LETTER OF OFFER

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

This Letter of Offer (LOO) is sent to you as equity shareholder(s) of Info-Drive Software Limited. If you require any clarifications about the action to be taken, you may consult your stock broker or investment consultant or Keynote Corporate Services Ltd. (Manager to the Offer) or Cameo Corporate Services Ltd. (Registrar to the Offer). In case you have sold your shares in the Company, please hand over this LOO and the accompanying Form of Acceptance cum Acknowledgment and Transfer Deed to the Member of Stock Exchange through whom the said sale was effected.

CASH OFFER AT A PRICE OF RS 7.00 (RUPEES SEVEN ONLY) PER EQUITY SHARE

[Pursuant to Regulation 12 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto]

TO ACQUIRE

from existing equity shareholders upto 10,00,000 equity shares of Rs.10/- each forming 20% of the paid-up equity share capital

Of

INFO – DRIVE SOFTWARE LIMITED

having its registered office at 203/91 V.M. Street, Mylapore, Chennai – 600 004 (India)

Tel: (044) 2498 3244; Fax: (044) 2498 5704; Email: infodrive@pobox.com; Website: www.thakita.com

By

BHARI INFORMATION TECHNOLOGY SYSTEMS PRIVATE LTD

having its registered office at Buhari Buildings 3, Moores Road, Chennai – 600 006 (India)

Tel: (044) 2821 2368, 2827 9466; Fax: (044) 2821 2609; Email: schandan@ibfi.co.in; Website: www.bitechm.com

AND

MR. V. N. SESHAGIRI RAO

residing at No. 53, Abhiramapuram III Street, Chennai – 600 018

Tel: (044) 2466 2001, 2466 2955; Email: raovns@hotmail.com

Permission of RBI would be required for transfer of shares received from NRI shareholders, if any. There are no other approvals, statutory or otherwise, required under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and /or any other applicable laws.

The shareholder(s) shall have the option to withdraw acceptance tendered by him/them upto three working days prior to the date of closure of the Offer i.e. upto 25/07/2006.

In case of any upward revision/withdrawal of the Offer, the Public Announcement for the same would be made in the same newspapers where the original Public Announcement has appeared. The last date for such upward revision, if any, is 19/07/2006. Acquirers will pay the same price for all fully paid-up equity shares tendered during the offer period.

Equity Shareholders may note that if there is a competitive bid,

- **The public offers under all the subsisting bids shall close on the same date.**
- **As the Offer Price cannot be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.**

A copy of the Public Announcement and Letter of Offer (including form of acceptance cum acknowledgement and form of withdrawal) is also available at the website of SEBI **www.sebi.gov.in**

Manager to the Offer

KEYNOTE
CORPORATE SERVICES LTD

307, Regent Chambers,
Nariman Point, Mumbai - 400 021.
Tel : (022) 2202 5230 Fax : (022) 2283 5467
E-mail: mbd@keynoteindia.net
SEBI Regn: INM000003606
AMBI Regn No.: AMBI/040
Contact Person: Mr. Janardhan Wagle

Registrar to the Offer

CAMEO

CAMEO CORPORATE SERVICES LTD.
Subramanian Building, # 1, Club House Road,
Chennai - 600 002, INDIA
Tel: (044) 2846 0390 (5 Lines), Fax: (044) 2846 0129
E-mail : cameo@cameoindia.com
Website: www.cameoindia.com
SEBI Reg. No. : INR 000003753
Contact Person: Mr. R D Ramasamy

Activity	Date	Day
Public Announcement	19/05/2006	Friday
Last date for a competitive bid	08/06/2006	Thursday
Specified Date	16/06/2006	Friday
Date by which the Letter of Offer will be dispatched to shareholders	01/07/2006	Saturday
Date of opening of the Offer	12/07/2006	Wednesday
Last date for revising the Offer Price/ number of shares	19/07/2006	Wednesday
Last date for withdrawal of acceptance	25/07/2006	Tuesday
Date of closing of the Offer	31/07/2006	Monday
Date by which acceptance/rejection would be intimated and the corresponding payment for the acquired shares and/or the share certificate(s)/demat delivery instruction for the rejected Shares will be dispatched/issued.	14/08/2006	Monday

INDEX

DEFINITIONS

Acquirers	:	Bhari Information Technology Systems Private Limited (BITECH) and Mr. V. N. Seshagiri Rao
Date of Public Announcement	:	19/05/2006
Letter of Offer/LOO	:	This Letter of Offer dated 22/06/2006
LIC	:	Life Insurance Corporation
Manager to the Offer/ Merchant Banker	:	Keynote Corporate Services Ltd.
Persons Eligible to participate in the Offer	:	Equity shareholders of Info - Drive Software Ltd. (other than “Acquirers, Sellers, other persons in the promoter group”) whose names appear on the Register of the Members of Info - Drive Software Ltd. at the close of business hours on 16/06/2006 (the “Specified Date”) and also to those persons who own the shares at any time prior to the closure of the Offer, but are not the registered equity shareholders.
SEBI	:	Securities and Exchange Board of India
SPA	:	Share Purchase Agreement
Specified Date	:	16/06/2006
Target Company or IDSL	:	Info – Drive Software Ltd.
The Regulations / SEBI (SAST) Regulations 1997	:	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereof.

RISK FACTORS

- *Relating to the Proposed Offer*

  If the aggregate of the valid responses to the Offer exceeds Offer size, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations. In such an event all the equity shares tendered by the applicant may not be accepted.
- BITECH has made losses for the Financial Year ended 31/12/2002 and fifteen months period ended 31/03/2004 of Rs. 757.26 lacs and Rs. 542.70 lacs, respectively.

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 DISCLOSURE CONTAINED THEREIN ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE THE EQUITY SHAREHOLDERS OF INFO – DRIVE SOFTWARE LIMITED TO TAKE AN INFORMED DECISION WITH REGARD TO THE OFFER. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR FINANCIAL SOUNDNESS OF THE ACQUIRERS OR THE COMPANY WHOSE SHARES/CONTROL IS PROPOSED TO BE ACQUIRED OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE LETTER OF OFFER. IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE ACQUIRERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURES OF ALL RELEVANT INFORMATION IN THIS LETTER OF OFFER, THE MERCHANT BANKER IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT ACQUIRERS DULY DISCHARGE THEIR RESPONSIBILITY ADEQUATELY. IN THIS BEHALF, AND TOWARDS THIS PURPOSE, THE MERCHANT BANKER KEYNOTE CORPORATE SERVICES LIMITED HAS SUBMITTED A DUE DILIGENCE CERTIFICATE DATED 31/05/2006 TO SEBI IN ACCORDANCE WITH THE SEBI (SUBSTANTIAL ACQUISITION OF SHARES AND TAKEOVERS) REGULATIONS 1997 AND SUBSEQUENT AMENDMENT(S) THEREOF. THE FILING OF THE LETTER OF OFFER DOES NOT, HOWEVER, ABSOLVE THE ACQUIRERS 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 of the Offer

a) Bhari Information Technology Systems Private Limited (**"BITECH"**), having its registered office at Buhari Buildings 3, Moores Road, Chennai – 600 006, India, has agreed to acquire 4,00,000 equity shares of Rs.10/- each representing 8 % of the total paid up equity share capital of Info-Drive Software Limited (hereinafter referred to as **'IDSL'** or **'Target Company'**) at a price of Rs. 7/- (Rupees Seven Only) per share payable in cash vide Share Purchase Agreement dated 18/05/2006 (**"The Agreement/ SPA"**) from persons in the promoter group of IDSL (**"Sellers"**) as detailed below:

