



Unabridged Standalone Financial Statements - 2009-10



Balance Sheet

Balance Sheet as at

(Amount in Rs. '000)

SOURCES OF FUNDS	SCHEDULE	31.03.2010	31.03.2009
Sources of Funds			
Shareholders Funds			
Share Capital	1	120,000	169,109
Reserves and Surplus	2	2,454,477	2,268,608
Loan Funds			
Secured Loans	3	251,946	135,269
Deferred Tax Liability		34,586	37,706
Total		2,861,009	2,610,692
Application of Funds			
Fixed Assets			
Gross Block	4	86,141	74,805
Less: Depreciation		33,963	23,139
Net Block		52,178	51,666
Capitalised Software Product Costs	5	81,111	96,457
Investments	6	1,303,854	1,393,607
Deferred Tax Asset		-	550
Current Assets, Loans and Advances	7	1,718,876	1,419,136
Current Liabilities and Provisions	8	295,010	350,724
Net Current Assets		1,423,866	1,068,412
Total		2,861,009	2,610,692
Significant Accounting Policies & Notes to Accounts	12		

The Schedules referred to above form an integral part of financial statements

"As per our report of even date"

For Sundar Sridhar & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 21, 2010

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

P. Srinivasan
Company Secretary

D.V. Ravi
Director

Profit and Loss Account

Profit and Loss Account for the year ended

(Amount in Rs. '000 except per share data)

PARTICULARS	SCHEDULE	31.03.2010	31.03.2009
Income			
Revenues from Operations		469,961	589,900
Other Income	9	85,743	12,161
		555,704	602,061
Expenses			
Employee Cost	10	98,537	128,754
Operation & Other Expenses	11	212,049	237,655
		310,586	366,409
Profit before Interest, Amortisation, Depreciation & Tax		245,118	235,652
Interest		35,524	14,008
Profit before Amortisation, Depreciation & Tax		209,594	221,644
Product Development expenses written off		49,889	59,023
Profit before Depreciation & Tax		159,705	162,621
Depreciation		11,400	9,089
Profit before Tax		148,305	153,532
Provision for Taxation			
- Current Tax		36,101	28,731
- Deferred Tax		(2,570)	(4,862)
- Fringe Benefit Tax		-	2,051
- Short/(Excess) Provision of Tax		(29)	213
Profit after Tax		114,803	127,399
Balance brought forward from Previous Year - Profit		414,096	324,707
Profit Available for Appropriation		528,899	452,106
Appropriations:			
Proposed Equity Dividend		24,000	24,000
Preference Dividend		91	252
Dividend Distribution Tax		4,176	4,203
General Reserve		8,610	9,555
Capital Redemption Reserve		49,109	-
Balance carried to Balance Sheet		442,913	414,096
Earnings per Share (Equity Shares of par value Re.1/- each)			
Basic EPS (in Rs.)		0.96	1.06
Diluted EPS (in Rs.)		0.95	1.06
Significant Accounting Policies & Notes on Accounts	12		

The Schedules referred to above form an integral part of financial statements

"As per our report of even date"

For Sundar Sridhar & Sridhar

Chartered Accountants

S.Sridhar

Partner

Membership No: 25504

Place : Chennai

Date: May 21, 2010

For and on behalf of the Board of Directors

S. Sridharan

Managing Director

D.V. Ravi

Director

P. Srinivasan

Company Secretary

Cash Flow Statement

Cash Flow Statement for the year ended

(Amount in Rs. '000)

PARTICULARS	31.03.2010	31.03.2009
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	148,305	153,532
Adjustments for		
Depreciation	11,400	9,089
Interest Expenses	35,524	14,008
Dividend Income	(17,604)	(2,772)
Interest Income	(62,448)	(8,764)
(Profit)/Loss on Sale of Fixed Assets	(58)	276
(Profit)/Loss on Sale of Investments	(2,387)	-
Provision for Gratuity, Compensated absences & Other benefits	508	3,604
Foreign Exchange Adjustments- Loss/ (Gain)	38,591	(24,654)
Product Development Expenses written off	49,889	59,023
Bad Debts Written off	3,767	9,046
Advances & Miscellaneous Write Offs	-	144
Operating Profit before working Capital Changes	205,487	212,532
(Increase)/Decrease in Current Assets other than cash & cash equivalents	(395,294)	(127,288)
Increase/ (Decrease) in Current Liabilities	13,354	(101,453)
Cash flow from/ (used in) Operations	(176,453)	(16,209)
Interest-Working Capital Loans	(17,281)	(10,614)
Direct Taxes paid	(14,800)	(81,555)
NET CASH USED IN OPERATING ACTIVITIES	(208,534)	(108,378)
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets - Net	(11,853)	(20,610)
Product Development Expenses	(34,543)	(40,408)
Investment in equity Shares in Subsidiary Companies	-	(8,602)
Dividend Income	17,604	2,772
Interest Income	62,448	8,764
Investment - Others	(803)	(323,363)
Sale of Investments	92,943	101,637
NET CASH FROM / (USED) IN INVESTING ACTIVITIES	125,796	(279,810)
C) CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Preference Share Capital	(49,109)	-
Proceeds from Long term Borrowings	224,413	-
Proceeds from working Capital Demand Loans	(107,360)	134,549
Repayment of Long term Borrowings	(376)	(376)
Dividends Paid	(24,343)	(26,455)
Interest on Term Loan	(18,244)	(63)
NET CASH FLOW FROM FINANCING ACTIVITIES	24,981	107,655
Net Increase /(Decrease) in Cash & Cash equivalents	(57,757)	(280,533)
Add: Cash and Cash equivalent as at the beginning of the year	95,891	376,424
Cash & Cash equivalent as at the end of the year	38,134	95,891

The above Cash Flow Statement forms an integral part of Financial Statements.

