil Jyoti Avenue, Rabindrapal Krishnapur, Nilkanth Apartments, 3rd Floor, Kolkata, 700 059, West Bengal
Mr. Kamal Nayan Sharma - Director	03405150	March 14, 2011	B.Com , Diploma in Management & Software Engineering	Mr. Sharma has over10 years of experience in accounts, finance & business management	H N 301, Sidarth Enclave, Near Power House Delhi Road, Hanuman Mandir, Sonepat, 131001, Haryana

4.10 None of the Directors of the Acquirer is on the Board of the Target Company.

4.11 Brief financial details of Jayanti Prime Software Advisory Private Limited for the year ended March 31, 2011 are as below:

Profit & Loss Account

(Rs. in Lacs)

Particulars	**31-Mar-11**
Income from Operations	-
Other Income	-
Total Income	**-**
Total Expenditure	0.03
Profit before Interest, Depreciation and Tax	**(0.03)**
Depreciation	-
Interest	-
Profit before Tax	**(0.03)**
Provision for Tax	-
Profit after tax	**(0.03)**

Balance Sheet Statement

(Rs. in Lacs)

Particulars	**31-Mar-11**
Sources of funds	
Paid up share capital	1.00
Reserves & Surplus (excluding revaluation reserve)	-
Profit and Loss (Debit)	(0.03)
Miscellaneous expenditure not written off	(0.09)
Net Worth	**0.88**
Total	**0.88**
Uses of funds	
Net Fixed Assets	-
Investments	-
Net Current Assets	0.88
Total	**0.88**

Other Financial Data

Particulars	**31-Mar-11**
Dividend (%)	Nil
Earnings per share (Rs.)	(0.32)
Return on Net Worth (%)	-
Book Value per Share (Rs.)	8.79

*(**Source:** Audited annual accounts)*

Note:

i) Earning per share computed as the PAT/Average Number of shares outstanding during the year

ii) Return on Networth calculated as PAT/Networth at the end of the year

iii) *Book value per share computed as the Networth/ Number of shares outstanding at the end of the year*

4.12 **Significant accounting policies:**

i. **Accounting Convention**: The financial statements are prepared on historical cost convention and as a going concern concept.

ii. **Investment**: Investments are valued at cost.

iii. **Current Assets, Loans & Advances**: In the opinion of the Board and to the best of its knowledge are belief the value on realization of current assets in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet and repayable on demand.

iv. **Recognition of Income & Expenditure**: Income & expenditure is accounted for on accrual basis.

v. Basic earnings per share, as required by Accounting Standard (AS – 20) "Earning Per Share" of Rs. (0.32) has been calculated by dividing the net profit after taxation for the year as per the accounts which is attributable to equity shareholders, by 10010 being the average number of equity shares outstanding during the year.

vi. **Preliminary Expenses**: The amount of preliminary expenses is being amortized as per the provision of section 35D (as amended) of the Income Tax Act, 1961.

4.13 Mr. Jay Shanker Gupta (Membership No. 059535), Proprietor of Jay & Co., Chartered Accountants, having office at 22, Muktaram Babu Street, 1st Floor, Kolkata – 700 007 has certified vide his certificate dated May 17, 2011 that the net worth of Jayanti Prime Software Advisory Private Limited as on May 16, 2011 is Rs. 499.58 Lacs.

Jayanti Prime Software Advisory Private Limited has allotted 500,000 equity shares of Rs. 10 each (250,000 equity shares each to Jahnu Multitrading Private Limited and Quince Blossom Multitrading Private Limited) on May 16, 2011 at a price of Rs. 100 per share aggregating to Rs. 500 Lacs. Hence the net worth of Jayanti Prime Software Advisory Private Limited has increased from Rs. 0.88 Lacs as on March 31, 2011 to Rs. 499.58 Lacs as on May 16, 2011.

4.14 As per the information provided, the Acquirer does not have any contingent liability in its books of accounts.

4.15 **Companies Promoted by the Acquirer**

No company has been promoted by the Acquirer. Further, the Acquirer has not acquired control of any listed company in the past.

4.16 **Pending Litigations**

The Acquirer has duly complied with all the provisions of the applicable law and there have been no communications from regulatory agencies concerning any non-compliance of applicable laws or deficiencies in financial reporting practices.

There are no legal cases, prosecutions, show cause notices pending against the Acquirer in any Court of law or any other concerned statutory/ regulatory authorities as on date of Letter of Offer.

4.17 Except for the current offer, the Acquirer has not announced or involved in any of any takeover, merger, de-merger or spin off during last 3 (three) years

4.18 **Disclosure under Regulation 16 (ix)**

4.18.1 The Acquirer does not have any plans to dispose off or otherwise encumber any assets of the Target Company in the next two years except in the ordinary course of business of the Target Company.

4.18.2 Other than in the ordinary course of business, the Acquirer undertakes that it will not sell, dispose off or otherwise encumber any substantial assets of the Target Company except with the prior approval of the shareholders of the Target Company.

5 DISCLOSURE IN TERMS OF REGULATION 21(2) OF THE REGULATIONS

As per the listing agreement with the Stock Exchanges and in terms of Clause 40A of the Listing Agreement the Target Company is required to maintain at least 25% public shareholding for listing on a continuous basis. Further, the Central Government by notification dated June 4, 2010, has amended the Securities Contracts (Regulation) Rules, 1957 and inter alia raised the minimum threshold level of public shareholding to be 25% for all listed companies.

Pursuant to the successful closure of the Offer, and assuming full acceptances, the public shareholding of the Target Company is expected to fall below 25 % of the voting capital of the Target Company. The Acquirer will take necessary actions in compliance with Securities Contracts (Regulation) Rules, 1957 to raise the level of public shareholding to the level specified for continuous listing in the Listing Agreement with the stock exchanges within one year and in accordance with the prescribed procedure under amended clause 40A (viii) of the Listing Agreement. The Acquirer has the following options to raise the level of public shareholding in terms of clause 40A (viii) of the Listing Agreement- (a) issuance of shares to public through prospectus; (b) offer for sale of shares held by promoters to public through prospectus; (c) sale of shares held by promoters through the secondary market; (d) any other method which does not adversely affect the interest of minority shareholders.

The Acquirer undertakes and declares that they do not have any intention to delist the Equity shares of the Target Company from the Stock Exchanges in the next three years from the date of this Public Announcement.

6 BACK GROUND OF THE TARGET COMPANY

6.1 Indian Infotech & Software Limited ('IISL') is a public limited company having its registered office at Empire House, 3rd Floor, 214 DR. D. N. Road, Fort, Mumbai – 400 001, Ph: +91-22- 2207 8381; Fax: +91-22- 2207 4294. The Target Company was incorporated as "Indian Leasers Limited" on May 22, 1982. Subsequently the name of the Company was changed to "Indian Infotech & Software Limited" on July 20, 1998 and was issued a fresh certificate of incorporation pursuant to change in its name.

6.2 The Target Company is a non-deposit taking Non Banking Financial Company (Registration no B-13.00221) registered with the Reserve Bank of India and is engaged in the business of financing and investment. The Target Company invests its funds in shares and securities.

6.3 The Present Authorized Share Capital of the Target Company is Rs. 525.00 Lacs comprising of 52,50,000 Equity Shares of Rs. 10/- each. The total issued capital of the Target Company is Rs. 500.80 Lacs comprising of 50,08,000 Equity Shares of Rs. 10/- each. Total Paid-up Equity Share Capital of Target Company is Rs. 442.97 Lacs (including Rs. 10.14 Lacs on account of forfeiture shares), divided into 43,28,301 fully paid-up shares of Rs. 10/- each. The Target Company has forfeited 4,05,499 shares on November 23, 2010 and the same remain un-issued as on date.