Name of the Acquirer	Name of the Sellers	No. of Equity Shares agreed to be acquired	% of the paid up equity capital of the target company
Bhari Information Technology Systems Private Limited	Mr. K. Shivakumar	2,90,000	5.80
	Mr. K. Ganesh Krishna	40,000	0.80
	Ms. R.K. Sivanandavalli	70,000	1.40
	Total	**4,00,000**	**8.00**

b) Pursuant to the aforesaid SPA, provisions of Regulation 12 of the Regulations have been attracted due to the proposed change in the Management Control of IDSL, as BITECH will nominate its representative on the board of IDSL as may be permitted under the Regulations. This Offer is being made by BITECH along with Mr. V. N. Seshagiri Rao residing at No. 53, Abhiramapuram III Street, Chennai – 600 018 (hereinafter referred to as **"Acquirers"**). The Acquirers announced an Offer under the Regulations, to acquire by tender upto 10,00,000 fully paid-up equity shares of Rs.10/- each of IDSL representing 20% of the paid up equity share capital, from the remaining shareholders of IDSL (other than " Acquirers, Sellers & other persons in the promoter group") on the terms and subject to the conditions set out below, at a price of Rs. 7/- (Rupees Seven Only) per equity share (**the "Offer Price"**) payable in cash (**the "Offer"**). The Acquirers vide their agreement dated 12/05/2006 have agreed that BITECH would acquire 90% of the valid equity shares received under the Open Offer and the balance 10% of the equity shares would be acquired by Mr. V.N. Sehsagiri Rao who would also form part of promoters group of IDSL alongwith BITECH, on completion of the Open Offer formalities.

c) The Offer is not subject to any minimum level of acceptance.

d) The Acquirers/IDSL/Persons in control of the company are not debarred from accessing the capital market under Section 11 B of the SEBI Act, 1992 or under any other Regulations.

2.2 Details of the Proposed Offer

a) The Acquirers have made a Public Announcement for the Offer to the existing equity shareholders of IDSL which was published on 19/05/2006 in compliance with Regulation 15 of the Regulations in all editions of "The Financial Express" being English National Daily, "Jansatta" being Hindi National Daily, "Makkal Kural" (Tamil Daily) and "Nav Shakti" (Marathi Daily) being regional language daily of the place of the stock exchange where equity shares of the company are most frequently traded. A copy of the Public Announcement is also available on the SEBI website at www.sebi.gov.in.

b) The Acquirers have announced an Open Offer under the Regulations, to acquire by tender offer upto 10,00,000 fully paid-up equity shares of Rs.10/- each of IDSL representing 20% of its paid up equity share capital, from the remaining shareholders of IDSL (other than "Acquirers, Sellers & other persons in the promoter group") on the terms and subject to the conditions set out in this Letter of Offer, at a price of Rs.7.00 (Rupees Seven Only) per fully paid-up equity share payable in cash.

c) The equity shares of IDSL are listed on Bombay Stock Exchange Ltd. (BSE) and Madras Stock Exchange (MSE). The equity shares of IDSL are frequently traded on BSE in terms of explanation (i) to Regulation 20(5) of the Regulations. There has been no trading in the equity shares of IDSL on MSE. The Offer Price of Rs. 7.00 per equity share, has been determined considering provisions of Regulation 20(4) and 20(5) of the Regulations

d) The equity shares of IDSL to be acquired, pursuant to the Offer, shall be free from all lien, charges and encumbrances and together with all rights attached thereto, including the rights to all dividends or other distributions hereinafter declared, made or paid.

e) As on date Acquirers do not hold any equity shares of IDSL other than those proposed to be acquired under the SPA dated 18/05/2006.

3. RATIONALE FOR THE OFFER

a) BITECH is in the segment of software education and training. The core activity of BITECH & IDSL is almost identical. Both BITECH & IDSL have their niche in different segments within their area of business. As part of their growth strategy and increased demand of software professionals, BITECH is looking to explore the possibilities of acquiring a company into its fold. The Acquirers believe that the management of IDSL has good experience in the filed of software education and training and that the combined expertise of the management of both companies will result in creating quality training tools that would have very good revenue potential.

b) With the proposed acquisition the provisions of SEBI (SAST) Regulations gets attracted as there would be change in control/management of IDSL. Hence the present Offer is being made by BITECH under the Regulations.

c) The Acquirers do not have any plan to dispose off or otherwise encumber any of the assets of IDSL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of IDSL. The Acquirers will not dispose off, sell or otherwise encumber any substantial assets of IDSL except with the prior approval of the shareholders.

4. BACKGROUND OF THE ACQUIRERS

Bhari Information Technology Systems Private Limited (BITECH)

a) Bhari Information Technology Systems Pvt. Ltd (BITECH) a CMM quality process compliant was incorporated on 09/06/1988. BITECH has been promoted by Mr. Arif B Rahman. Its registered office is situated at Buhari Buildings 3, Moores Road, Chennai – 600 006, India. [Tel: (044) 2821 2368, 2827 9466, Fax: (044) 2821 2609, Website: www.bitechm.com]. BITECH is engaged in the activity of education and training of high-end Software Technology and Off shore development.

b) The details of the Board of Directors of BITECH are as follows:-

Name, Designation And Address	Experience (Years)	Area of Experience	Qualification Graduate in	Date of Appointment	Other Directorship
Mr. Arif Buhary Rahman **Director** PO 5239 Dubai	22	Management	Management	01/12/1997	• Buhari Holdings Private Ltd. • Bhari Industrial Promoters Ltd. • Universal Fiscal Services (P) Ltd. • ETA Star Properties
Mr. V N Seshagiri Rao **Director** No. 53, Abhiramapuram III Street, Chennai – 600 018	30	Business Management & Finance	Chartered Accountant, Bachelors in Commerce	07/08/1997	• Transworld Solutions India Private Ltd. • Trans Car India Private Ltd. • Trans Tempo Private Ltd. • Haja Spinners Private Ltd. • Advent Computer Services Ltd. • Teledata Informatics Ltd. • Meenakshi Hotels Private Ltd. • Wooksung Electronics Private Ltd. • Buhari Trading Co (P) Ltd. • Universal Fiscal Services Ltd.

c) Shareholding Pattern of BITECH is as follows:

Category of Shareholder	Number of Shares	% of shareholding
Promoters	6,00,751	100.00
Institutional Investors	—	—
Others	—	—
TOTAL	**6,00,751**	**100.00**

d) There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. There has been no merger/demerger or spin off in BITECH during past 3 years. The equity shares of BITECH are not listed on any of the Stock Exchanges.

e) BITECH has complied with the applicable provisions of Chapter II of the SEBI (SAST) Regulations, 1997 with regard to the acquisition of the equity shares of IDSL pursuant to the SPA.

f) The brief audited financial details of BITECH for the past three financial years and certified financials for the nine months ended 31/12/2005 are given below:-

(Rs. in Lacs)

PROFIT & LOSS STATEMENT	**31/12/2002**	**Fifteen Months period ended 31/03/2004**	**31/03/2005**	**Nine Months period ended 31/12/2005**
Income from operations (Sales - Net)	595.20	195.35	232.87	188.99
Other Income	35.28	28.99	93.69	75.04
Total Income	**630.48**	**224.34**	**326.56**	**264.03**
Total Expenditure	933.43	423.22	144.32	158.80
Profit/(Loss) Before Extraordinary item, Depreciation, Interest and Tax	(302.95)	(198.90)	182.24	105.23
Less: Depreciation	228.20	168.41	62.87	42.53
Interest	217.48	167.63	43.34	0.83
Prior period adjustments	8.63	7.76	1.45	-
Profit/ (Loss) Before Tax	(757.26)	(542.70)	74.57	61.87
Provision for Tax – Current Tax	-	-	-	-
– Deferred Tax	-	-	-	-
– Fringe Benefit Tax	-	-	-	1.73
Profit/(Loss) After Tax	**(757.26)**	**(542.70)**	**74.57**	**60.14**
Less: Loss B/f from previous year	1,029.21	1,786.47	2,329.17	2,254.59
Balance transferred to Balance Sheet	**(1,786.47)**	**(2,329.17)**	**(2,254.60)**	**(2,194.45)**