"As per our report of even date"

For Sundar Sridhar & Sridhar

Chartered Accountants

S.Sridhar

Partner

Membership No: 25504

Place : Chennai

Date: May 21, 2010

For and on behalf of the Board of Directors

S. Sridharan

Managing Director

P. Srinivasan

Company Secretary

D.V. Ravi

Director

Schedules to Balance Sheet

Schedules to Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2010	31.03.2009
Schedule 1		
Share Capital		
Authorised Share Capital		
350,000,000 equity shares of Re.1/- each & 15,000,000 preference shares of Rs.10/- each	500,000	500,000
(350,000,000 equity shares of Re.1/- each & 15,000,000 preference shares of Rs.10/- each)		
	500,000	500,000
Issued, Subscribed and Paid up Share Capital		
Equity Share Capital		
122,400,000 equity shares of Re.1/- each fully paid up (122,400,000 equity shares of Re.1/- each fully paid up)	122,400	122,400
(Of the above 70,856,250 equity shares of Re.1/- each (Previous Year 70,856,250 equity shares of Re.1/- each) are held by the Holding Company TAKE Solutions Pte. Ltd. Singapore)		
(Of the above 17,772,920 equity share of Re.1/- each (Previous Year 17,772,920 equity shares of Re.1/- each) allotted as fully paid -up by way of bonus shares during the Financial Year 2005-06)		
(Of the above 12,082,000 equity shares of Re.1/- each (Previous Year 12,082,000 equity shares of Re.1/-each) were issued as fully paid up shares consequent to the merger of erstwhile Millennium Infocomm Limited to the Shareholders of erstwhile Millennium Infocomm Limited during the financial year 2003-04)		
Less: Shares issued and lying with ESOP Trust - Refer Note No.2(a) in Notes to Accounts	2,400	2,400
Adjusted Issued and Subscribed Capital	120,000	120,000
Preference Share Capital		
Nil 5 % Non-Cumulative Preference Shares of Rs.10/- each fully paid up. (4,910,850 5 % Non-Cumulative Preference Shares of Rs.10/- each fully paid up)	-	49,109
(Of the above Nil (4,910,850) shares of Rs. 10/- each are held by the Holding Company TAKE Solutions Pte. Ltd. Singapore.)		
	120,000	169,109

Schedules to Balance Sheet

Schedules to Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2010	31.03.2009
Schedule 2		
Reserves and Surplus		
Capital Reserve	36,246	36,246
	36,246	36,246
Capital Redemption Reserve		
Opening Balance	-	-
Add: Transfer from Profit and Loss Account	49,109	-
	49,109	-
Securities Premium Account		
Balance at the beginning of the year	2,130,692	2,044,292
Received during the year	-	86,400
	2,130,692	2,130,692
Less: Premium on shares issued and lying with ESOP Trust (Refer Note No.2(a) in Notes to Accounts)	175,560	175,560
	1,955,132	1,955,132
Hedging Reserve		
At the Commencement of the year	(163,430)	-
Movement During the year	99,077	(163,430)
Net (Debit)/ Credit Balance	(64,353)	(163,430)
Stock Option Outstanding Account		
	4,442	4,442
Less: Deferred employee compensation expense	(2,663)	(2,919)
	1,779	1,523
General Reserve		
Opening Balance	25,041	15,486
Add: Transfer from Profit and Loss Account	8,610	9,555
	33,651	25,041
Profit & Loss Account		
Balance as per Account annexed	442,913	414,096
	442,913	414,096
	2,454,477	2,268,608
Schedule 3		
Secured Loans		
External Commercial Borrowings (Refer Note No. 2(h) Note to Accounts)		
	224,413	-
Working Capital Loans - Banks (Secured against Stock & Book debts)		
	27,189	134,549
Hire Purchase Loans		
From Banks (Secured against Car)	344	720
	251,946	135,269

Schedules to Balance Sheet

Schedule 4 Fixed Assets

(Amount in Rs. 000's)

Particulars	Gross Block			Depreciation Block				Net Block	
	Balance as at 01.04.2009	Additions during the year	Deletions during the year	Balance as at 01.04.2009	For the year	On Deletions	As at 31.03.2010	As at 31.03.2009	As at 31.03.2010
Cars	2,417	-	447	809	215	375	650	1,608	1,320
Computers	28,655	1,535	403	11,654	4,204	201	15,656	17,001	14,131
Furniture & Fixtures	2,578	761	-	667	204	-	871	1,911	2,468
Computer Software & Licenses	35,308	9,798	-	8,981	6,496	-	15,477	26,327	29,629
Office Equipments	5,847	92	-	1,028	281	-	1,309	4,819	4,630
Total	74,805	12,186	850	23,139	11,400	576	33,963	51,666	52,178
Previous Year	54,839	20,610	644	14,417	9,089	367	23,139	40,422	51,666

Schedules to Balance Sheet

Schedules to Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2010	31.03.2009
Schedule 5		
Capitalised Software Product costs		
Opening Balance	96,457	115,072
Add: Cost Capitalised during the year	34,543	40,408
	131,000	155,480
Less: Amortised during the year	49,889	59,023
	81,111	96,457
Schedule 6		
A. Investments-Long Term (At Cost)		
Unquoted Shares (fully paid equity shares)		
Investments in Subsidiary Companies		
APA Engineering Private Ltd. (Formerly known as Autopartsasia Private Ltd.)	34,921	34,921
30,128 (30,128) Equity Shares of Rs.10 each		
TAKE United Sdn Bhd (Formerly known as Millennium Business Solutions Sdn Bhd) Malaysia	-	26,489
Nil (2,097,499) Equity shares of RM 1 each		
Take Solutions Inc, USA	501,132	501,132
11,400,000 (11,400,000) Equity shares of US \$1 each (Refer Note No.2(h) Note on Accounts)		
CMNK Consultancy & Services Pvt. Ltd.	499,100	499,100
5,000,000 (5,000,000) equity shares of Rs.10/- each		
Towell Take Investments LLC, Muscat	8,602	8,602
76,500 (76,500) Equity Shares of Omani Riyal 1 each		
Take Solutions Global LLP	99	-
A	1,043,854	1,070,244
B. Current Investments		
Non-Trade Investments - quoted (valued at lower of cost or market value)		
Mutual Fund	-	63,363
9.0% (10.5%) Secured, Redeemable Non-Convertible Debentures of Shriram Transport Finance company Limited	260,000	260,000
B	260,000	323,363
A + B	1,303,854	1,393,607
Market Value of Quoted Investments	260,000	323,363
Schedule 7		
Current Assets, Loans and Advances		
Current Assets		
Inventories	823	2,264
Sundry Debtors (Unsecured)		
Due for more than Six months		
Considered Good	9,870	7,507
Considered Doubtful	-	2,473
Other Debts - considered Good	33,701	106,287
Less: Provision for doubtful debts	-	(2,473)
	43,571	113,794