6.4 The capital structure of the Target Company is as under:

Paid Up Equity Shares	**No. of Shares/ Voting Rights**	**% of shares/voting rights**
Fully Paid up Equity Shares	43,28,301	100%
Partly Paid Up Equity Shares	Nil	Nil
Total paid Up Equity Shares	43,28,301	100%
Total Voting Rights in the Target Company	43,28,301	100%

6.5 The build-up of the Capital of the Target Company as certified and provided by the management of the Target Company is detailed as below:

Date of Allotment	**Number of Shares issued**	**% of shares issued**	**Cumulative No. of Shares**	**Cumulative Paid-up Capital (Rs. in Lacs)**	**Mode of Allotment**	**Identity of Allottees**	**Status of Compliance *****
16-Jun-82	80	0.00%	80	0.01	On incorporation	Promoters	Complied
05-Feb-85	199,920	4.62%	200,000	20.00	Public Issue	Promoter Group & Public	Complied
02-Feb-87	50,400	1.16%	250,400	25.04	Preferential Allotment	Promoter Group	Complied
26-Dec-96	4,077,901*	94.21%	4,328,301	442.97**	Rights Issue	Existing Shareholders	Complied
Total	**4,328,301**	**100.00%**					

Note: On November 23, 2010 the Company has forfeited 405,499 Equity shares on which arrears of call money @ Rs. 7.50 per share was not received from certain shareholders. An amount of Rs. 2.50 per share received for these 405,499 equity shares aggregating to Rs. 10.14 Lacs has been added to the paid up equity share capital. Hence, the total paid-up Equity Share Capital of the Target Company is Rs. 442.97 Lacs (including Rs. 10.14 Lacs on account of forfeiture shares), divided into 43,28,301 fully paid-up shares of Rs. 10/- each.

** After deduction of 405,499 equity shares forfeited due to non payment.*
*** Includes Rs. 10.14 Lacs on account of forfeited shares.*
**** The status of compliance by the Target Company relating the capital build is with respect to Companies Act 1956 and the other statutory requirements, as applicable.*

6.6 The Target Company does not have any outstanding convertible instruments to be exercised at a later date and neither any shares of the company are partly paid up carrying voting right.

6.7 The Equity shares of the Target Company are currently listed on Bombay Stock Exchange Limited (BSE) and The Ahmedabad Stock Exchange Limited (ASE).

6.8 Due to non compliances of various provisions of the listing agreement over a period of time, the trading of shares of the Target Company was suspended by the Bombay Stock Exchange Limited w.e.f. January 7, 2002. However, the Target Company has regularized all the non compliances as provided by BSE and the suspension on trading has been revoked w.e.f. July 26, 2010.

Due to non compliances of provisions of the listing agreement over a period of time, the trading of shares of the Target Company has been suspended by Ahmedabad Stock Exchange Limited (ASE). The Target Company has initiated steps for revocation of suspension and is regularizing all the non compliances. However, the trading remains suspended as on date of this Letter of Offer.

6.9 IISL does not have any unlisted shares on the Stock Exchange.

6.10 As per the information provided, the Target Company has made delays in complying with the provisions of regulations 6(2), 6(4) & 8(3) of Chapter II of the Regulations as given below:

(i) Delay of 3564 Days in filing disclosure by the Target Company as per regulations 6(2) & 6(4) of SAST Regulations on February 21, 2007, for the due date of May 20, 1997.

(ii) Delay of 3239 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on March 13, 2007, for the due date of April 30, 1998.

(iii) Delay of 2485 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 1999.

(iv) Delay of 2119 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2000.

(v) Delay of 1754 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2001.

(vi) Delay of 1389 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2002.

(vii) Delay of 1024 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2003.

(viii) Delay of 658 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2004.

(ix) Delay of 293 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on February 17, 2006, for the due date of April 30, 2005.

(x) Delay of 317 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on March 13, 2007, for the due date of April 30, 2006.

(xi) Delay of 4 Days in filing disclosure by the Target Company as per regulation 8(3) of SAST Regulations on May 4, 2009, for the due date of April 30, 2009.

SEBI may initiate suitable action against the Target Company for the above delay in compliances of the applicable provisions of the Takeover Regulations.

6.11 The details pertaining to disclosures by the promoter group under regulations 6(1), 6(3) of the SAST Regulations for due date of April 20, 1997 are not available in the records of the Target Company. Further, the details pertaining to disclosures by the promoter group under regulations 8(1) and 8(2) of the SAST Regulations for the years ended March 31, 1998, 1999, 2000, 2001, 2002, 2003, 2004, 2005, 2006, 2007, 2008, 2009, 2010 & 2011 are not available in the records of the Target Company. The same may be deemed to be non-filing of the disclosures by the promoter group.

Further, there were non-compliances of regulations 7(1A), 11(1) & 11(2) of SAST Regulations in relation to acquisition of voting rights and certain non-compliances under regulation 3 of the SAST Regulations for interse transfers of shares. The details of such non-compliances are as under:

(i) For inter-se transfer of 320,800 equity shares (constituting 6.78% of the paid up capital of the Target Company) on March 06, 2001 from Joshi Finance Limited to Chemo Pharma Laboratories Limited

a) Non filing of disclosure by the Promoters as per regulation 7(1A) of SAST Regulations, for the due date of March 8, 2001.

b) Non filing of disclosure for inter se transfer by the Promoters as per regulation 3(3) of SAST Regulations, for the due date of February 27, 2001.

c) Delay of 3776 Days in filing of report for inter se transfer by the Promoters as per regulation 3(4) of SAST Regulations on July 29, 2011, for the due date of March 27, 2001.

(ii) For inter-se transfer of 457,650 equity shares (constituting 9.67% of the paid up capital of the Target Company) on April 03, 2009 from Ravindra Trading & Agencies Limited to Chemo Pharma Laboratories Limited

a) Non filing of disclosure for inter se transfer by the Promoters as per regulation 3(3) of SAST Regulations, for the due date of March 27, 2009.

b) Delay of 661 Days in report for inter se transfer by the Promoters as per regulation 3(4) of SAST Regulations on February 14, 2011, for the due date of April 24, 2009.

(iii) The shareholding of the promoter group as on March 31, 2010 was 25,17,050 equity shares constituting 53.17% of the then voting capital of the Target Company. The promoter group had acquired 1,00,000 equity shares through off market purchase on October 4, 2010. As a result of such acquisition, the shareholding of promoter group had increased from 53.17% to 55.28%. In our opinion there was a non-compliance of regulation 11(1) of the Takeover Regulations pursuant to acquisition of the said shares by the Promoters. The last date for making public announcement was October 8, 2010. However, the Promoter group had not made an Open Offer under regulation 11(1).

(iv) The Target Company has forfeited 405,499 equity shares on November 23, 2010. As a result of the forfeiture, the shareholding of the Promoter Group had increased from 55.28% to 60.46%. The Target Company or the Promoters had not obtained prior exemption of SEBI for such increase in the shareholding of the promoter group. In our opinion there was a non-compliance of regulation 11(2) of the Takeover Regulations pursuant to increase in the shareholding of the promoter group due to the forfeiture. The last date for making public announcement was November 29, 2010. However, the Promoter group had not made an Open Offer under regulation 11(2).

SEBI may initiate suitable action against the erstwhile promoters for the above non-compliances of the applicable provisions of the Takeover Regulations.