(Rs. in Lacs)

BALANCE SHEET STATEMENT	**31/12/2002**	**Fifteen Months period ended 31/03/2004**	**31/03/2005**	**Nine months period ended 31/12/2005**
Sources of funds				
Paid up share capital	600.75	600.75	600.75	600.75
Reserves and Surplus (excluding revaluation reserves)	24.15	24.15	24.15	24.15
Total miscellaneous expenditure not written off	-	-	-	-
Profit & Loss account (Dr.)	(1,786.48)	(2,329.17)	(2,254.60)	(2,194.45)
Networth	**(1,161.58)**	**(1,704.27)**	**(1,629.70)**	**(1,569.55)**
Advances against Share Capital	418.72	617.60	1,358.35	1,679.94
Secured Loans	989.53	825.80	46.53	-
Unsecured Loans	40.00	40.00	215.00	216.03
Deferred Tax Liability	-	-	-	-
Deferred Tax (Assets)	-	-	-	-
Current Liabilities	551.21	805.35	484.52	382.41
Total	**837.88**	**584.48**	**474.70**	**708.83**
Uses of funds				
Net fixed assets	455.34	284.13	225.28	199.67
Investments	-	-	-	-
Current Assets	382.54	300.35	249.42	509.16
Total	**837.88**	**584.48**	**474.70**	**708.83**

OTHER FINANCIAL DATA	**31/03/2002**	**Fifteen Months period ended 31/03/2004**	**31/03/2005**	**Ninemonths period ended 31/12/2005**
Dividend (%)	-	-	-	-
Earning Per Share (EPS) (Rs.)	(126.05)	(90.34)	12.41	10.01
Return on Networth (RONW) (%)	(65.19)	(31.84)	(4.58)	(3.83)
Book Value Per Share (Rs.) (Face Value of Rs. 100/-)	(193.35)	(283.69)	(271.28)	(261.27)

Note: Figures in brackets represent negative figures

Reasons for fall/rise in PAT of the Company:

Between the years 2001 and 2004, there was an all-round drop in demand for software education and training courses. During this period, BITECH used its resources to revamp its course content and strategies for the future. This resulted in the education and training revenues dropping significantly.

BITECH's offshore development centre in Chennai was catering to the developmental needs of overseas group companies. During the industry downturn starting 2000-01, order book dwindled resulting in reduced work for the offshore development centre in India. In the year 2004, as part of a strategic move the overseas group companies were hived off and as a result revenues continued to be less till 2005. The company was involved in development of product for Southern railways during this period and had done implementation in a few locations. This will now be extended to various locations of railways and revenues will increase substantially as the product development phase is over. This evidenced by the upturn in revenues for the period April to December 2005.

ACCOUNTING POLICIES

The Accounts have been prepared primarily on the historical cost convention and in accordance with the mandatory accounting standards. The significant accounting policies followed by the Company as on 31/03/2005 are stated below:

GENERAL

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis.

FIXED ASSETS

Fixed Assets are stated at cost less depreciation. Cost includes cost of acquisition and the finance cost up to the date the asset is put to use.

The company has provided depreciation under written down value method for the assets at the rates and in the manner prescribed under Schedule XIV of the Company's act 1956. However, assets costing less than Rs.5,000 are fully depreciated in the year of purchase.

FOREIGN CURRENCY TRANSACTIONS

Foreign Exchange transactions are accounted at the exchange rates prevailing on the date the transactions have taken place.

Expenditure in foreign currency is accounted at the conversion rate prevalent when such expenditure is incurred.

REVENUE RECOGNITION

Income from software development is recognized based on software developed and build to the clients as per the terms of specific contracts.

Income from education and training and collection from franchisees are accounted on accrual basis. However where significant uncertainty exist regarding the realization the same is accounted on receipt basis as recommended by Accounting Standard 9 of the Institute of Chartered Accountants in India.

Expenses are accounted on accrual basis and provision is made for all known loses and liabilities.

RETIREMENT BENEFITS

The company has taken a group gratuity policy from the LIC of India to adequately cover the present liability or future payments of gratuity to the employees on actuarial valuation. Premium paid during the period as per the scheme would be absorbed under other benefits to the employees.

TAXES ON INCOME

Current Tax is determined as the amount of tax payable in respect of taxable income for the period.

Deferred Tax is recognized, subject to the consideration of prudence on timing differences, being the differences between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized on unabsorbed depreciation and carry forward of losses, as the same would be recognized in the year in which taxable income arises.

CONTINGENT LIABILITIES

Counter Guarantee for guarantee given by the bank to the extent of Rs. 2,50,000

PENDING LITIGATIONS

There are no pending litigations against the company regarding the particulars of dues on account of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess matters that have not been deposited on account of any dispute.

MR. V. N. SESHAGIRI RAO

a) Mr. V.N. Seshagiri Rao aged 54 years is residing at No. 53, Abhiramapuram III Street, Chennai – 600 018 (Tel: (044) 2466 2001, 2466 2955; Email: raovns@hotmail.com). Mr. V.N. Seshagiri Rao is on the Board of BITECH and is looking after the Management of Company Finances, Treasury, and all related functions at policy level.

b) Mr. V.N. Seshagiri Rao has not promoted any company. He is on the board of two listed companies viz; Advent Computer Services Limited and Teledata Informatics Limited.

c) M/s Anil Nair & Associates, Chartered accountants to Mr. V.N. Seshagiri Rao, having their office at "Casablanca",6 Casa Major Road, Egmore, Chennai- 600 008 (Membership no. of Mr. N. Ganesh, Partner is 201299) have certified vide their certificate dated 25/04/2006 that the networth of Mr. V.N. Seshagiri Rao as on 31/03/2006 is Rs 51.25 lacs.

d) Compliance with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997 are presently not applicable to Mr. V. N. Seshagiri Rao.

e) Disclosure in terms of Regulation 16 (ix):

- BITECH is in the segment of software education and training. The core activity of BITECH & IDSL is almost identical. Both BITECH & IDSL have their niche in different segments within their area of business. As part of their growth strategy and increased demand of software professionals, BITECH is looking to explore the possibilities of acquiring a company into its fold. The Acquirers believe that the management of IDSL has good experience in the filed of software education and training and that the combined expertise of the management of both companies will result in creating quality training tools that would have very good revenue potential.
- With the proposed acquisition the provisions of SEBI (SAST) Regulations gets attracted as there would be change in control/management of IDSL. Hence the present Offer is being made by BITECH under the Regulations.
- The Acquirers do not have any plan to dispose off or otherwise encumber any of the assets of IDSL in the succeeding two years from the date of closure of the offer except in the ordinary course of business of IDSL. The Acquirers will not dispose off, sell or otherwise encumber any substantial assets of IDSL except with the prior approval of the shareholders.

f) Future plans/strategies of BITECH with regard to IDSL

- BITECH wishes to gain global market share for IDSL in the area of education software and training. International marketing exposure of BITECH will certainly help IDSL in promoting its existing products offshore.
- BITECH has an offshore development centre in Chennai which caters to the needs of global customers and through this centre BITECH can procure business for IDSL by way of Business Process Outsourcing/acquisitions/ Knowledge Process Outsourcing assignments.
- There is no Non compete clause in the SPA.