Schedules to Balance Sheet

Schedules to Balance Sheet as at

(Amount in Rs. '000)

Cash and Bank Balances

Cash on Hand	116	14
<u>Balances with Scheduled Banks</u>		
in Current Accounts*	13,018	95,383
in Fixed Deposits	25,000	-
<u>Balance with Foreign Banks in Current Account</u>		
Bank of America, USA	-	494

Loans and Advances (Unsecured - Considered good)

a) Advances and Loans to subsidiaries	1,411,359	1,041,053
b) Advances and Loans to partnership firms in which the company is a partner	12,102	-
c) Advances recoverable in cash or in kind or for value to be received	202,170	154,931
d) Deposits	10,717	11,203
	1,718,876	1,419,136

[*Balances with scheduled banks in current account include the balance of ESOP trust of Rs.723 (Rs.244)]

Maximum Balances during the year with Non-scheduled Bank

Bank of america, USA	494	627
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Schedule 8

Current Liabilities and Provisions

Sundry Creditors - due to other than Micro Small & Medium enterprises	58,652	46,180
Unclaimed Dividend	141	408
Other Liabilities	66,677	165,795
Amount payable to Subsidiary Companies is Rs.2,323/- [Rs.2,365]		
Deferred Revenue	1,458	267

Provisions

Provision For Taxation	132,932	96,831
Provision For Fringe Benefit Tax	-	6,049
Provision for Employee Benefits	6,990	6,739
Provision for Equity Dividend	24,000	24,000
Provision for Preference Dividend	-	252
Provision for Dividend Distribution Tax	4,160	4,203
	295,010	350,724

Schedules to Profit and Loss Account

Schedules to Profit and Loss Account for the year ended

(Amount in Rs. '000)

PARTICULARS	31.03.2010	31.03.2009
Schedule 9		
Other Income		
Dividend Income	17,604	2,772
Interest Income	62,448	8,764
Tax deducted on the above is Rs.6,636 (Rs.1,750)		
Profit /(Loss) on sale of Fixed Assets - Net	58	-
Profit on Sale of Investments	2,387	-
Share of Profit from LLP	2,820	-
Miscellaneous Income	426	625
	85,743	12,161
Schedule 10		
Employee Cost		
Salaries & Allowance	84,546	111,558
Staff Welfare	9,048	9,605
Contribution to PF & Other Funds	3,989	3,599
Other Employee Benefits	954	3,992
	98,537	128,754
Schedule 11		
Operation & Other Expenses		
Audit Fees	974	1,001
Bad Debts	3,767	9,046
Bank Charges	1,621	146
Books & Periodicals	27	35
Brokerage & Commission	-	79
Charity (CSR)	1,350	1,250
Conveyance	1,197	1,594
Communication Expenses	5,469	5,494
Computer Expenses	239	558
Domestic Travel - Directors	819	1,757
Domestic Travel - Others	4,687	4,696
Electricity Charges	5,242	5,436
Foreign Exchange Fluctuation (Gain)/ Loss- Net	38,591	(24,654)
Foreign Travel - Directors	2,512	3,090
Foreign Travel - Others	7,803	6,605
Insurance	837	762
Loss on Sale of Fixed Assets	-	276
Marketing Expenses	14,187	12,658
Meeting & Conference	303	424
Office Expenses	101	719
Postage & Telegrams	761	1,256
Printing & Stationery	1,531	2,446
Professional Charges	45,199	43,973
Rent Rates & Taxes	15,211	17,230
Repairs & Maintenance	5,358	6,612
Security Charges	418	464
Subscription Charges	260	316
IT Infrastructure & Support Services	44,359	57,974
Software & Consultancy Expenses	9,226	76,412
Total	212,049	237,655

Notes to Consolidated Accounts for the year ended 31st March, 2010

SCHEDULE 12 :

1. SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

AS-1: Disclosure of Accounting Policies

Basis of preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied by the Company and are consistent with those used during the previous year.

Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions the Company may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognised prospectively in future periods.

AS-2: Valuation of Inventories

Inventories are valued at the lower of cost measured on Weighted Average basis or net realisable value. Cost includes, purchase price and all other costs like duties & taxes incurred in bringing the inventories to the present location.

AS-3: Cash Flow Statement

Cash flows are reported using the Indirect Method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the company are segregated. The Cash flow statement forms part of the financial Statements.

AS-4: Contingencies and events occurring after the Balance Sheet date

- a) Contingencies occurring after balance sheet date - Nil
- b) Events occurring after Balance Sheet Date:
 - (i) The Company has closed its branch operations at United States of America with effect from April 15, 2010.

- (ii) The Company has been awarded Letter of Intent (LOI) dated April 16, 2010, from Bharat Sanchar Nigam Limited for carrying out the 4G WIMAX operations in 3 Licensed Service Areas (LSA) and the same has been accepted by the Company.

AS-5: Net Profit or Loss for the period, prior period items and changes in accounting policies

(a) Net profit for the year:

All items of income and expenses in the year are included in the determination of net profit for the year, unless specifically mentioned elsewhere in the financial statements or is required by an Accounting Standard.

(b) Prior period items Nil

(c) Accounting policies:

There are no significant changes in the accounting policies of the Company from that of the previous year.

(d) Accounting Estimates:

There are no significant changes in the accounting estimates of the Company from that of the previous year.

AS-6: Depreciation Accounting

Fixed assets are depreciated on Straight Line Method (SLM) at the rates and in the manner prescribed under Schedule XIV to the Companies Act, 1956. For the assets acquired during the year, depreciation has been charged on pro-rata basis.

AS-7: Accounting for Construction Contracts

The above Standard is not applicable to the Company, as it is not engaged in the business of construction.

AS-8: Accounting for Research and Development

This standard has been withdrawn with effect from 1-4-2003 consequent to the introduction of Accounting Standard AS-26 on Accounting for Intangible Assets.

AS-9: Revenue Recognition

1. Software & Consultancy Revenue

The Contracts between the Company and its customers are either time and material contracts or fixed price contracts.

- a) Revenue from fixed-price contracts is recognised according to the milestones achieved as specified in the contracts on the Proportionate Completion Method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance,

Notes to Consolidated Accounts for the year ended 31st March, 2010

conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the year in which such changes are identified.