6.12 There has been no merger, de-merger and spin off in the last three years in the Target Company.

6.13 The Target Company does not have any subsidiary.

6.14 The Board of Target Company as on the date of PA, comprises of 4 (four) Directors. The details of the Board of Directors of IISL are as below:

Name & Designation	**DIN**	**Date of Appointment**	**Qualification**	**Experience**	**Residential Address**
Mr. Nandkumar Rameshkumar Pareek Executive Director	00105330	August 8, 2001	B.A.	Mr. Pareek has 20 years of experience of Sales and Marketing	22/788, Tilak Nagar, Chembur, Mumbai, 400089, Maharashtra
Mr. Ram Manohar Khandelwal Non - Executive Director	00287020	June 29, 2007	B.Com	Mr. Khandelwal has 30 has years of experience in Business Management & Financial Department	635, Vidhyadhar Ka Rasta, Jaipur, 302002, Rajasthan
Mr. Ghanshyam Kamlashankar Joshi Independent Director	01032861	December 15, 2005	Intermediate	Mr. Joshi has 35 years of experience in Business and Financial Management	Temple View, Ground Floor, Krishna Sangh Marg, Opp. Hughes Road, Mumbai, 400007, Maharashtra
Mr. Surendra Rao Independent Director	01868279	June 29, 2007	B.Sc.	Mr. Roa has more than 20 years of experience in Computer Software and Hardware Consultancy	B/402 Mahavir Trikets Opp. Resi 1-Phase, Omkar Ind Humacin, Bhandup, Mumbai, 400078, Maharashtra

6.15 None of the Directors of the Target Company is a representative of the Acquirer.

6.16 Brief financial details of Indian Infotech & Software Limited for the last four financial years are as below:

Profit & Loss Account

(Rs. in Lacs)

Particulars	**31-Mar-08**	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Income from Operations	15.63	7.50	6.00	6.00
Other Income	11.63	5.78	(2.87)	7.05
Total Income	**27.26**	**13.28**	**3.13**	**13.05**
Total Expenditure	**22.62**	**12.36**	**12.45**	168.61
Profit before Interest, Depreciation and Tax	**4.64**	**0.92**	**(9.31)**	**(155.56)**
Depreciation	1.07	0.67	0.42	0.27
Profit before Tax	**3.57**	**0.25**	**(9.73)**	**(155.83)**
Provision for Tax	0.10	(0.01)	0.99	-
Excess Provision Written Back	0.88	-	-	-
Profit after tax	**4.55**	**0.24**	**(8.74)**	**(155.83)**

Balance Sheet Statement

(**Rs. in Lacs)**

Particulars	**31-Mar-08**	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Sources of funds				
Paid up share capital	404.70	407.70	409.20	442.97
Reserves & Surplus (excluding revaluation reserve)	3.82	3.82	3.82	3.82
Profit & Loss Account	22.85	23.08	14.34	(141.49)
Net Worth	**431.37**	**434.60**	**427.36**	**305.30**
Deferred Tax Liability	0.46	0.24	-	-
Total	**431.82**	**434.84**	**427.36**	**305.30**
Uses of funds				
Net Fixed Assets	1.82	1.25	0.83	0.56
Investments	259.10	260.72	247.01	0.93
Net Current Assets	170.90	172.87	178.77	303.06
Deferred Tax Assets	-	-	0.75	0.75
Total	**431.82**	**434.84**	**427.36**	**305.30**

Other Financial Data

Particulars	**31-Mar-08**	**31-Mar-09**	**31-Mar-10**	**31-Mar-11**
Dividend (%)	Nil	Nil	Nil	Nil
Earnings per share (Rs)	0.11	0.01	(0.21)	(3.60)
Return on Net Worth (%)	1.05	0.05	Negative	Negative
Book Value per Share of Rs. 10/-	10.66	10.66	10.44	7.05

***(Source:** Audited annual accounts. However, the accounts for the year ended March 31, 2011 are unaudited and have been certified by Sarda Soni Associates, Chartered Accountants, the statutory auditors of the Target Company vide their certificate dated May 18, 2011)*

Note:

i) Earning per share computed as the PAT/Number of Outstanding shares as at the end of the year
ii) Return on Networth calculated as PAT/Networth at the end of the year
iii) *Book value per share computed as the Networth/ Number of Outstanding shares as at the end of the year*

6.17 **Reasons for fall/rise in the total income and PAT in the past:**

<u>Comparison between 2010-11 and 2009-10</u>

Total Income for the year ended 31st March 2011 was Rs. 13.05 Lacs as compared to Rs. 3.13 Lacs for the year ended 31st March 2010. The increase in total income was account of increase in interest income. Further, the net loss for the year ended 31st March 2011 has increased to Rs. 155.83 Lacs from Rs. 8.74 Lacs in financial year 2010 mainly on account of loss on sale of investments.

Comparison between 2009-10 and 2008-09

Total Income for the year ended 31st March 2010 was Rs. 3.13 Lacs as compared to Rs. 13.28 Lacs for the year ended 31st March 2009. There was a net loss of Rs. 8.74 Lacs during financial year 2010 against reported profit of Rs.0.24 Lacs during financial ended 31st March 2009. The main reason for lower income and net loss was on account of loss on sale of investments.

6.18 As per the information provided, the Target Company does not have any contingent liability in its books of accounts.

6.19 As on the date of this letter of offer, shareholding in the Target Company before and after the Offer (assuming full acceptances in the Offer) is given in the table below:

Shareholders' Category	**Shareholding & voting rights prior to the agreement/ acquisition and offer**		**Shares /voting rights agreed to be acquired which triggered off the Regulations**		**Shares/voting rights to be acquired in open offer (Assuming full acceptances)**		**Share holding / voting rights after the acquisition and offer.**	
	(A)		**(B)**		**(C)**		**(A)+(B)+(C)=(D)**	
	No.	%	No.	%	No.	%	No.	%
(1) Promoter Group								
a. Parties to agreement, if any	2,617,050	60.46	(2,617,050)	(60.46)	-	-	-	-
b. Promoters other than (a) above	-		-	-	-	-	-	-
(2) Acquirer	**-**		**2,617,050**	**60.46**	**865,661**	**20.00**	**3,482,711**	**80.46**
(3) Parties to agreement other than(1)& (2)	-		**-**	**-**	**-**	**-**	**-**	**-**
(4) Public (other than parties to agreement, Acquirers & PACs)								
a) Institutions (Mutual Funds / UTI, FIs/Banks/FIIs/FVCI etc	10,651	0.25			(865,661)	**(20.00)**	**845,590**	**19.54**
b) Bodies Corporate	542,640	12.54						
c) Others	1,157,960	26.75						
Total (4)(a+b+c)	**1,711,251**	**39.54**						
GRAND TOTAL (1+2+3+4)	**4,328,301**	**100.00**	**-**	**-**	**-**	**-**	**4,328,301**	**100.00**

6.20 As on March 31, 2011, there are 1995 shareholders in the public category holding 1,711,251 shares of the Target Company.

6.21 The Acquirer has not acquired any share of the Target Company from the date of PA till the date of this Letter of Offer.