5. DELISTING OPTION TO IDSL

Pursuant to the said Offer (assuming full acceptance in the offer), the public shareholding will not fall below the limit specified for the purpose of the listing on the continuous basis in terms of listing agreement with the stock exchanges. Hence, the provisions of Regulation 21(3) of the SEBI (SAST) Regulations, 1997 are not attracted.

6. BACKGROUND OF TARGET COMPANY

Info-Drive Software Ltd.

a) Info Drive Software Ltd. was incorporated as a Private Limited Company on 16/03/1988 under Companies Act, 1956, in the name and style of "Info Drive Computers Private Limited". It was subsequently converted into a Public Limited Company on 23/12/1994 and a fresh certificate of Incorporation was obtained. The name was later changed to Info Drive Software Limited on 31/01/1995. The Registered Office of the company is situated at No 203, V.M. Street, Mylapore, Chennai - 600 004, Tel: (044) 2498 3244, 2498 0616; Fax: (044) 2498 5704.

b) The company came out with a public issue of Rs.165 Lacs comprising of 16,50,000 equity shares Rs. 10/- each at par through prospectus dated 23/03/1995. As on date the issued & paid up equity share capital of IDSL is Rs. 500 lacs comprising of 50,00,000 equity shares of Rs. 10/- each. There are no partly paid up equity shares in the Company. The equity shares of IDSL are listed on Bombay Stock Exchange Ltd. (BSE) and Madras Stock Exchange (MSE). The equity shares are frequently traded on BSE in terms of Explanation (i) to Regulation 20(5). As per the BSE letter dated 20/01/2006 addressed to IDSL, the equity shares of IDSL has been included into the "Z" category due to the non compliance of Clause 47, Clause 49, Clause 35, Secretarial Audit, Clause 15 & 16 and Clause 41 of the listing agreement. IDSL has vide their letter dated 30/01/2006 replied to BSE, stating that the non-compliance of the clauses as stated by BSE in their letter dated 20/01/2006 has already been complied with by IDSL and the copies of the necessary documents were given to BSE. The shares of IDSL are not traded on MSE.

c) The details of the share capital structure of the company is as follows:

Paid-up Equity Shares	**No. of shares/voting rights**	**% of paid up capital**
Fully paid up equity shares	50,00,000	100.00
Partly paid up equity shares	-	-
Total paid up equity shares	50,00,000	100.00
Total voting rights in the company	**50,00,000**	**100.00**

d) Details of the share capital history of the company are as follows:

Date of Allotment	No. of shares issued	% of shares issued	Cumulative Paid up Equity Share Capital (No. of Shares)	Mode of Allotment	Identification of The Allottees	Status of Compliance
16/03/1988	200	0.00	200	Subscription to the MOA	Promoters	Complied
01/12/1989	7,500	0.15	7,700	Preferential allotment	Promoters	Complied
26/04/1991	2,300	0.05	10,000	Preferential allotment	Promoters	Complied
29/07/1991	20,000	0.40	30,000	Preferential allotment	Promoters	Complied
27/03/1992	50,000	1.00	80,000	Preferential allotment	Promoters	Complied
29/05/1992	3,20,000	6.40	4,00,000	Preferential allotment	Promoters	Complied
04/06/1993	6,00,000	12.00	10,00,000	Preferential allotment	Promoters	Complied
04/11/1994	500	0.01	10,00,500	Preferential allotment	Allotment to Promoters group	Complied
31/01/1995	3,50,000	7.00	13,50,500	Preferential allotment	Allotment to Promoters group	Complied
03/06/1995	26,49,500	52.99	40,00,000	Public Issue	Public & Promoters Group	Complied
14/02/2000*	10,00,000	20.00	50,00,000	Preferential allotment	Promoters and Other investors	Complied
Total	**50,00,000**	**100.00**				

* Out of the total 10,00,000 shares issued by IDSL, 2,25,000 equity shares representing 4.50% of the post preferential share capital were issued to the promoters of IDSL and the balance equity shares were issued to outsiders i.e. persons not forming part of the promoter group of IDSL.

The pre and post preferential allotment shareholding of the promoters are as under:

Pre-issue		Post issue	
Number of shares	**% to the existing paid up capital**	**Number of shares**	**% to the existing paid up capital**
10,91,400	27.29	13,16,400	26.32

Note: Presently the promoters holding in IDSL is 6,46,200 equity shares representing 12.92% of the total paid up capital of the company. There are no violations of Regulation 7 of the SEBI (SAST) Regulations.

e) There are no outstanding instruments in the nature of warrants / fully convertible debentures / partly convertible debentures etc. which are convertible into equity at any later date. There are no shares under lock-in period. There has been no merger / de-merger or spin off in the Company during the past three years.

f) IDSL has been complying with the provisions of the listing agreement entered into with the Stock Exchanges and is complying with the provisions of Chapter II of the SEBI (SAST) Regulations, 1997. IDSL has been complying with the requirements of the Corporate Governance. There are no punitive actions taken by any of the stock exchanges against the company.

g) The details of the Board of Directors of IDSL are as follows:

Name, Designation and Address	Experience (Years)	Area of Experience	Qualification	Date of Appointment
Mr. K Shivakumar **Managing Director**, 203/91 V.M Street, Mylapore, Chennai- 600 064	21	General Management, Software Development And Training	M.B.A (U.S.A- Specialisation in Information Systems)	16/03/1988
Mr. K. Ganesh Krishna **Director** 203/91 V.M. Street, Mylapore, Chennai- 600 064	18	General Management	Bachelor in Science	23/10/1994
Mr. G. Vasu **Independent Director** Flat 8 C Second Floor, 15-C, Shanmugarayan Street, Old Washermenpet, Chennai -600 021	16	Taxation	Bachelor Degree, I.C.W.A	27/11/2001
Mr. A. T. Krishankumar **Independent Director** 14/6 Vishweshapuram, Alwarpet, Chennai - 600 018	26	Management Consultant	Master of Business Administration	01/10/2005

h) Brief audited financial details of IDSL for the last 3 financial years and certified financials for the nine months period ended 31/12/2005 are as follows :

(Rs. in Lacs)

PROFIT & LOSS STATEMENT	**31/03/2003**	**31/03/2004**	**31/03/2005**	**Nine Months period ended 31/12/2005**
Income from Sales (Net)	0.22	0.73	6.77	(2.10)
Other Income	1.02	0.48	-	-
Increase/ (Decrease) in stock	(0.22)	(0.73)	(3.12)	1.20
Total Income	1.02	0.48	3.65	(0.90)
Total Expenditure	8.41	18.15	13.48	4.48
Profit/(Loss) Before Depreciation, Interest and Tax	(7.39)	(17.67)	(9.83)	(5.38)
Depreciation	2.90	2.90	2.03	1.53
Interest & Finance Charges	-	-	-	-
Profit/(Loss) Before Tax	(10.29)	(20.57)	(11.86)	(6.91)
Provision for Tax – Current Tax	-	-	-	-
– Deferred Tax	-	-	-	-
Profit After Tax	**(10.29)**	**(20.57)**	**(11.86)**	**(6.91)**

(Rs. in lacs)