- b) In respect of time and material contract, revenue is recognized in the year in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while deferred revenue represents the billing in excess of cost and earnings.
- c) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

2. Sale of IT Infrastructure and Support Services:

Income from sale of IT Infrastructure is recognized upon completion of sale. Income from Support Services is recognized upon rendering of the services. Income from maintenance contracts relating to the year is recognized when the contracts are entered into on a time proportionate basis.

3. Other Incomes

- a) Interest income is recognized using time proportion method based on rates implicit in the transaction.
- b) Dividend income is recognized when the company's right to receive dividend is established.
- c) Miscellaneous income is recognized on accrual basis.

AS-10: Accounting for Fixed Assets

Fixed Assets are stated at cost, less accumulated depreciation. Fixed assets are capitalised at acquisition cost, which comprises of freight, installation cost, duties, taxes, and other directly attributable cost of bringing the assets to its working condition for the intended use.

AS-11: Accounting for effects in foreign exchange rates

- a) **Conversion** - All monetary items denominated in foreign currency are reflected at the closing exchange rates prevailing on the Balance Sheet date; the resultant exchange differences are recognized in the profit and loss account. Non-monetary items which are carried in terms of historical cost denominated in a

foreign currency are reported using the exchange rate at the date of the transaction.

- b) **Initial Recognition** - Income and Expenditure items involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.
- c) **Exchange Differences** - Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Profit & Loss Account for the year.
- d) **Foreign Operations** - The financial statements of an integral foreign operation are translated as if the transactions of the foreign operation have been those of the Company itself.

AS-12: Accounting for Government Grants

For the above accounting year, the above Standard is not applicable.

AS-13: Accounting for Investments

- a) Long-term investments are carried at cost. Cost comprises of transfer fee, stamp paper, brokerage etc. Cost of investments in overseas subsidiaries comprises the consideration paid for the investment translated in rupee terms. Any decline in the value of the long-term investments, other than a temporary decline, is recognized and charged to the Profit & Loss Account.
- b) Current Investments are carried at the lower of cost (determined on the specific identification basis) and fair value. The comparison of cost and fair value is carried out separately in respect of each investment.
- c) Profit or loss on sale of investments is determined on specific identification basis.
- d) Investments made during the year:
 - (i) Investments in Subsidiary:
During the year, the company has invested Rs. 99,000 representing 99% stake in TAKE Solutions Global LLP.
- e) Divestments
During the year, the company has sold its entire holding in TAKE United Sdn. Bhd for a total consideration of Rs. 28,875,084 and the profit on disposal of investments recognized thereon is Rs. 2,386,503.

During the year, the company has purchased and sold the following investments.

Notes to Consolidated Accounts for the year ended 31st March, 2010

	Opening Bal		Dividend Reinvestment		Sale	
	Units	Value in 000's	Units	Value in 000's	Units	Value in 000's
UTI Treasury Advantage Fund – Institutional Plan (Daily Dividend - Reinvestment)	63,344.94	63,363	1,083.06	1,079	64,428.60	64,442

AS 14: Accounting for Amalgamation

During the year, no amalgamation has taken place.

AS-15: Accounting for Retirement benefits

a. Provident Fund

The Company makes contribution to statutory provident fund in accordance with Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan and contribution paid or payable is recognized as an expense in the period in which the services are rendered by the employee.

b. Gratuity

Gratuity is a defined benefit scheme and is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary.

c. Leave Encashment

Provision for leave encashment benefits is made based on the actuarial valuation as at the Balance Sheet Date.

The Following table sets out status of the gratuity plan as required under AS 15 (Revised)

I. PRINCIPAL ACTUARIAL ASSUMPTIONS

[Expressed as weighted averages]	31/ 03/ 2010	31/ 03/ 2009
Discount Rate	8.00%	8.00%
Salary escalation rate	6.00%	6.00%
Attrition rate	1.00%	1.00%
Expected rate of return on Plan Assets	0.00%	0.00%

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES:

	In Rs.	In Rs.
PVO as at the beginning of the period	4,715,183	3,467,000
Interest Cost	369,509	262,696
Current service cost	1,627,255	1,552,790
Past service cost - (non vested benefits)	0	0
Past service cost - (vested benefits)	0	0
Benefits paid	(192,639)	(366,592)
Actuarial loss/(gain) on obligation (balancing figure)	(1,578,006)	(200,711)
PVO as at the end of the period	4,941,302	4,715,183

Notes to Consolidated Accounts for the year ended 31st March, 2010

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS - RECONCILIATION OF OPENING AND CLOSING BALANCES:	In Rs.	In Rs.
Fair value of plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	192,639	366,592
Benefits paid	(192,639)	(366,592)
Actuarial gain/(loss) on plan assets [balancing figure]	0	0
Fair value of plan assets as at the end of the period	0	0
IV. ACTUAL RETURN ON PLAN ASSETS		
Expected return on plan assets	0	0
Actuarial gain (loss) on plan assets	0	0
Actual return on plan assets	0	0
V. ACTUARIAL GAIN / LOSS RECOGNIZED		
Actuarial gain / (loss) for the period - Obligation	1,578,006	200,711
Actuarial gain / (loss) for the period- Plan Assets	0	0
Total (gain) / loss for the period	(1,578,006)	(200,711)
Actuarial (gain) / loss recognized in the period	(1,578,006)	(200,711)
Unrecognized actuarial (gain) / loss at the end of the year	0	0
VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS		
Present value of the obligation	4,941,302	4,715,183
Fair value of plan assets	0	0
Difference	4,941,302	4,715,183
Unrecognised transitional liability	0	0
Unrecognised past service cost - non vested benefits	0	0
Liability recognized in the balance sheet	4,941,302	4,715,183
VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:		
Current service cost	1,627,255	1,552,790
Interest Cost	369,509	262,696
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognised in the year	(1,578,006)	(200,711)
Transitional Liability recognised in the year	0	0
Past service cost - non-vested benefits	0	0
Past service cost - vested benefits	0	0
Expenses recognized in the statement of profit and loss	418,758	1,614,775
VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET		
Opening net liability	4,715,183	3,467,000
Expense as above	418,758	1,614,775
Contribution paid	(192,639)	(366,592)
Closing net liability	4,941,302	4,715,183