6.22 Details of build-up of the shareholding of the promoter group in the Target Company are as follows:

Date	Opening Balance Promoter Group	Opening Capital	Opening % holding Promoter Group	Name of Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum/IPO/FPO/Market Purchases/Preferential Allotment/Right Issue/Bonus Shares/ Inter-se-transfer etc.)	No. of Shares sold	Closing Capital	Closing holding Promoter group	Closing % Holding Promoter Group	Increase/Decrease in % holding Promoter Group (+/- %)	Applicable regulations of SEBI(SAST) Regulations	Applicable regulations of SEBI(SAST) Regulations	Due Date	Actual Date of Compliance	Delay (Days)	Compliance Status
Opening Balance in the year 1997																	
1997	2508250	4733800	52.99	Mr. Dhananjay Somani Mrs. Aradhana Somani Mr. C. P. Sodhani Chemo Pharma Laboratories Ltd. Ravindra Trading & Agencies Ltd. Tecil Chemicals & Hydro Power Ltd. Shree Consultations Services P. Ltd. Joshi Finance Ltd. Tecil Finance Ltd. **Total**	160000 33000 6000 1000000 552700 300000 128750 327100 700 **2508250**		NIL	4733800	2508250	52.99	NIL						NA
06-Mar-01	2508250	4733800	52.99	Joshi Finance Ltd.	NIL	Inter se Transfer to Chemo Pharma Laboratories Ltd. (Promoter Group)	320800	4733800	2508250	52.99	NIL	NA					NA
06-Mar-01	2508250	4733800	52.99	Chemo Pharma Laboratories Ltd.	320800	Inter se Transfer from Joshi Finance Ltd. (Promoter Group)	NIL	4733800	2508250	52.99	NIL	Since the Inter se transfer was for 6.78 % of total paid up capital of the Target Company and the Chemo Pharma Laboratories Ltd holding increased from 21.12% to 27.90%. The regulations applicable to Chemo Pharma would be 7(1A), 3(3) & 3(4).	7(1A) 3(3) 3(4)	27-Mar-01	Not Complied Not Complied 29-Jul-11	3776	The Promoters had not filed disclosures under regulations 7(1A) and 3(3) and there was a delay of 3776 days in filing the report under regulation 3(4) to SEBI
14-Mar-02	2508250	4733800	52.99	Ravindra Trading & Agencies Ltd.	NIL	Sold in open Market	2150	4733800	2506100	52.94	-0.05	NA					NA
16-Mar-02				Joshi Finance Ltd.	NIL	Sold in open Market	250		2505850	52.94	-0.01	NA					NA
15-Jul-02	2505850	4733800	52.94	Joshi Finance Ltd.	NIL	Sold in open Market	300	4733800	2505550	52.93	-0.01	NA					NA

Date	Opening Balance Promoter Group	Opening Capital	Opening % holding Promoter Group	Name of Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum/IPO/FPO/Market Purchases/Preferential Allotment/Right Issue/Bonus Shares/ Inter-se-transfer etc.)	No. of Shares sold	Closing Capital	Closing holding Promoter group	Closing % Holding Promoter Group	Increase/Decrease in % holding Promoter Group (+/- %)	Applicable regulations of SEBI(SAST) Regulations	Applicable regulations of SEBI(SAST) Regulations	Due Date	Actual Date of Compliance	Delay (Days)	Compliance Status
07-Oct-02				Ravindra Trading & Agencies Ltd.	NIL	Sold in open Market	100		2505450	52.93	0.00	NA					NA
18-Sep-03	2505450	4733800	52.93	Joshi Finance Ltd.	NIL	Sold in open Market	100	4733800	2505350	52.92	0.00	NA					NA
03-Mar-04				Ravindra Trading & Agencies Ltd.	NIL	Sold in open Market	100		2505250	52.92	0.00	NA					NA
13-Aug-07	2505250	4733800	52.92	Joshi Finance Ltd.	NIL	Sold in open Market	5650	4733800	2499600	52.80	-0.12	NA					NA
13-Mar-08				Mr. C. P. Sodhani	NIL	Sold in open Market	6000		2493600	52.68	-0.13	NA					NA
04-Mar-09	2493600	4733800	52.68	Ravindra Trading & Agencies Ltd.	NIL	Inter-se Transfer to Chemo Pharma Laboratories Ltd. (Promoter Group)	92700	4733800	2493600	52.68	NIL	NA					NA
04-Mar-09	2493600	4733800	52.68	Chemo Pharma Laboratories Ltd.	92700	Inter-se Transfer from Ravindra Trading & Agencies Ltd. (Promoter Group)	NIL	4733800	2493600	52.68	NIL	Since the Inter se transfer was for 1.96 % of total paid up capital of the Target Company, there is no requirement of disclosure under regulation 7(1A) , 3(3) & 3(4).					NA
03-Apr-09	2493600	4733800	52.68	Chemo Pharma Laboratories Ltd.	457650	Inter-se Transfer from Ravindra Trading & Agencies Ltd. (Promoter Group)	NIL	4733800	2493600	52.68	NIL	Since the Inter se transfer was for 9.67 % of total paid up capital of the Target Company and the Chemo Pharma Laboratories Ltd holding increased from 29.86% to 39.53%, the regulations applicable to Chemo Pharma would be 7(1A), 3(3) & 3(4).	7(1A) 3(3) 3(4)	05-Apr-09 27-Mar-09 24-Apr-09	03-Apr-09 Not Filed 14-Feb-11	N.A 661	The Promoters had not filed disclosure under regulation 3(3) and there was a delay of 661 days in filing report under regulation 3(4) to SEBI
03-Apr-09	2493600	4733800	52.68	Ravindra Trading & Agencies Ltd.	NIL	Inter-se Transfer to Chemo Pharma Laboratories Ltd. (Promoter Group)	457650	4733800	2493600	52.68	NIL	NA					NA
31-Jul-09	2493600	4733800	52.68	Chemo Pharma Laboratories Ltd.	24150	Purchase From open Market	NIL	4733800	2517750	53.19	0.51	NA					NA

Date	Opening Balance Promoter Group	Opening Capital	Opening % holding Promoter Group	Name of Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum / IPO / FPO / Market Purchases / Preferential Allotment / Right Issue / Bonus Shares / Inter-se-transfer etc.)	No. of Shares sold	Closing Capital	Closing holding Promoter group	Closing % Holding Promoter Group	Increase / Decrease in % holding Promoter Group (+ / - %)	Applicable regulations of SEBI (SAST) Regulations	Applicable regulations of SEBI (SAST) Regulations	Due Date	Actual Date of Compliance	Delay (Days)	Compliance Status
26-Feb-10	2517050	4733800	53.17	Tecil Finance Ltd.	NIL	Ceased to be a Person Acting in concert with promoter group	700	4733800	2517050	53.17	NIL	NA					
09-Mar-10	2517050	4733800	53.17	Shree Consultations & Services Pvt. Ltd.	300000	Inter-se Transfer from Tecil Chemicals & Hydro Power Ltd. (Promoter Group)	NIL	4733800	2517050	53.17	NIL	Since the Inter se transfer was for 6.34 % of total paid up capital of the Target Company and the shareholding of Shree Consultaions & Services P. Ltd. increased from 2.72% to 9.06%, the regulations applicable to Shree Consultaions & Services P. Ltd. would be 7(1A), 3(3) & 3(4).	3(3) 3(4) 7(1A)	05-Mar-10 19-Mar-10 11-Mar-10	26-Feb-10 29-Mar-10 09-Mar-10	- - -	Complied
09-Mar-10	2517050	4733800	53.17	Tecil Chemicals & Hydro Power Ltd.	NIL	Inter-se Transfer to Shree Consultations & Services Pvt. Ltd. (Promoter Group)	300000	4733800	2517050	53.17	NIL	NA	NA	NA	NA	NA	NA
04-Oct-10	2517050	4733800	53.17	Chemo Pharma Laboratories Ltd.	100000	Purchase from Open Market	NIL	4733800	2617050	55.28	2.11	Chemo Pharma Laboratories Ltd holding increased from 40.04% to 42.15%. Further, the promoter group holding increased from 53.17% to 55.28%. The regulation applicable would be 7(1A) & 11(1)	7(1A) 11(1)	06-Oct-10 Last date for making public announcement was 8-Oct-10	04-Oct-10 -	- -	Disclosure under regulation 7(1A) made on time. However, the Promoter group had not made a Open Offer under regulation 11(1).