BALANCE SHEET STATEMENT	**31/03/2003**	**31/03/2004**	**31/03/2005**	**Nine months period ended 31/12/2005**
Sources of funds				
Paid up share capital	500.00	500.00	500.00	500.00
Reserves and Surplus	60.00	60.00	60.00	60.00
Miscellaneous Expenditure (Debit balance of Profit & Loss A/C)	486.67	502.66	510.02	516.93
Networth	**73.33**	**57.34**	**49.98**	**43.07**
Deferred Tax Liability	-	-	-	-
Secured Loans	-	-	-	-
Unsecured Loans	7.86	8.23	11.65	347.90
Total	**81.19**	**65.57**	**61.63**	**390.97**
Uses of funds				
Net fixed assets	61.74	51.80	50.46	49.12
Capital work in progress	-	-	-	-
Investments	-	-	-	-
Net Current Assets	19.45	13.77	11.17	338.35
Preliminary issue expenses	-	-	-	3.50
Total	**81.19**	**65.57**	**61.63**	**390.97**

Other Financial Data	**31/03/2003**	**31/03/2004**	**31/03/2005**	**Nine months period ended 31/12/2005**
Dividend (%)	-	-	-	-
Earning Per Share (EPS) (Rs.)	(0.21)	(0.41)	(0.24)	(0.14)
Return on Networth (%)	(14.03)	(35.87)	(23.73)	(16.04)
Book Value Per Share (Face Value of Rs. 10/-)	1.46	1.15	1.00	0.86

Note: Figures in brackets represent negative figures

i) **Reasons for fall/rise in PAT of the Company:**

For the F.Y 2004-05

IDSL has been incurring losses since last three years; however the losses have decreased from Rs. 20.57 lacs for the year ended 31/03/2004 to Rs. 11.86 lacs for the year ended 31/03/2005 on account of increase in the total income and a simultaneous decrease in the total expenditure.

For the F.Y 2003-04

The loss for the Financial Year 2003-04 increased to Rs. 20.57 lacs as compared a loss of Rs. 10.29 lacs in the Financial Year 2002-03 due to an increase in the total expenditure arising out of the loss on sale of Fixed Assets to the extent of Rs. 7.05 lacs.

j) Pre and Post- Offer equity shareholding pattern of the Target Company assuming full acceptance will be as follows:

Shareholder's category	**Shareholding & voting rights prior to the 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 (D)**	
	No.	**%**	**No.**	**%**	**No.**	**%**	**No.**	**%**
1. Promoter Group								
(a) Parties to agreement: (Sellers)	6,46,200	12.92	-	-	-	-	2,46,200	4.92
(b) Promoters other than (a) above	-	-	-	-	-	-	-	-
Sub Total 1 (a+b)	**6,46,200**	**12.92**	**-**	**-**	**-**	**-**	**2,46,200**	**4.92**
2. a) Acquirers								
• Bhari Information Technology Systems Pvt. Ltd.	-	-	4,00,000	8.00	9,00,000	18.00	13,00,000	26.00
• V. N. Seshagiri Rao	-	-	-	-	1,00,000	2.00	1,00,000	2.00
Sub Total 2	**-**	**-**	**4,00,000**	**8.00**	**10,00,000**	**20.00**	**14,00,000**	**28.00**
3. Parties to agreement other than (1) (a) & (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
4. Public (other than Acquirers, Parties to the Agreement and persons in promoter group)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
a) FIs/MFs/FIIs/Banks, SFIs	11,300	0.23	-	-	-	-	33,53,800	67.08
b) Others (no of shareholders – 6,665)	43,42,500	86.85	-	-	-	-		
Sub-total 4 (a + b)	**43,53,800**	**87.08**	**-**	**-**	**-**	**-**	**33,53,800**	**67.08**
Total (1+2+3+4)	**50,00,000**	**100.00**	**4,00,000**	**8.00**	**10,00,000**	**20.00**	**50,00,000**	**100.00**

Note: The present promoters of IDSL, who would hold 4.92 % of the shareholding of IDSL would continue to be the promoters and BITECH would come in as a co- promoter of IDSL.

k) The Company has designated Mr. K. Shivakumar as the Compliance Officer, the details of which are given below:

Mr. K. Shivakumar
Managing Director
203/91 V.M. Street,
Mylapore,
Chennai – 600 004
Tel : (044) 2498 3244, 2498 0616
Fax : (044) 2498 5704
Email : infodrive@pobox.com

7. OFFER PRICE

Justification of Offer Price:

The equity shares of the company are listed on Bombay Stock Exchange Limited (BSE) and Madras Stock Exchange (MSE).

Name of stock exchange	Total Shares traded during the 6 calendar months prior to the month in which the public announcement was made	Total no. of listed Shares	Annualized Trading turnover (in terms of % to total listed shares)
BSE	1,73,014	50,00,000	6.92
MSE	Not Applicable	50,00,000	-

Offer Price in terms of Regulation 20(4) for frequently traded shares:

The equity shares of IDSL are frequently traded on the Bombay Stock Exchange (BSE) in terms of explanation (i) to Regulation 20(5) of the SEBI (SAST) Regulations, 1997 for the past six months. The shares of IDSL are not traded on MSE. The Offer Price of Rs. 7.00 per equity share has been determined as per Regulation 20(4) of the Regulations taking inter-alia into account the following factors:

The negotiated price under the SPA	:	Rs.7/- per equity share
Highest price paid by the Acquirers for acquisitions including by way of allotment in a public or rights issue or preferential issue, if any, during the twenty-six weeks period prior to the date of Public Announcement (P.A).	:	Not Applicable
Average of the weekly high and low of the closing prices of the equity shares of IDSL as quoted on the BSE during the 26 weeks preceding the date of P.A.	:	Rs. 6.68 per equity share
Average of the weekly high and low of prices of the equity shares of IDSL as quoted on the BSE during the 2 weeks preceding the date of P.A.	:	Rs. 5.65 per equity share

The Offer Price of Rs. 7.00/- per share is justified in terms of Regulation 20(4) applicable in respect of frequently traded shares.

The Average of the weekly high and low of the closing prices of the shares of IDSL as quoted on BSE during the 26 weeks preceding the date of P.A. is **Rs.6.68** arrived as follows:

Week No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (No. of Shares)
1	18/11/2005 to 24/11/2005	8.82	8.02	8.42	8860
2	25/11/2005 to 01/12/2005	9.37	8.51	8.94	3600
3	02/12/2005 to 08/12/2005	9.35	8.96	9.16	251
4	09/12/2005 to 15/12/2005	8.90	8.04	8.47	2400
5	16/12/2005 to 22/12/2005	7.64	6.71	7.18	5900
6	23/12/2005 to 29/12/2005	7.00	6.70	6.85	10210
7	30/12/2005 to 05/01/2006	7.77	7.00	7.39	9301
8	06/01/2006 to 12/01/2006	7.49	7.12	7.31	3740
9	13/01/2006 to 19/01/2006	7.41	6.80	7.11	5150
10	20/01/2006 to 26/01/2006	7.70	6.66	7.18	5000
11	27/01/2006 to 02/02/2006	7.68	6.75	7.22	13676
12	03/02/2006 to 09/02/2006	7.31	6.95	7.13	5793
13	10/02/2006 to 16/02/2006	7.35	7.13	7.24	18300
14	17/02/2006 to 23/02/2006	8.00	7.15	7.58	11510
15	24/02/2006 to 02/03/2006	7.26	5.96	6.61	10970
16	03/03/2006 to 09/03/2006	6.18	5.90	6.04	9469
17	10/03/2006 to 16/03/2006	6.28	5.90	6.09	7415
18	17/03/2006 to 23/03/2006	5.61	4.76	5.19	8350
19	24/03/2006 to 30/03/2006	4.53	3.99	4.26	11000
20	31/03/2006 to 06/04/2006	4.70	4.31	4.51	1900