Notes to Consolidated Accounts for the year ended 31st March, 2010

IX. AMOUNT FOR THE CURRENT PERIOD	In Rs.	In Rs.
Present Value of obligation	4,941,302	4,715,183
Plan Assets	0	0
Surplus (Deficit)	(4,941,302)	(4,715,183)
Experience adjustments on plan liabilities -(loss)/gain	1,578,006	200,711
Experience adjustments on plan assets -(loss)/gain	0	0
X. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)		
Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.00%	0.00%
Others (to specify)	0.00%	0.00%
Total	0.00%	0.00%
XI. ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR	0	0

The Following table sets out status of the Leave Encashment as required under AS 15 (Revised)

I. PRINCIPAL ACTUARIAL ASSUMPTIONS

[Expressed as weighted averages]	31/03/2010	31/03/2009
Discount Rate	8.00%	8.00%
Salary escalation rate	6.00%	6.00%
Attrition rate	1.00%	1.00%
Expected rate of return on Plan Assets	0.00%	0.00%

II. CHANGES IN THE PRESENT VALUE OF THE OBLIGATION (PVO) - RECONCILIATION OF OPENING AND CLOSING BALANCES:

	In Rs.	In Rs.
PVO as at the beginning of the period	2,024,034	1,358,000
Interest Cost	146,251	91,108
Current service cost	553,253	546,493
Past service cost - (non vested benefits)	0	0
Past service cost - (vested benefits)	0	0
Benefits paid	(391,785)	-438,301
Actuarial loss/(gain) on obligation (balancing figure)	(282,681)	466,734
PVO as at the end of the period	2,049,072	2,024,034

Notes to Consolidated Accounts for the year ended 31st March, 2010

III. CHANGES IN THE FAIR VALUE OF PLAN ASSETS -

RECONCILIATION OF OPENING AND CLOSING BALANCES:

	In Rs.	In Rs.
Fair value of plan assets as at the beginning of the period	0	0
Expected return on plan assets	0	0
Contributions	391,785	438,301
Benefits paid	(391,785)	(438,301)
Actuarial gain/(loss) on plan assets [balancing figure]	0	0
Fair value of plan assets as at the end of the period	0	0

IV. ACTUAL RETURN ON PLAN ASSETS

Expected return on plan assets	0	0
Actuarial gain (loss) on plan assets	0	0
Actual return on plan assets	0	0

V. ACTUARIAL GAIN / LOSS RECOGNIZED

Actuarial gain / (loss) for the period - Obligation	282,681	(466,734)
Actuarial gain / (loss) for the period- Plan Assets	0	0
Total (gain) / loss for the period	(282,681)	466,734
Actuarial (gain) / loss recognized in the period	(282,681)	466,734
Unrecognized actuarial (gain) / loss at the end of the year	0	0

VI. AMOUNTS RECOGNISED IN THE BALANCE SHEET AND RELATED ANALYSIS

Present value of the obligation	2,049,072	2,024,034
Fair value of plan assets	0	0
Difference	2,049,072	2,024,034
Unrecognised transitional liability	0	0
Unrecognised past service cost - non vested benefits	0	0
Liability recognized in the balance sheet	2,049,072	2,024,034

VII. EXPENSES RECOGNISED IN THE STATEMENT OF PROFIT AND LOSS:

Current service cost	553,253	546,493
Interest Cost	146,251	91,108
Expected return on plan assets	0	0
Net actuarial (gain)/loss recognised in the year	(282,681)	466,734
Transitional Liability recognised in the year	0	0
Past service cost - non-vested benefits	0	0
Past service cost - vested benefits	0	0
Expenses recognized in the statement of profit and loss	416,823	1,104,335

Notes to Consolidated Accounts for the year ended 31st March, 2010

VIII. MOVEMENTS IN THE LIABILITY RECOGNIZED IN THE BALANCE SHEET

	In Rs.	In Rs.
Opening net liability	2,024,034	1,358,000
Expense as above	416,823	1,104,335
Contribution paid	(391,785)	(438,301)
Closing net liability	2,049,072	2,024,034

IX. AMOUNT FOR THE CURRENT PERIOD

	In Rs.	In Rs.
Present Value of obligation	2,049,072	2,024,034
Plan Assets	0	0
Surplus (Deficit)	(2,049,072)	(2,024,034)
Experience adjustments on plan liabilities -(loss)/gain	282,681	(466,734)
Experience adjustments on plan assets -(loss)/gain	0	0

X. MAJOR CATEGORIES OF PLAN ASSETS (AS PERCENTAGE OF TOTAL PLAN ASSETS)

Government of India Securities	0.00%	0.00%
State Government Securities	0.00%	0.00%
High Quality Corporate Bonds	0.00%	0.00%
Equity shares of listed companies	0.00%	0.00%
Property	0.00%	0.00%
Special Deposit Scheme	0.00%	0.00%
Funds managed by Insurer	0.00%	0.00%
Others (to specify)	0.00%	0.00%
Total	0.00%	0.00%

XI. ENTERPRISE'S BEST ESTIMATE OF CONTRIBUTION DURING NEXT YEAR

0	0
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AS-16: Borrowing Cost

Borrowing Cost on qualifying asset is commenced for capitalisation when the expenditure on Qualifying asset and borrowing cost are incurred. Further capitalisation ceases, when all activities necessary for making assets ready for intended use are substantially complete. For the year ended March 31, 2010, no borrowing cost has been capitalised.

AS-17: Segment Reporting

The company has identified Business Segment as its Primary segment and Geographic segment as its Secondary segment. The company has identified Software Products & Consultancy Services and Sale of IT Infrastructure and Support Services as the reportable business segment of the company for the year. Geographical segment information is disclosed based on the location of customers.

Revenues and Expenses that are directly identifiable with the Segments have been disclosed accordingly. Certain Income and Expenses which are not specifically allocable to individual segments have been disclosed as "Unallocated Corporate Income" and "Unallocated Corporate Expenses" respectively.