Date	Opening Balance Promoter Group	Opening Capital	Opening % holding Promoter Group	Name of Promoter	No. of Shares Acquired	Mode of Acquisition (Memorandum / IPO / FPO / Market Purchases / Preferential Allotment / Right Issue / Bonus Shares / Inter-se-transfer etc.)	No. of Shares sold	Closing Capital	Closing holding Promoter group	Closing % Holding Promoter Group	Increase / Decrease in % holding Promoter Group (+ / - %)	Applicable regulations of SEBI (SAST) Regulations	Applicable regulations of SEBI(SAST) Regulations	Due Date	Actual Date of Compliance	Delay (Days)	Compliance Status
23-Nov-10	2617050	4733800	55.28	Shares forfeited	405499	Effect of Forfeiture of Shares in Paid Up shares capital of the Target Company	405499	4328301	2617050	60.46	5.18	The Target Company has forfeited 405,499 equity shares on November 23, 2010 and the shareholding of the Promoter group increased from 55.28% to 60.46%. The Target Company or the Promoters had not obtained prior exemption of SEBI for such increase in the shareholding of the promoter group	11(2)	Last date for making public announcement was 29-Nov-10	-	-	Since the prior exemption of SEBI was not obtained, there was a non-compliance of regulation 11(2) pursuant to increase in the shareholding of the promoter group due to the forfeiture. However, the Promoter group had not made an open offer under regulation 11(2) of the SAST Regulations
08-Dec-10	2617050	4328301	60.46	Chemo Pharma Laboratories Ltd.	193000	Inter-se Transfer of 160,000 Equity shares from Mrs. Aradhan Somani (Promoter Group) & 33,000 Equity Shares from Mr. Dhananjay Somani (Promoter Group)	NIL	4328301	2617050	60.46	NIL	Since the Inter se transfer was for 4.46 % of total paid up capital of the Target Company and the shareholding of Chemo Pharma Laboratories Ltd increased from 46.10% to 50.56%, the regulations applicable to Chemo Pharma would be 7(1A) & 3(4).	7(1A) 3(4)	10-Dec-10 29-Dec-10	09-Dec-10 27-Dec-10	- -	Complied Complied
08-Dec-10	2617050	4328301	60.46	Mrs. Aradhana Somani	NIL	Inter-se Transfer to Chemo Pharma Laboratories Ltd. (Promoter Group)	160000	4328301	2617050	60.46	NIL	NA					
08-Dec-10	2617050	4328301	60.46	Mr. Dhananjay Somani	NIL	Inter-se Transfer to Chemo Pharma Laboratories Ltd. (Promoter Group)	33000	4328301	2617050	60.46	NIL	NA					

6.23 The Target Company has complied with all the requirements of Corporate Governance under clause 49 of the Listing agreement entered into with the stock exchange. Mr. Manoj Jain (Membership No. 120788), Partner of Sarda Soni Associates, Chartered Accountants, having office at 13/16, Kapadia Chambers, 599 JSS Road, Chira Bazar, Mumbai – 400 002; Phone no. -022 2207 5288; Fax no. 022 22075288 has confirmed vide his certificate dated August 31, 2011 that Target Company has complied with the requirements of Corporate Governance under clause 49 of the Listing agreement.

6.24 **Pending Litigations**

There are no litigations pending against the Target Company.

6.25 **Compliance Officer**

Mr. B. K. Lohia
Indian Infotech & Software Limited
Empire House, 3rd Floor,
214, DR. D. N. Road, Fort
Mumbai – 400 001
Ph: +91-22-2207 8381
Fax: +91-22-2207 4294

7 OFFER PRICE AND FINANCIAL ARRANGEMENTS

7.1 Justification of offer price

7.1.1 The equity shares of IISL are currently listed on the Bombay Stock Exchange Limited (BSE) and the Ahmedabad Stock Exchange Limited (ASE) (hereinafter collectively referred to as "Exchanges"). Based on the information available, the equity shares of the Target Company are frequently traded on BSE and infrequently traded on ASE within the meaning of explanation (i) to regulation 20(5) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997.

7.1.2 The annualized trading turnover during the preceding six calendar months prior to May 2011 (the month in which the Public Announcement made) in the Stock Exchanges is as under:

Name of the Stock Exchange	Total No. of Equity Shares traded during the 6 calendar months prior to May 2011	Total No. of equity shares listed	Annualised Turnover (in terms of % to total no. of shares)
BSE	392,769	4,733,800	16.59%
ASE	NIL	4,733,800	NIL

Source: Official data obtained from the Stock Exchanges

7.1.3 Based on the parameters set out in the regulations for frequently and infrequently traded stocks, the Offer Price is justified in view of regulations 20(4) & 20(5) of SAST Regulations as it is in excess of the higher of the following:

Negotiated Price		Rs. 10/-
The highest price paid by the acquirer for acquisitions, if any, including by way of allotment in a public or rights or preferential issue during the 26 week period prior to the date of PA		Not Applicable
Average of the weekly high and low of closing prices of the equity shares of the Target Company on BSE during the 26 weeks period preceding the date of the Public Announcement.		Rs. 13.57
Average of the daily high and low prices of the equity shares of the Target Company on BSE during the 2 weeks preceding the date of the Public Announcement		Rs. 18.32
Other parameters:		
	31/03/2010 (Audited Accounts)	**31/03/2011 (Unaudited Accounts)****
Return on Net Worth (%)	Negative	Negative
Book Value per share (Rs.)#	10.44	7.05
Earnings per Share (Rs.)#	(0.21)	(3.60)
Industry Average P/E*	17.40*	

** Source: Capital Market Vol. XXVI/06, May 16, 2011 – May 29, 2011; Sector: Finance & Investments.*
*** Certified by the Auditor*
 # Fully Paid up Share of Rs.10/- each

7.1.4 **The price and volume data of the Target Company on BSE**

The price and volume data of the Target Company on BSE, for 26 week period prior to the date of the PA i.e. May 24, 2011 is as under:

Week No.	Week ending	Week High (Rs.)	Week Low (Rs.)	Average (Rs.)	Total Volume
1	May 23, 2011	17.75	15.30	16.53	17,225
2	May 16, 2011	21.60	18.65	20.13	41,244
3	May 9, 2011	20.05	16.55	18.30	17,236
4	May 2, 2011	15.80	13.02	14.41	4,302
5	April 25, 2011	12.49	11.89	12.19	2,217
6	April 18, 2011	11.90	10.82	11.36	1,203
7	April 11, 2011	10.67	10.00	10.34	3,367
8	April 4, 2011	10.70	9.88	10.29	584
9	March 28, 2011	9.93	8.97	9.45	2,903
10	March 21, 2011	11.00	9.95	10.48	192
11	March 14, 2011	11.39	10.57	10.98	945
12	March 7, 2011	11.13	10.85	10.99	1,633
13	February 28, 2011	13.11	11.42	12.27	1,936
14	February 21, 2011	15.40	13.79	14.60	3,527
15	February 14, 2011	14.90	14.90	14.90	50
16	February 7, 2011	14.25	13.47	13.86	1,440
17	January 31, 2011	14.20	12.83	13.52	3,451
18	January 24, 2011	14.97	14.23	14.60	704
19	January 17, 2011	14.26	12.95	13.61	36,305
20	January 10, 2011	14.15	12.84	13.50	63,863
21	January 3, 2011	14.00	13.51	13.76	59,566
22	December 27, 2010	14.80	14.03	14.42	26,811
23	December 20, 2010	16.25	14.67	15.46	118,249
24	December 13, 2010	15.50	14.75	15.13	5,797
25	December 6, 2010	15.01	14.00	14.51	12,886
26	November 29, 2010	14.15	12.32	13.24	6,420
26 Weeks Average				**13.57**	