Week No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (No. of Shares)
21	07/04/2006 to 13/04/2006	5.20	4.51	4.86	1100
22	14/04/2006 to 20/04/2006	5.72	5.44	5.58	8150
23	21/04/2006 to 27/04/2006	6.30	5.98	6.14	1964
24	28/04/2006 to 04/05/2006	6.02	5.75	5.89	3300
25	05/05/2006 to 11/05/2006	5.90	5.90	5.90	2850
26	12/05/2006 to 18/05/2006	5.70	5.25	5.48	2855
Average				**6.68**	

Average of the daily high and low of the price of equity shares of IDSL as quoted on the BSE during the 2 weeks preceding the date of P.A. is **Rs. 5.65** arrived as follows:

Day No.	Date	High (Rs.)	Low (Rs.)	Average (Rs.)	Volume (No. of Shares)
Week 1					
1.	05/05/2006	-	-	-	-
2.	06/05/2006	-	-	-	-
3.	07/05/2006	-	-	-	-
4.	08/05/2006	-	-	-	-
5.	09/05/2006	5.90	5.90	5.90	1500
6.	10/05/2006	6.00	5.90	5.95	1350
7.	11/05/2006	-	-	-	-
Week 2					
8.	12/05/2006	5.70	5.65	5.68	300
9.	13/05/2006	-	-	-	-
10.	14/05/2006	-	-	-	-
11.	15/05/2006	5.50	5.50	5.50	800
12.	16/05/2006	5.76	5.25	5.51	750
13.	17/05/2006	5.50	5.50	5.50	805
14.	18/05/2006	5.50	5.50	5.50	200
Average Price				**5.65**	

The Offer Price of Rs. 7.00 per share is justified in terms of Regulation 20(4) applicable in respect of frequently traded shares.

Offer Price in terms of Regulation 20(5) for infrequently traded shares:

IDSL has been making losses for past three years. As per the audited financial results for the year ended 31/03/2005 IDSL has reported a loss of Rs. 11.86 lacs, EPS is negative, the networth is Rs. 49.98 lacs and the Book Value is Re. 1.00 as on 31/03/2005. The offer price of Rs. 7.00 per share is higher than the Book Value, hence the Offer Price is also justified in terms of Regulation 20(5) in respect of infrequently traded shares.

8. FINANCIAL ARRANGEMENT

a) Assuming full acceptance, the total monetary value of the offer would be Rs. 70.00 lacs. The Acquirers have opened an Escrow Account in the form of a Fixed Deposit Account with UTI Bank Ltd. Nariman Point, Mumbai, in favour of the Manager to the Offer and deposited an amount of Rs. 70.00 lacs, which is 100% of the total monetary value of the offer. Acquirers have empowered the Manager to the Offer to realize the value of the aforesaid Escrow Account in terms of the Regulation 28(5).

b) M/s N.C. Rajagopal & Co., Chartered Accountants and Statutory Auditors of BITECH, having their office at 22, V. Krishnaswamy Avenue, Luz Church Road, Mylapore, Chennai – 600 004. (Membership No. of Mr. R. Vasudevan, Partner is 200903) have certified vide their certificate dated 11/04/2006 that BITECH has an immediate access to liquid assets of at least a sum of Rs. 85,00,000/- (Rupees Eighty Five lakhs only) which can be used for acquisition of shares of M/s Info – Drive Software limited.

c) M/s Anil Nair & Associates, Chartered accountants of Mr. V.N. Seshagiri Rao, having their office at "Casablanca", 6 Casa Major Road, Egmore, Chennai- 600 008 (Membership no. of Mr. N. Ganesh, Partner is 201299) have certified vide their certificate dated 25/04/2006 that Mr. V.N. Seshagiri Rao has an immediate access to liquid assets of atleast a sum of Rs. 40.00 lacs and also that has a networth of Rs 51.25 lacs as on 31/03/2006.

d) The Acquirers have adequate and firm financial resources to fulfill the obligations under the open offer. The financial obligation under the offer is being fulfilled through the internal resources of the acquirers and will not be through any borrowings from bank/financial institution.

e) In view of this, the Manager to the Offer is satisfied about the ability of the Acquirers to implement the offer as firm financial arrangement through verifiable means are in place to fulfill the offer obligation.

9. TERMS AND CONDITIONS OF THE OFFER

a) There are no equity shares of IDSL under lock-in.

b) Eligibility for accepting the Offer: The Letter of Offer specifying the detailed terms and conditions of this Offer together with Form of Acceptance cum Acknowledgement and Form of Withdrawal will be mailed to the equity shareholders of IDSL (other than "Sellers & other persons in the promoter group, parties to the agreement") whose names appear on the Register of Members of IDSL, at the close of business hours on 16/06/2006 (referred to as "the Specified Date") and also to those persons (other than "Sellers & other persons in the promoter group, parties to the agreement") who own the shares any time prior to the closure of the offer, but are not the registered shareholder(s).

c) Statutory Approvals: Permission of RBI would be required for transfer of shares received from NRI shareholders, if any. There are no other approvals, statutory or otherwise, required under the Companies Act 1956, Monopolies and Restrictive Trade Practices Act, 1969, the Foreign Exchange Management Act, 1999 and /or any other applicable laws.

d) Subject to the conditions governing this Offer as mentioned herein, the acceptance of this offer by the equity shareholders of IDSL must be absolute and unqualified. Any acceptance to this offer which is conditional and incomplete in any respect will be rejected without assigning any reason whatsoever.

10. PROCEDURE FOR ACCEPTANCE AND SETTLEMENT.

10.1 Procedure for accepting the offer by eligible persons

The equity shareholders of IDSL who qualify and who wish to avail of this Offer (hereinafter referred to as **"Acceptor"**) will have to deliver the relevant documents as mentioned at point (a), (b) and (c) below as applicable to the Registrar to the Offer i.e.; Cameo Corporate Services Limited at Subramanian Building, 1 Club House Road, Chennai - 600 002. Ph: (044) 2846 0390 (5 lines); Fax: (044) 2846 0129, by hand delivery or Registered Post between 10.30 am. to 4.30 pm on all working days i.e. other than Sundays and public holidays.

a) For equity shares held in dematerialized form:

For the purpose of the offer a Special Depository Account has been opened by Registrar to the Offer i.e.; Cameo Corporate Services Ltd., in the name and style of "Cameo Corporate Services Limited Escrow a/c Info Drive" with Indian Overseas Bank as the depository participant in National Securities Depository Limited ("NSDL"). Equity Shareholders holding the shares in dematerialized form will have to deliver the following documents:

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, as per the records of the Depository.

ii. 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 relevant Depository Participant (DP).

iii. For each delivery instruction the beneficial owner should submit separate Form of Acceptance.

iv. The details of the special depository account opened for this purpose are as under:

Name of Depository	National Securities Depository Limited
DP Name	Indian Overseas Bank
DP ID	IN302437
Beneficiary ID	20108539

v. Equity shareholders having their beneficiary account in Central Depository Services India Limited ("CDSL") will have to use "inter depository delivery" instructions slip for the purpose of crediting their equity shares in favour of the special depository account. The ISIN number allotted to equity shares of IDSL is INE 804D01011.

vi. Shareholders who have sent their physical equity shares for dematerialisation need to ensure that the process of getting equity shares dematerialised is completed well in time so that the credit in the Special Depository Account is received on or before closure of offer.

b) For equity shares held in physical form

Registered equity shareholders should enclose:

i. Form of Acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein, by all equity shareholders whose name appears on the share certificates.

ii. Original share certificate(s)

iii. Valid share transfer form(s) duly signed as transferors by all registered equity shareholders (in case of joint holdings), in the same order and as per the specimen signatures registered with and duly witnessed at the appropriate place.

c) **Unregistered owners of equity shares should enclose:**

i. Form of acceptance cum acknowledgement duly completed and signed in accordance with the instructions contained therein.

ii. Original share certificate(s)

iii. Original broker contract note of a registered broker of a recognized stock exchange.

iv. Valid share transfer form(s) as received from the market. The details of the buyer should be left blank. If the details of the buyer are filled in, the tender will not be valid under the offer. Acquirer's name will be subsequently filled in upon verifying the validity of the share transfer form.

v. No indemnity is needed from unregistered equity shareholders.

