

**HYDERABAD INFORMATION TECHNOLOGY VENTURE
ENTERPRISES LTD. (HITVEL) & CYBERABAD TRUSTEE
CO. PVT. LTD. (CTCPL):**

- Hyderabad Information Technology Venture Enterprises Ltd. (HITVEL) was set-up by Government of AP (GoAP) through Andhra Pradesh Industrial Development Corporation (APIDC) and Andhra Pradesh Industrial Infrastructure Corporation (APIIC) in association with Small Industries Development Bank of India (SIDBI) in the year 1998 to act as an Asset Management Company of HIVE FUND (Venture Capital Fund) for promotion of IT & ITES activities in the State.
- A Fund with a corpus of Rs. 15 Cr. in the name & style of 'HIVE Fund' was set-up with contributions from SIDBI, APIDC and APIIC for making investments in small and emerging IT Companies (Venture Capital Units) with an objective to achieve long-term capital appreciation of investments,
- With the same promoters, GoAP also set-up another Company namely Cyberabad Trustee Co. Pvt. Ltd. (CTCPL) at act as 'Trustee' for Hive Fund. Net contributions made to the HIVE Fund by the Contributors are as under:

Name of Contributor	Net Amount Contributed (Rs. Cr.)	% of total
SIDBI	5.77	50%
APIDC	3.85	33.30%
APIIC	1.93	16.70%
Total	11.55	100%

- Out of the above amount of HIVE FUND, a total investment of **Rs. 10.05 Cr.** was invested in the following seven (7) small IT Companies operating from the State, during the period between 2000 and 2005.

SN.	Name of Investee Company	Amount Invested (Rs. Cr.)	Year of Investment
1	Catalytic Software Ltd.	3.00	2001 & 2005
2	DSR Solutions Ltd.	1.50	2002
3	Sharelogic Software Ltd.	1.50	2005
4	Net India (Pvt.) Ltd.	1.50	2003
5	Indosoft International Ltd.	1.00	2002
6	iPertex Technologies Ltd.	0.80	2001
7	iAxis Ltd.	0.75	2002
	Total Investment	10.05	

- Most of the above Investee Companies or Venture Capital units (VCUs) engaged in product development. Due to various reasons including primarily these VCUs have not been able to do sustainable product development and marketing including making further investment. As a result performance of all the seven VCUs has been much below the expectations.
- HITVEL not received any returns whatsoever (dividends etc) on the investments made and also no disinvestment happened from any of these VCUs till date.
- With objectives of better operational efficiency and raising money for a new fund for further investments in the State, AP Govt. by divesting majority stake, privatized HITVEL and CTCPL in the year 2007 by selecting Srei Venture Capital Ltd., (SVCL) Kolkata as strategic investor / partner thru' bidding. Post induction of SVCL, the current share-holding pattern of HITVEL and CTCPL is as under:

HITVEL

Name of Shareholder	Current Shareholding
SIDBI	24.50%
APIDC	16.17%
APIIC	8.33%
SVCL	51%
Total	100%

CTCPL

Name of Shareholder	Current Shareholding
SIDBI	24.50%
APIDC	16.17%
APIIC	8.33%
SVCL	51%
Total	100%

- The Boards of HITVEL and CTCPL comprise total eight Directors, one each from APIDC & APIIC, two from SIDBI and four from SVCL.