The price and volume data of the Target Company on BSE, for 2 weeks preceding the date of PA i.e. May 24, 2011 is as under:

Day No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume
1	May 23, 2011	16.05	14.55	15.30	7,250
2	May 20, 2011	15.30	15.30	15.30	1,975
3	May 19, 2011	16.10	16.10	16.10	3,800
4	May 18, 2011	16.90	16.90	16.90	3,050
5	May 17, 2011	17.75	17.75	17.75	1,150
6	May 16, 2011	18.65	18.65	18.65	2,050
7	May 13, 2011	19.60	19.60	19.60	2,009
8	May 12, 2011	22.65	20.55	21.60	13,654
9	May 11, 2011	21.60	21.60	21.60	9,931
10	May 10, 2011	21.05	19.70	20.38	13,600
2 Weeks Average				**18.32**	

7.1.5 In the opinion of the Manager to the Offer and the Acquirer, the Offer Price of Rs. 18.50 (Rupees Eighteen & Paise Fifty Only) per fully paid-up equity share is justified in terms of regulations 20(4) & 20(5) of SEBI (SAST) Regulations.

7.1.6 There is no non-compete agreement.

7.1.7 If the Acquirer acquires any shares of the Target Company after the date of the PA and up to 7 working days prior to the closure of the offer at a price higher than the offer price, then the highest price paid for such acquisition shall be payable for all the valid applications received under the offer. Further, the Acquirer shall not acquire any shares of the Target Company during the last seven working days prior to the closure of the offer, except those accepted in the offer.

7.2 **Financial Arrangements:**

7.2.1 The maximum consideration payable by the Acquirer assuming full acceptance in the Offer would be Rs. 1,60,14,729 (Rupees One Crore Sixty Lacs Fourteen Thousand Seven Hundred Twenty Nine Only) ("**Maximum Consideration**") at a price of Rs. 18.50 per equity share (the "Offer Price") payable in cash subject to the terms and conditions mentioned hereinafter.

7.2.2 In accordance with regulation 28 of the Regulations, an escrow account has been created in the form of cash deposit for an amount of Rs. 50,00,000 (Rupees Fifty Lacs only) **("Cash Deposit")** placed with HDFC Bank Limited, 2/6 Sarat Bose Road, Kolkata- 700 020 **('Escrow Bank')** for the performance of the Acquirer's obligations under the Regulations. The cash deposit is in excess of 25% of the maximum consideration payable under the offer. The Manager to the Offer is empowered to realize the value of the aforesaid escrow account and instruct the escrow bank to issue cheques/demand drafts in terms of the Regulations.

7.2.3 Jayanti Prime Software Advisory Private Limited has made firm financial arrangements to meet the financial requirement for the Offer. Mr. Jay Shanker Gupta (Membership No. 059535), Proprietor of Jay & Co., Chartered Accountants, having office at 22, Muktaram Babu Street, 1st Floor, Kolkata – 700 007 has confirmed vide his letter dated May 23, 2011 that Jayanti Prime Software Advisory Private Limited has adequate financial resources available for meeting its obligations under the Regulations for a value up to the Maximum Consideration. The Acquirer shall pay the offer consideration out of its own funds.

7.2.4 The Manager to the Offer confirms that adequate funds are available with the Acquirer through verifiable means to implement this offer in full.

8 TERMS AND CONDITIONS OF THE OFFER

8.1 All owners of equity shares, except the Acquirer and Sellers, registered or unregistered, are eligible to participate in the Offer anytime before closure of the Offer.

8.2 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of IISL whose names appear on the register of members of IISL and to the beneficial owners of the equity shares of IISL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 17, 2011 (the 'Specified Date'). 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. A copy of the Letter of Offer (including Form of Acceptance) will be available on SEBI's website www.sebi.gov.in during the period the Offer is open and may also be downloaded from the site.

8.3 There shall be no discrimination in acceptance of locked-in and non-locked in shares. However, the equity shares of the Target Company tendered will be acquired by the Acquirer fully paid up, free from all liens, charges and encumbrances and together with the rights attached thereto, including all rights to dividend, bonus and rights offer declared thereof.

8.4 The instructions, authorizations and provisions contained in the Form of Acceptance and Form of Withdrawal constitute an integral part of the terms of the Offer.

8.5 The acceptance of the Offer made by the Acquirer is entirely at the discretion of the Shareholders of the Target Company. The Acquirer will not be responsible in any manner for any loss of equity share certificate(s) and offer acceptance documents during transit and the shareholders of the Target Company are advised to adequately safeguard their interest in this regard.

8.6 The Acquirer is permitted to revise the Offer Price of shares / No. of equity shares upwards, such upward revision will be made in accordance with regulation 26 of the Regulations, not later than Tuesday, September 20, 2011, which is 7 (Seven) working days prior to the date of closure of the Offer. If the Offer Price is revised upward, such revised price will be payable to all shareholders who have accepted the Offer and submitted their equity shares at any time during the offer period to the extent that their shares have been verified and accepted by the Acquirer. The same would be informed by way of Public Announcement in the same newspapers where original Public Announcement was published.

8.7 The Acquirer, Sellers and the Target Company have 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 any other regulation made under the SEBI Act.

8.8 **Statutory approvals and other approvals required for the offer**

8.8.1 As on the date of the PA, to the best of the knowledge of the Acquirer, there are no statutory approvals required to acquire the equity shares that are validly tendered pursuant to this Offer. If any other statutory approvals are required or become applicable, the Offer would be subject to the receipt of such other statutory approvals. The Acquirer shall not proceed with the Offer in the event any statutory approval indicated herein is not obtained in terms of regulation 27 of the Regulations.

8.8.2 It may be noted that in case of non-receipt of any statutory approval within time, SEBI has the power to grant an extension of time to the Acquirer for payment of consideration to the shareholders under the Offer provided that the Acquirer agrees to pay interest for the delay, in accordance with Regulation 22(12) of the SAST Regulations.

9 PROCEDURE FOR ACCEPTANCE AND SETTLEMENT

9.1 The Letter of Offer, specifying the detailed terms and conditions, together with the Form of Acceptance-cum-Acknowledgement ('Form of Acceptance'), Form of Withdrawal and Transfer Deed (for shareholders holding equity shares in the physical form) will be mailed to the shareholders of IISL whose names appear on the register of members of IISL and to the beneficial owners of the equity shares of IISL whose names appear as beneficiaries on the records of the respective Depositories, at the close of business hours on Friday, June 17, 2011 (the 'Specified Date').