The assets of the company are used interchangeably between segments and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

Notes to Consolidated Accounts for the year ended 31st March, 2010

Primary Segment Information (Business Segment)

(Amount in Rs. '000)

Particulars	Business Segment			Total
	Software Products and Consultancy Services	Sale of IT Infrastructure & Support Services	Others	
Revenue	422,676 (528,809)	47,285 (61,091)	-	469,961 (589,900)
Segment Result	168,691 (197,005)	2,926 (3,115)	-	171,617 (200,120)
Unallocated Corporate Income				85,743 (36,815)
Unallocated Corporate Expenses				73,531 (69,395)
Interest Expense				35,524 (14,008)
Tax Expense				33,502 (26,133)
Net Profit after Tax Expense				114,803 (127,399)

Secondary Segment Information (Geographic Segment):

(Amount in Rs.'000)

Revenues	For the year ended 31.03.2010	For the year ended 31.03.2009
India	326,842	329,211
USA	132,225	253,613
Rest of the World	10,894	7,076

AS-18: Related Party Disclosure

Related party Disclosure for the year ended 31st March, 2010

List of Related parties

Holding Company

TAKE Solutions Pte. Limited, Singapore

Subsidiaries

1. TAKE United Sdn. Bhd., Malaysia (Ceased w.e.f .01.11.2009)
2. APA Engineering Private Limited, India (formerly known as Autopartsasia Private Ltd)
3. TOWELL-TAKE Investments LLC, Muscat
4. TAKE Solutions Inc., USA
5. CMNK Consultancy & Services Private Limited, India
6. TAKE Solutions Global LLP, India (Incorporated and added during the year)

Step Subsidiaries

7. TOWELL-TAKE Solutions LLC, Muscat
8. TAKE Solutions MEA Limited, Dubai
9. Applied Clinical Intelligence, LLC, USA
10. Clear Orbit Inc, USA
11. TAKE Solutions GMBH, Switzerland
12. CMNK Services Private Limited, India
13. TAKE Enterprises Solutions Inc, USA

Notes to Consolidated Accounts for the year ended 31st March, 2010

14. TAKE Intellectual Properties Management Inc, USA
15. Mirnah Technology Systems Limited, Saudi Arabia (Additions during the year)
16. RPC Power India Private Limited, India (Additions during the year by virtue of control over composition of board of directors)

Key Management Personnel

1. Mr. S. Sridharan, Managing Director
2. Mr. R. Seshadri, Executive & Whole-time Director (Ceased w.e.f 30.01.2010)
3. Mr. T.K. Wong, Chairman (Ceased w.e.f 22.05.2009)
4. Mr. Srinivasan H.R., Vice Chairman & Non – Executive Director
5. Mr. D.V. Ravi, Non – Executive Director
6. Mr. Ram Yeleswarapu, Non – Executive Director
7. Mr. Bala Latupalli, Non – Executive Director (Appointed on 30.01.2010)

Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have taken place during the year

1. Aakanksha Management Consultancy & Holdings Private Limited, India

Other Related Party

1. TAKE Solutions Limited ESOP Trust, India- the trust is effectively controlled by the company.
2. WJ. Towell & Co, LLC, Muscat – Joint Venture Partner.

Transactions with Related Parties

(Amount in Rs.'000)

Particulars	Holding Company	Subsidiaries	Key Management Personnel	Enterprises controlled by key management Personnel & their relatives	Other Related Parties
Revenue		137,890 (189,598)		21 (46)	206 (1 Nil)
Interest Income		34,469 (217)			
Rent – Expenditure				24 (24)	
Share of Profit		2,820 (Nil)			
Share of Revenue		4,735 (4,220)			
Managerial Remuneration			5,870 (6,972)		
Remuneration (Non Executive Directors)			4,800 (4,800)		
Commission (Independent Directors)			1,500 (1,600)		
Receivable from Debtors		14,437 (83,504)			200 (Nil)
Payable to Creditors		8,544 (4,738)			
Loans/Advances - Given		390,486 (556,443)			
Loans/Advances – Received	Nil (172)				
Balance Receivable		1,423,461 (1,041,052)			
Balance Payable		2,323 (2,365)			

Notes to Consolidated Accounts for the year ended 31st March, 2010

AS-19: Leases (Amount in Rs. '000)

The Company has acquired assets under hire purchase.

a) **Finance Charge recognized in the Profit & Loss Account** – Rs. 38 (Rs. 62)

AS-20: Earnings Per Share

Basic Earnings Per Share and Diluted Earnings Per Share are calculated by dividing the Net Profit After Tax for the year attributable to the Equity Shareholders by the Weighted Average number of Equity Shares outstanding during the year. As per the guidance note issued in January 2005 on Accounting for Employee Share Based Payments by the Institute of Chartered Accountants of India, 2,400,000 (2,400,000) weighted average number of shares held by the TAKE Solutions ESOP trust have been reduced from the equity shares outstanding for computing basic and diluted earnings per share for the year ended March 31, 2010.

Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
Basic	Equivalent No. of Shares	Equivalent No. of shares
1. Opening No. of Shares	120,000,000	120,000,000
2. Closing No. of Shares	120,000,000	120,000,000
3. Weighted Average No. of Shares	120,000,000	120,000,000
4. Profit Available for Equity Share Holders (Rs.' 000)	114,697	127,104
5. EPS (in Rs.)	0.96	1.06
6. Nominal Value of share (in Rs.)	1.00	1.00

Schedule-12

Particulars	For the Year ended 31.03.2010
Diluted	Equivalent No. of Shares
1. Weighted Average No. of Potential Equity Shares	120,295,200
2. Profit Available for Potential Equity Share Holders (Rs.' 000)	114,697
3. EPS (in Rs.)	0.95
4. Nominal Value of share (in Rs.)	1.00

AS-21: Consolidated Financial Statements

Consolidated Financial statements have been prepared separately in compliance with AS-21 for the Year ended 31.03.2010.

AS-22: Accounting for taxes on income:

(Amount in Rs.'000)

a) Current Tax:

Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961. Provision for Taxation is Rs. 36,101 (Rs.28,731)

b) Fringe Benefit Tax:

Consequent to the abolition of Fringe Benefit Tax (FBT) by Finance Bill 2009, no provision for Fringe Benefit Tax (FBT) has been made for the year ended March 31, 2010.

c) Deferred Tax Provision:

Deferred Tax is recognised on timing differences being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years.

Notes to Consolidated Accounts for the year ended 31st March, 2010

Deferred tax assets are recognised only if there is a reasonable certainty of their realization. The Company has adopted Balance Sheet approach for recognizing Deferred Tax from this year.