NO DOCUMENT SHOULD BE SENT TO THE MANAGER TO THE OFFER, ACQUIRERS OR TO THE TARGET COMPANY

10.2 OFFER PERIOD

a) Offer Period means the period between the date of the SPA and the date of completion of offer formalities relating to the offer made under the SAST Regulations.

b) This Offer will remain open on all working days (i.e. excluding Sunday and Public Holidays) between 12/07/2006 to 31/07/2006 (both days inclusive). The equity shareholders of IDSL who wish to avail of this offer shall be required to send their acceptance in the manner stated above so as to reach the Registrar to the Offer on or before 31/07/2006.

10.3 WITHDRAWAL OPTION

a) The equity shareholders, who are desirous of withdrawing their acceptances tendered in the offer, can do so upto three working days prior to the date of the closure of the offer i.e. on or before 25/07/2006. The withdrawal option can be exercised by submitting the 'Form of Withdrawal' (separately enclosed with Letter of Offer) to the Registrar to the Offer, Cameo Corporate Services Ltd., so as to reach them on or before 25/07/2006 along with the following:

In case of physical shares: Name, Address, distinctive numbers, folio nos., number of shares tendered/withdrawn, and In case of dematerialised shares: Name, Address, number of shares tendered/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 form of Withdrawal can also be downloaded from SEBI's website www.sebi.gov.in or obtained from the Manager/ Registrar to the Offer.

10.4 Procedure for acceptance of the offer by the equity shareholders who do not receive the Letter of Offer and procedure for settlement

In case of non-receipt of the offer document/unregistered equity shareholders who wish to accept the offer should communicate their acceptance in writing on a plain paper stating the name, address, no. of shares held, distinctive numbers, folio number, no. of shares offered to the Registrar to the Offer together with relevant share certificate(s), the transfer deed(s) in case of physical mode / delivery instruction slip in case of dematerialized mode and the original contract note issued by share broker of a recognized stock exchange through whom they acquired the equity shares before the close of the Offer, i.e.; 31/07/2006. Such equity shareholders may also download a copy of the form of acceptance cum acknowledgement from SEBI's website at www.sebi.gov.in and use the same.

10.5 GENERAL

a) The Acquirers can revise the price upwards up to seven working days prior to closure of the offer and revision if any in the offer price would appear in the same newspapers where the Public Announcement has appeared. The same price would be paid to all shareholders who tender their shares in the offer.

b) Shareholders may note that if there is a competitive bid, the public offers under all the subsisting bids shall close on the same date. As the offer price can not be revised during 7 working days prior to the closing date of the offers / bids, it would, therefore, be in the interest of shareholders to wait till the commencement of that period to know the final Offer Price of each bid and tender their acceptance accordingly.

c) The form of acceptance along with the Share Certificate(s) and other documents delivered shall become acceptance on the part of the shareholder, but will become a fully valid and binding contract between shareholder and Acquirers only upon the fulfillment of all conditions mentioned herein.

d) On fulfillment of the conditions herein mentioned, the Acquirers will pay the Offer price by crossed Account Payee Pay Orders/ Demand Drafts which will be sent by Registered Post to the equity shareholders of IDSL, whose acceptance to the offer are accepted by the Acquirers, at the address registered with the Company. The Pay Orders/ Demand Drafts will be drawn in the name of first named shareholder in case of joint shareholding. In case of unregistered owners of the shares, payment will be made as per mandate given by such owner. The unregistered owner may give a mandate for drawing the pay order / demand draft in the name of the person whose bank details may be furnished by him in the Form of Acceptance for incorporating in the Pay Order / Demand Draft.

e) In case the aggregate of the valid responses to the offer exceeds offer size, then the Acquirers shall accept the valid applications received on a proportionate basis in accordance with Regulation 21 (6) of the Regulations.

f) The share certificates will be held in trust by the Registrar to the Offer till the Acquirers complete the offer obligations in terms of the Regulations.

g) Acquirers shall acquire the equity shares from the shareholders of the Company who have validly tendered the equity shares under the Offer (i.e. equity shares and other documents are in order in accordance with the terms of the Offer) and remit the consideration in respect thereof on or before 14/08/2006 in cash by Account Payee Pay Order / Demand Draft. Any delay will attract interest in terms of Regulation 22(12) of SEBI (SAST) Regulations, 1997. The information as to whether the equity shares tendered by them have been accepted (in full or in part) or rejected and consideration payable would be sent by Registered Post.

h) The unaccepted shares/documents will be returned to the shareholders by Registered Post

i) For any queries regarding the Offer the shareholders / applicants may contact the Registrar to the Offer at the address mentioned in this Letter of Offer.

j) Pursuant to the Regulation 13, the Acquirers have appointed Keynote Corporate Services Ltd. as the Manager to the Offer.

k) Keynote Corporate Services Limited, the Manager to the Offer, does not hold any equity shares of IDSL. Further, they have undertaken not to deal in the equity shares of IDSL upto a period of fifteen days after closure of the Offer.

l) The Acquirers accept full responsibility for the information contained in this Letter of Offer and also for the obligations of Acquirer as laid down in the Regulations.

11. DOCUMENTS FOR INSPECTION

The following documents are regarded as material documents and are available for inspection at the Registered office of the Acquirer i.e. being Bhari Information Technology Systems Private Limited to the Offer from 11.00 a.m. to 3.00 p.m. on any working day until the Offer closes.

1. Copy of Share Purchase Agreement dated 18/05/2006 between Acquirer and the Sellers in respect of the proposed acquisition.
2. Copy of Memorandum of Understanding dated 18/05/2006 between Keynote Corporate Services Ltd., Manager to the Offer and Acquirer.
3. Copy of Agreement dated 12/05/2006 between BITECH and Mr. V. N. Seshagiri Rao in respect of the acquisition of the equity shares to be received under the Open Offer.
4. Copy of consent dated 18/05/2006 to Acquirer, from Cameo Corporate Services Limited., to act as the Registrar to the Offer.
5. Memorandum and Articles of Association of IDSL.
6. Copies of Annual Report of IDSL for the financial years 2002-03 2003-04 and 2004-05 and certified financials for nine months period ended 31/12/2005
7. Copy of shareholding pattern of IDSL
8. Memorandum and Articles of Association of BITECH
9. Copies of Auditors Report of BITECH for the financial years 2002-03, 2003-04 2004-05 and certified financials for the 9 months ended 31/12/2005.
10. Copy of Certificate dated 11/04/2006 issued by N.C. Rajagopal & Co., Chartered Accountant and Statutory auditor of BITECH.
11. Copy of certificate dated 25/04/2006 received from M/s Anil Nair & Associate, Chartered Accountants, regarding networth of Mr. V.N. Seshagiri Rao.
12. Copy of Fixed Deposit Receipt for Rs.70.00 lacs issued by the UTI bank, Nariman Point Branch, Mumbai in terms of the Escrow requirements
13. Copies of undertaking from Acquirers & Target Company.
14. Copy of Public Announcement as published in the newspaper on 19/05/2006.
15. Copy of letter No. CFD/DCR/NM/TO/69717/06 dated 20/06/2006 received from Securities and Exchange Board of India in terms of provisions of Regulation 18(2) of the Regulations.