9.2 Shareholders of the Target Company who wish to avail of and accept the offer shall send/ deliver the Form of Acceptance along with all the revelant documents to the Registrar to the offer **C B Management Services (P) Limited** at P-22, Bondel Road, Kolkata- 700019 whether by hand delivery on weekdays (Monday to Friday between 10 a.m to 5 p.m) or by registered post, so as to reach on or before the closure of the Offer, i.e. September 29, 2011 in accordance with the instructions specified in the Letter of Offer and the Form of Acceptance.

9.3 Shareholders who hold equity shares of IISL in physical form and wish to tender their equity shares pursuant to the Offer will be required to submit the Form of Acceptance, Original Share Certificate(s) and transfer deed(s) duly signed to the Registrar to the Offer, so as to reach on or before the closure of the Offer, i.e. September 29, 2011.

9.4 The Registrar to the Offer, C B Management Services (P) Limited has opened a special depository account with the Calcutta Stock Exchange Limited. Beneficial owners and shareholders holding equity shares of IISL in the dematerialised form, will be required to send their Form of Acceptance to the Registrar to the Offer on or before the closure of the Offer, along with a photocopy or counterfoil of the delivery instruction in 'Off-market' mode, duly acknowledged by the Depository Participant ('DP'), in favour of ' CBMSPL ESCROW ACIISL OPEN OFFER' and filled in with the details given below:

Name of the Special Depository Account	CBMSPL ESCROW ACIISL OPEN OFFER
Depository	Central Depository Services (India) Limited (CDSL)
DP Name	The Calcutta Stock Exchange Limited
DP ID	13061700
Client ID	00007929
ISIN	INE300B01014
Market	Off Market

Forms of Acceptance of dematerialized equity shares not credited to the above special depository account on or before the closure of Offer are liable to be rejected. Beneficial owners are therefore requested to tender the delivery instructions at least two working days prior to the date of closing of the Offer. Shareholders having their beneficiary account in National Securities Depository Limited (NSDL) have to use inter-depository delivery instruction slip for the purpose of crediting their equity shares in favour of the special depository account with CDSL.

9.5 Unregistered owners or shareholders who have not received the Letter of Offer may send their consent, to the Registrar to the Offer, on a plain paper stating the name, address, folio number, distinctive numbers, number of shares held, number of shares offered, along with the documents as mentioned above, so as to reach the Registrar to the Offer on or before the closure of the Offer, or in the case of beneficial owners, they may send the application in writing to the Registrar to the Offer, on a plain paper stating the name, address, number of shares held, number of shares offered, 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 the 'off-market' mode, duly acknowledged by the DP, in favour of the aforesaid special depository account, so as to reach the Registrar to the Offer, on or before the closure of the Offer. No Indemnity is required from the unregistered owners.

9.6 Shareholders of IISL who have sent their equity shares for transfer should submit Form of Acceptance duly completed and signed, copy of the letter sent to IISL (for transfer of said shares) and acknowledgement received thereon and valid share transfer form. Shareholders who have sent their physical shares for dematerialisation should submit their form of acceptance as applicable along with the copy of the demat request form (DRF) duly acknowledged by their DP. However, they have to ensure that the corresponding credit of the dematerialized shares is received in the escrow depository account on or before closure of the Offer.

9.7 **THE SHARES AND THE OTHER RELEVANT DOCUMENTS SHOULD NOT BE SENT DIRECTLY TO THE ACQUIRER OR THE TARGET COMPANY OR THE MANAGER TO THE OFFER**

9.8 The Registrar to the Offer will hold in trust the equity shares and Share Certificate(s), equity shares lying in credit of the special depository account, Form of Acceptance and the transfer deed(s) on behalf of the shareholders of IISL who have accepted the Offer, until the cheques/drafts for the consideration and/or the unaccepted equity shares / share certificates are dispatched/ returned.

9.9 **Mode of making payment**

The payment of consideration, if any, would be done through any of the following modes:

a) Electronic Clearing System (ECS) – Payment of consideration would be done through ECS for applicants having an account at any of the following 68 centers: Ahmedabad, Bangalore, Bhubaneshwar, Kolkata, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Mumbai, Nagpur, New Delhi, Patna, Thiruvananthapuram (managed by RBI); Baroda, Dehradun, Nashik, Panaji, Surat, Trichy, Trichur, odhpur, Gwalior, Jabalpur, Raipur, Calicut, Siliguri (Non-MICR), Pondicherry, Hubli, Shimla (Non- MICR), Tirupur, Burdwan (Non-MICR), Durgapur (Non-MICR), Sholapur, Ranchi, Tirupati (Non-MICR), Dhanbad (Non-MICR), Nellore (Non-MICR) and Kakinada (Non-MICR) (managed by State Bank of India); Agra, Allahabad, Jalandhar, Lucknow, Ludhiana, Varanasi, Kolhapur, Aurangabad, Mysore, Erode, Udaipur, Gorakpur and Jammu (managed by Punjab National Bank); Indore (managed by State Bank of Indore); Pune, Salem and Jamshedpur (managed by Union Bank of India); Visakhapatnam (managed by Andhra Bank); Mangalore (managed by Corporation Bank); Coimbatore and Rajkot (managed by Bank of Baroda); Kochi/Ernakulum (managed by State Bank of Travancore); Bhopal (managed by Central Bank of India); Madurai (managed by Canara Bank); Amritsar (managed by Oriental Bank of Commerce); Haldia (Non-MICR) (managed by United Bank of India); Vijaywada (managed by State Bank of Hyderabad); and Bhilwara (managed by State Bank of Bikaner and Jaipur). This mode of payment of considerations would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of consideration through ECS is mandatory for shareholders having a bank account at any of the abovementioned 68 centers, except where the applicant, being eligible, opts to receive payment through direct credit or RTGS.

b) Direct Credit – Shareholders having bank accounts with the Escrow Banker(s), in this case being, HDFC Bank Limited shall be eligible to receive considerations through direct credit. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirer.

c) RTGS – Shareholders having a bank account at any of the abovementioned 68 centres and whose consideration amount exceeds Rs. One Lac, have the option to receive payment through RTGS. Such eligible shareholders who indicate their preference to receive payment through RTGS are required to provide the IFSC code in the Acceptance-cum-acknowledgement form. In the event the same is not provided, payment shall be made through ECS. Charges, if any, levied by the Escrow Bank(s) for the same would be borne by the Acquirer. Charges, if any, levied by the shareholders's bank receiving the credit would be borne by the shareholder.

d) National Electronic Fund Transfer (NEFT) – Payment of consideration shall be undertaken through NEFT wherever the shareholders' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of consideration, duly mapped with MICR numbers. Wherever the shareholder have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of consideration will be made to the shareholders through this method. In the event that NEFT is not operationally feasible, the payment would be made through any one of the other modes as discussed above.

e) For all other shareholders, the payments will be dispatched through Speed Post/ Registered Post. Such payments will be made by cheques, pay orders or demand drafts drawn on HDFC Bank Limited and payable at par.

9.10 Unaccepted share certificates, transfer forms and other documents, if any, will be returned by registered post at the Shareholder's / unregistered owner's sole risk to the sole / first Shareholder. Shares held in dematerialised form to the extent not accepted will be credited back to the beneficial owners' depository account with the respective depository participant as per the details furnished by the beneficial owner in the Form of Acceptance-cum-Acknowledgement or otherwise. It will be the responsibility of the shareholders to ensure that the unaccepted shares are accepted by their respective depository participants when transferred by the Registrar to the Offer.

9.11 In accordance with the regulation 22(5A) of the Regulations, shareholders who have tendered the requisite documents in terms of the Public Announcement and Letter of Offer shall have the option to withdraw acceptances tendered up to three working days prior to the Offer Closing Date. The withdrawal option can be exercised by submitting the documents as per the instructions below, so as to reach the Registrar to the Offer on or before Monday, September 26, 2011.