Particulars	(Amount in Rs.'000)	
	As at 31.03.2010	As at 31.03.2009
Components of Deferred Tax Liability / (Asset)		
Depreciation	10,542	8,935
Product Development Expenditure	27,570	32,786
Employee Benefits	(2,376)	(2,291)
Share Issue Expenses	(1,150)	(1,724)
Net Deferred Tax Liability / (Asset)	34,586	37,706

The company has also reversed the deferred tax asset recognized earlier on the Long Term Capital Loss to the extent of Rs. Nil (Rs. 550)

The deferred tax credited to Profit and Loss Account is Rs. 2,570/- (Rs. 4,862)

AS-23: Accounting for investments in associates:

There are no investments in associates during the year.

AS-24: Discontinuing operations

The Company has not discontinued any operations during the year.

AS-25: Interim Financial Reporting

For the above accounting year, the above Standard is not applicable.

AS-26: Intangible Assets

Software Product Development Cost:

Internally developed software products are valued based on costs directly attributable to the development of such software and allocated indirect cost and they are capitalised individually once their technical feasibility is established in accordance with the requirements of Accounting Standard 26, 'Intangible Asset'.

Expenses incurred during research phase till the establishment of commercial feasibility is charged off to Profit and Loss Account.

Products capitalised are being amortized over a period of three years from the launch date and the unamortised product costs as at Balance Sheet date are shown under Assets separately.

AS-27: Financial reporting of interests in joint ventures

The Company has not entered into any joint venture agreement during the year.

AS-28: Impairment of Assets

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If such an indication exists, the company eliminates the recoverable amount of the asset. For an asset that does not generate independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying out, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the profit and loss account. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the net

Notes to Consolidated Accounts for the year ended 31st March, 2010

book value that would have been determined if no impairment had been recognized. During the year ended March 31, 2010, no impairment loss has been recognized.

AS-29: Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities: (Amount in Rs. '000)

- a) Corporate Guarantee given by the Company to one of its subsidiaries –APA Engineering Private Limited as at 31.03.2010 – Rs. 20,000 /- (Rs. 50,000/-)
- b) Outstanding Bank Guarantee as at 31.03.2010 is Rs. 14,000/- (Rs. Nil)
- c) On May 23, 2008 the company has received an order for the assessment year 2003-04 from Income Tax Appellate Tribunal (ITAT) disallowing the software product expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation and thereby reducing the benefit of carrying forward of losses by Rs. 159.14 lacs to the subsequent assessment years. However, no demand has been raised for the said assessment year. The company has filed an appeal with the Honorable High Court of Tamil Nadu against the order of ITAT. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operation and hence, no adjustment has been made to the financial statements for the year ended March 31, 2010.
- d) Demand from Income tax authorities for payment of additional tax of Rs. 99.58 lacs (net of amount paid to statutory authorities to the extent of Rs. 80.81 lacs) has been received upon completion of their tax review for the assessment year 2006-07. Also, Demand for payment of additional tax of Rs. 179.18 lacs has been received upon completion of their tax review for the assessment year 2007-08. The tax demand is mainly on account of disallowance of software product development expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation. The matter is pending before the Commissioner of Income tax (Appeals), Chennai. The company is contesting the demand and the management including its tax advisors believe that its position is likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operation.

AS-30: Financial Instruments: Recognition and Measurement

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designates this hedging instrument as "cash flow hedge" applying the recognition and measurement principles set out in Accounting Standard 30.

Hedging instrument is initially measured at fair value and is re-measured at subsequent reporting dates. Changes in the fair value of this derivative that is designated as an effective hedge of future cash flows is recognized directly in shareholders' funds as Hedging Reserve and reclassified into Profit & Loss Account upon the occurrence of hedged transactions. The ineffective portion is recognized immediately in profit and loss account as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to profit and loss account for the period. The Loss transferred to profit and Loss Account for the year ended March 31, 2010 is Rs.26,254 (Rs. 29,033) (Rs. in'000s)

Notes to Consolidated Accounts for the year ended 31st March, 2010

Others

a) Employee Stock Options

The company measures the compensation cost relating to employee stock options using the intrinsic value method. The compensation cost is amortized over vesting period of the option.

Pursuant to Clause 5.3 (f) of SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) guidelines, 1999 and para 10 of Employees Stock Option Scheme – 2007 of the company, Remuneration & Compensation Committee is authorised to make a fair and reasonable adjustment to the number of options and to the exercise price in respect of options granted to the employees under the plan in the case of Corporate actions such as right issue, bonus issue, merger, etc. The shareholders have in their meeting held on 22.08.2008 approved sub-division of face value of each equity share of Rs.10/- into 10 equity shares of Re.1/- each. Accordingly, the number of maximum options that can be issued under Employees Stock Option Scheme 2007 has been increased to 2,400,000 (2.4 Million){originally 240,000 (0.24 Million) and the exercise price has been reduced in case of Series I to Rs. 73.00 and Series II to Rs. 73.00 per equity share of Re. 1/- each.

On 10.12.2007, the company established Employees Stock Option Scheme – 2007 (ESOS – 2007 or scheme). Under the scheme, the company is authorized to issue up to 2,400,000 (originally 240,000) equity settled options of Re 1/- each (originally Rs. 10/- each) to employees (including employees of the subsidiary company). Remuneration & Compensation Committee has been constituted by the Board of Directors of the company to administer the Scheme.

	ESOS – 2007	
	Series – I	Series – II
1. Grant Price – Rs	73.00	73.00
2. Grant Date	02.04.2008	26.05.2008
3. Vesting commences on	01.04.2009	25.05.2009
4. Vesting Schedule	30% of grant on 01.04.2009, subsequent 30% of grant on 01.04.2010 and balance 40% of grant on 01.04.2011	30% of grant on 25.05.2009, subsequent 30% of grant on 25.05.2010 and balance 40% of grant on 25.05.2011
5. Option Granted and outstanding at the beginning of the year	362,500	777,500
6. Option granted during the year	Nil	Nil
7. Option lapsed and /or withdrawn during the period	88,500	67,500
8. Option exercised during the year against which shares were allotted	-	-
9. Option granted and outstanding at the end of the year of which		
- Options vested	82,200	213,000
- Options yet to vest	191,800	497,000

2. Disclosures required under the Companies Act, 1956

a) Share Capital:

As per the Guidance Note on Accounting for Employee Share-based payments issued by the Institute of Chartered Accountants of India, shares allotted to Trust but not transferred to employees is required to be

Notes to Consolidated Accounts for the year ended 31st March, 2010

reduced from Share Capital and Reserves. Out of the 2,400,000 equity shares allotted to the trust, no shares have been transferred to employees' upto 31st March 2010. Accordingly, the Company has reduced the Share Capital by the amount of face value of the equity shares issued to the Trust but not transferred to employees and Share Premium by the amount of Share Premium on such shares.