12. DECLARATION BY THE ACQUIRERS

BITECH & Mr. V.N. Seshagiri Rao accept full responsibility for the information contained in the Public Announcement and Letter of Offer and will be responsible for ensuring compliance with the obligations of Acquirers as laid down in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and subsequent amendments thereto.

For and on behalf of Bhari Information Technology Systems Private Limited

Sd/-

Mr. V.N. Seshagiri Rao

Place: Chennai

Date: 22/06/2006

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THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION
(Please send this form with enclosures to the Registrars to the Offer at their address given overleaf)
FORM OF ACCEPTANCE - CUM – ACKNOWLEDGEMENT

OFFER
OPENS ON : WEDNESDAY, JULY 12, 2006
CLOSES ON : MONDAY, JULY 31, 2006

From:

Tel No. Fax No.: E-mail:

To,

Cameo Corporate Services Limited
Subramanian Building,
#1 Club House Road,
Chennai- 600 002

Sub : Open offer to acquire upto 10,00,000 equity shares of Rs.10/- each representing 20% of the paid up capital of Info Drive Software Limited by Bhari Information Technology Systems Private Limited & Mr. V.N.Seshagiri Rao ('Acquirers') in terms of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Dear Sir,
I/We refer to the Letter of Offer dated 22/06/2006 for acquiring the equity shares held by me/us in Info Drive Software Limited.
I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
For Shares held in Physical Form:
I/We accept the Offer and enclose the original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below:

Sr. No.	Certificate No.	Distinctive No(s)		No. of Shares
		From	To	
(In case the space provided is inadequate, please attach a separate sheet with the details)			**Total number of equity shares**	

I/We note and understand that the original share certificate(s) and valid share transfer deed will be held in trust for me/us by the Registrar to the offer until the time the Acquirers pay the purchase consideration as mentioned in the Letter of Offer. I/We also note and understand that the Acquirers will pay the purchase consideration only after verification of the documents and signatures.

For shares held in Demat Form:

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

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

I/We have done an off market transaction for crediting the shares to the Escrow Account named **"Info Drive Software Ltd – open offer Escrow Account"** with the following particulars:
Depository Participant Name: Indian Overseas Bank, Beneficiary ID No.: 20108539 **DP ID No.:** IN 302437
Shareholders whose shares are held in a beneficiary account with "CSDL" should use an "Inter Depository Delivery Instruction" to transfer their shares to the Special Depository Account with NSDL
I/We note and understand that the shares would lie in the Special Depository Account until the time the Acquirers make payment of purchase consideration as mentioned in the Letter of Offer.
I/We authorise the Acquirers to accept the shares so offered which it may decide to accept in consultation with the Manager to the Offer and in terms of the Letter of Offer and I/We authorise the Acquirers or the Manager to the Offer to send by registered post the draft/cheque, in settlement of the amount to the sole/first holder at the address mentioned below :

Address of First/Sole Shareholder ____

____

Note: Incase of joint holdings, all holders must sign. A corporation must affix its common seal. So as to avoid fraudulent encashment in transit, the shareholder(s) may provide details of bank account of the first/sole shareholder and the consideration cheque or demand draft will be drawn accordingly.

Name of the Bank ______________________ Branch ______________________

Account Number ______________ Savings/Current/Others (please specify) ______________

Yours faithfully,

	FULL NAME(S)	SIGNATURE(S)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Signed and Delivered:

Place:

— — — — — — — — — — — — — — — — **TEAR HERE** — — — — — — — — — — — — — — — —

Folio No.: Sr. No.:

Cameo Corporate Services Limited
Unit : Info Drive Software Limited
Subramian Building, #1 Club House Road, Chennai 600 002.

(Acknowledgement Slip)

Signature of Official and Date of Receipt	Stamp of collection centre

Received from Mr./Ms. ______________________

Address ______________________

Form of acceptance cum acknowledgement, # ______________ Number of Share Certificates for ______________ shares/# Copy of Delivery Instruction Slip to (DP) for ______________ shares

 # Delete whichever is not applicable

PLEASE USE THIS FORM ONLY IF YOU HAVE TENDERED THE SHARES AND WISH TO WITHDRAW YOUR APPLICATION

FORM OF WITHDRAWAL

OFFER
OPENS ON : Wednesday, July 12, 2006
CLOSES ON : Monday, July 31, 2006
LAST DATE OF WITHDRAWAL : Tuesday, July 25, 2006

You have an 'OPTION TO WITHDRAW' the acceptance tendered in response to this offer any time upto three working days prior to the date of closure of offer i.e. on or before 25/07/2006. In case you wish to withdraw your acceptance please use this form.

From:

Tel No. Fax No.: E-mail:

To,

Cameo Corporate Services Limited
Subramanian Building,
#1 Club House Road,
Chennai- 600 002

Sub : Open offer to acquire upto 10,00,000 equity shares of Rs.10/- each representing 20% of the paid up capital of Info Drive Software Limited by Bhari Information Technology Systems Private Limited & Mr. V.N.Seshagiri Rao ('Acquirers') in terms of SEBI (Substantial Acquisition of Shares & Takeovers) Regulations, 1997.

Dear Sir,
I/We refer to the Letter of Offer dated 22/06/2006 for acquiring the equity shares held by me/us in Info Drive Software Limited.
I/We, the undersigned, have read the Letter of Offer and understood its contents including the terms and conditions as mentioned therein.
I/We wish to withdraw our acceptance tendered in response to the said offer. We had deposited/sent our 'Form of Acceptance' to you on ___________ along with original share certificate(s) and duly signed transfer deed(s) in respect of my/our shares as detailed below: **(Please enclose the Xerox copy of Acknowledgement received for 'Form of Acceptance')**

Sr. No.	Certificate No.	Distinctive No(s)		No. of Shares
		From	To	
(In case the space provided is inadequate, please attach a separate sheet with the details)			**Total number of equity shares**	

I/We note and understand the terms of withdrawal of acceptance and request you to return the original share certificate(s) and valid share transfer deed and **authorize you not to remit** the consideration as mentioned in the Letter of Offer.
I/We authorise the Acquirers to reject the shares so offered which it may decide in consultation with Manager to the Offer and in terms of the Letter of Offer and, I/We authorise the Acquirers or the Registrar to the Offer to send by registered post the original share certificate(s), transfer deed(s) and other documents tendered by me/us to the sole/first holder at the address mentioned below or credit the shares in demat form to my/our DP Account as mentioned below :

	FULL NAME(S)	SIGNATURE(S)
First/Sole Shareholder		
Second Shareholder		
Third Shareholder		

Address of First/Sole Shareholder ________________________________

____

For Shares in Demat Form

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

Yours faithfully,

Signed

Place: Date:

Note: Incase of joint holding, all holders must sign. A corporation must affix its common seal.

— — — — — — — — **TEAR HERE** — — — — — — — —

Folio No.: Sr. No.:

Cameo Corporate Services Limited
Unit : Info Drive Software Limited
Subramian Building, #1 Club House Road, Chennai 600 002.

(Acknowledgement Slip)

Signature of Official and Date of Receipt	Stamp of collection centre

Received from Mr./Ms. ________________________________
Address ________________________________
Form of withdrawal in respect of ___________ Number of Share Certificate representing ___________ number of shares.