- The withdrawal option can be exercised by submitting the Form of Withdrawal as enclosed herewith.
- The shareholders are advised to ensure that the Form of Withdrawal should reach the Registrar to the Offer on or before the last date of withdrawal.
- Shareholders should enclose the following: -

  For Equity Shares held in demat form beneficial owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - Photocopy of the delivery instruction slip in "Off-market" mode or counterfoil of the delivery instruction slip in "Off-market" mode, duly acknowledged by the DP.

  For Equity Shares held in physical form Registered shareholders should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - 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 IISL and duly witnessed at the appropriate place.

  Unregistered owners should enclose:

  - Duly signed and completed Form of Withdrawal.
  - Copy of the Form of Acceptance/ Plain paper application submitted and the Acknowledgement slip.
  - The withdrawal of Equity Shares will be available only for the Share certificates/ Equity Shares that have been received by the Registrar to the Offer or credited to the Special Depository Escrow Account.
  - The intimation of returned Equity Shares to the shareholders will be sent at the address as per the records of IISL/ Depository as the case may be.
  - The Form of Withdrawal along with enclosure should be sent to the Registrar to the Offer only.
  - In case of partial withdrawal of Equity Shares tendered in physical form, if the original share certificates are required to be split, the same will be returned on receipt of share certificates from IISL. The facility of partial withdrawal is available only to Registered shareholders.
  - Shareholders holding Equity Shares in dematerialised form are requested to issue the necessary standing instruction for receipt of the credit in their DP account.
  - In case of non-receipt of the Form of Withdrawal, the withdrawal option can be exercised by making an application on plain paper along with the following details:
  - In case of physical Equity Shares: name, address, Distinctive Nos., Certificate Numbers., Folio Number, number of Equity Shares tendered
  - In case of dematerialized Equity Shares: name, address, number of Equity Shares tendered, DP name, DP ID, beneficiary account number and a photocopy of delivery instructions slip in "off market" mode or counterfoil of the delivery instruction slip in "off market" mode, duly acknowledged by the DP, in favour of the Special Depository Escrow Account.

9.12 Any shares that are the subject matter of litigation or are held in abeyance due to pending court cases, such that the Shareholder(s) of the Target Company may be precluded from transferring the Shares during pendency of the said litigation are liable to be rejected unless directions / orders regarding the free transferability of such shares are received

9.13 While tendering the shares under the Offer, NRIs/ OCBs/ foreign shareholders will be required to submit the previous RBI Approvals (specific or general) that they would have obtained for acquiring the shares of the Target Company and a No Objection Certificate/ Tax Clearance Certificate from the Income-Tax authorities under the Income-tax Act, 1961,indicating the rate at which the tax is to be deducted by the Acquirer before remitting the consideration. In case the previous RBI approvals are not submitted, the Acquirer reserve the right to reject such shares tendered. In case the aforesaid No Objection Certificate/ Tax Clearance Certificate is not submitted, the Acquirer will deduct tax at the currently prevailing rate as advised by their tax advisors on the entire consideration amount payable to such NRI / OCB /Non-domestic companies / other persons who are not resident in India.

9.14 In case the number of shares tendered by the shareholders are more than the shares agreed to be acquired under the Offer, the Acquirer shall accept the offers received from the shareholders on a proportionate basis as per regulation 21(6) of the Regulations 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 nonmarketable 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.

9.15 Schedule of the major activities of the open offer are as under:

Activity	**Original Time Schedule**	**Revised Time Schedule**
Public Announcement Date	Tuesday, May 24, 2011	Tuesday, May 24, 2011
Specified Date *****	Friday, June 17, 2011	Friday, June 17, 2011
Last date for a competitive bid	Tuesday, June 14, 2011	Tuesday, June 14, 2011
Date by which the Letter of Offer will be dispatched to the shareholders of the Target Company	Friday, July 08, 2011	Wednesday, September 07, 2011
Offer Opening Date	Friday, July 15, 2011	Saturday, September 10, 2011
Last date for revising the offer price/offer size	Monday, July 25, 2011	Tuesday, September 20, 2011
Last date for withdrawal by shareholders	Friday, July 29, 2011	Monday, September 26, 2011
Offer Closing Date	Wednesday, August 03, 2011	Thursday, September 29, 2011
Date by which the acceptance/ rejection would be intimated and the corresponding payment for the acquired shares and /or the share certificate for the rejected shares will be dispatched	Thursday, August 18, 2011	Friday, October 14, 2011

** Specified Date is only for the purpose of determining the names of shareholders as on such date to whom the Letter of Offer will be sent and all owners (registered or unregistered) of the shares of the Target Company (except the Acquirer and the Sellers) are eligible to participate in the Offer anytime before the closure of the Offer.*

9.16 Financial data contained in this Letter of Offer has been rounded off to the nearest Lac except wherein stated.

10 DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the office of the Manager to the Offer at Azimganj House, 2nd Floor 7, Camac Street, Kolkata 700 017 from 10.30 a.m. to 1.00 p.m. on any working day, except Saturdays, Sundays and Holidays until the closure of the Offer.

a) Certificate of Incorporation, Memorandum and Articles of Association of the Target Company.

b) Certificate of Incorporation, Memorandum and Articles of Association of the Acquirer.

c) Certificate dated May 23, 2010 from Mr. Jay Shanker Gupta (Membership No. 059535), Proprietor of Jay & Co., Chartered Accountants, having office at 22, Muktaram Babu Street, 1st Floor, Kolkata – 700 007 confirming that the Acquirer has adequate financial resources available for meeting its obligations under the Regulations.

d) Audited Reports of Indian Infotech & Software Limited for the year ended March 31, 2008, 2009 and 2010 and unaudited accounts certified by the auditor for the year ended March 31, 2011.

e) Audited Reports of Acquirer for the year ended March 31, 2011.

f) Certificate of Net worth from Mr. Jay Shanker Gupta (Membership No. 059535), Proprietor of Jay & Co., Chartered Accountants, having office at 22, Muktaram Babu Street, 1st Floor, Kolkata – 700 007 confirming the net worth of Jayanti Prime Software Advisory Private Limited as on May 16, 2011.

g) Copy of the SPA dated May 20, 2011 which triggered the Open Offer.

h) Published copy of the Public Announcement

i) Copy of letter from HDFC Bank Limited confirming the cash deposit of Rs. 50 Lacs in the escrow account with a lien marked in favour of the Manager to the Offer.

j) Copy of Agreement entered into between with C. B. Management Services Private Limited and the Calcutta Stock Exchange Limited for opening the special depository account for the purpose of the offer.

11 DECLARATION BY THE ACQUIRER

The Acquirer and its Directors accept full responsibility for the information contained in this Letter of Offer, Form of Acceptance and Form of Withdrawal. The Acquirer and its Directors shall be responsible for ensuring compliance with the SEBI (SAST) Regulations and for their obligations laid down in the SEBI (SAST) Regulations.

All information contained in this document is as on the date of the Public Announcement, unless stated otherwise.

Mr. Kamal Nayan Sharma is authorized to sign the Letter of Offer

On the behalf of Jayanti Prime Software Advisory Private Limited

Kamal Nayan Sharma
Director

Date: September 1, 2011
Place: Kolkata

Encl.:

1) Form of Acceptance-cum-Acknowledgement

2) Form of Withdrawal

3) Transfer Deed for shareholders holding Equity Shares in Physical Form

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