During the year, the company redeemed 4,910,850, 5% Non - cumulative redeemable preference shares at par. The Company has appropriated a sum equal to the nominal value of the shares redeemed to Capital Redemption Reserve.

b) Remuneration to directors:

(Amount in Rs.'000)		
	For the year ended 31.03.2010	For the year ended 31.03.2009
Whole time Directors		
Remuneration (including Company's Contribution to PF)	5,870	6,972
Non-Executive Directors		
Remuneration	4,800	4,800
Independent Directors		
Commission	1,500	1,600
Sitting Fees	640	420

Computation of Net Profit in accordance with Section 198 and with Section 349 of the Companies Act, 1956

(Amount in Rs.'000)		
Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
Profit Before Tax	148,305	153,532
Add : Remuneration paid to Managing & Whole Time Directors	5,870	6,972
Add : Directors' Sitting Fees	640	420
Add : Remuneration to Non – Executive Directors	4,800	4,800
Add : Commission to Independent Directors	1,500	1,600
Add : Provision for Doubtful Debts	Nil	2,473
Net Profit for Section 198 of the Companies Act, 1956.	161,115	169,797
11% of the above	17,723	18,678
Eligible Commission to Independent Directors @1% of Net profit	1,611	1,698

The above excludes gratuity and leave encashment payable which cannot be separately identified from the composite amount advised by the actuary.

c) Quantitative Details:

The Company is primarily engaged in the business of software products & services. In the case of Software Products & Services the production and sale of such software product and software services cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3, 4C & 4D of Part II of Schedule VI to the Companies Act, 1956.

Notes to Consolidated Accounts for the year ended 31st March, 2010

d) **Value of Imports on CIF basis:** Rs. 85 (Rs. 3,132) (Rs. in 000's)

e) **Aggregate Expenditure:**

Particulars	(Amount in Rs.'000)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
Salaries & Allowances	103,080	133,009
Contribution to Provident & Other Funds	5,404	4,544
Staff Welfare	12,015	10,487
Other Employee Benefits	698	3,971
Cost of Sales – IT Infrastructure & Support Services	44,359	58,454
Software and Consultancy Expenses	11,389	73,597
Audit Fees	974	1,001
Bad Debts	3,767	9,046
Bank Charges	1,621	145
Books & Periodicals	26	43
Brokerage and Commission	-	79
Communication Expenses	8,239	8,031
Conveyance	1,236	1,760
Domestic Travel-Director	819	1,757
Domestic Travel-Others	5,069	6,870
Charity (CSR)	1,350	1,250
Electricity Charges	5,881	6,259
Foreign Exchange Fluctuation Loss/ (Gains) (Net)	38,591	(24,654)
Foreign Travel-Others	8,849	9,547
Foreign-Travel-Director	2,512	3,596
Insurance - Assets	837	819
(Profit) / Loss on Sale of Assets	(58)	276
Marketing Expenses	14,187	12,799
Meeting & Conference	303	504
Miscellaneous Write Offs	-	144
Office Expenses	101	211
Postage & Telegrams	761	1,275
Printing & Stationery	1,531	2,521
Professional Charges	45,199	49,880
Rent, Rates and Taxes	18,702	20,194
Repairs & Maintenance	6,951	8,000
Security Charges	418	485
Subscription Charges	260	348
Less : Product development Expenses	(34,543)	(40,408)
Total Expenses	310,528	366,409

Notes to Consolidated Accounts for the year ended 31st March, 2010

f) Particulars relating to Foreign Exchange (Cash Basis)

Particulars	(Amount in Rs.'000)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
<u>Foreign Exchange Inflow: (Sales & Services)</u>		
India and Overseas Branch	203,790	246,268
<u>Foreign Exchange Outflow</u>		
Travelling Expenses	4,350	3,519
Other Expenses	1,198	786
Purchase	85	3,132
Overseas Branch	1,350	70,034

An amount of Rs. 14,424 (Rs. 17,412) (in '000s) was remitted during the year in foreign currencies on account of payment of final dividend for the year 2008 -09 & 2007-08 respectively.

g) Loans and Advances include a sum of Rs. 45.93 Mn paid as Share Application Money towards Preference Share Capital (pending allotment) to one of its subsidiaries, Towell Take Investments LLC.

h) The Company has raised External Commercial Borrowings from Citi Bank N.A to the extent of US \$ 2,583,631 and DBS Bank Limited to the extent of US \$ 2,400,000 primarily secured against present and future movable fixed assets of the Company and book debts of the Company and also against investments held by the company in its subsidiary, TAKE Solutions Inc., to the extent of 9,575,000 equity shares. Corporate Guarantee has been given by subsidiary companies TAKE Solutions Inc and Clear Orbit Inc as a collateral security.

i) Payment to Auditors:

Particulars	(Amount in Rs.'000)	
	For the year ended 31.03.2010	For the year ended 31.03.2009
For Audit	650.00	650.00
Limited Review Fees	300.00	300.00
For Branch Audit	24.00	51.00
Advisory Service		
a. Taxation	50.00	-
b. Management Consultancy	-	-
c. Others	140.00	74.00
Total	1164.00	1075.00

j) Due to Micro Small and Medium Enterprises

The management has initiated the process of identifying enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprises Development Act, 2006. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2010 has been made in the financial statements based on information received and available with the Company. The Company has not received any claim for interest from any supplier under the said Act. In the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the aforesaid Act is not expected to be material.

Notes to Consolidated Accounts for the year ended 31st March, 2010

Particulars	For the year ended 31.03.2010	For the year ended 31.03.2009
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	Nil	Nil
The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year;	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

k) Comparative Figures

Previous year's figures have been regrouped / restated, wherever necessary to make them comparable to those of current year.

For Sundar Srini & Sridhar

Chartered Accountants

S.Sridhar

Partner

Membership No: 25504

Place : Chennai

Date: May 21, 2010

For and on behalf of the Board of Directors

S. Sridharan

Managing Director

D.V. Ravi

Director

P. Srinivasan

Company Secretary