

A Asit C. Mehta Group Company

Asit C. Mehta Financial Services Ltd

25th Annual Report
2008-2009

ASIT C. MEHTA FINANCIAL SERVICES LIMITED
(formerly Nucleus Netsoft And GIS (India) Ltd.)

FINANCIAL HIGHLIGHTS										
										Rs.In Lakh
	2008-09	2007-08	2006-07	2005-06	2004-05	2003-04	2002-03	2001-02	2000-01	1999-00
Net worth*	1,078	1,129	1,153	1,075	762	611	601	795	788	801
Borrowings	240	181	173	63	9	164	269	278	194	139
Net Fixed Assets	1,107	1,120	1042	869	488	534	616	624	633	616
Investments	605	306	331	306	311	311	310	312	312	298
Book value per Equity share - Rs	22.75	22.80	23.27	21.71	22.14	17.75	17.49	22.81	22.48	22.70
Gross Income	263	482	702	694	290	406	306	390	388	509
Operating and Other expenses	228	444	490	424	140	416	417	378	376	404
Profit Before Tax	35	38	212	270	150	(10)	(111)	12	12	105
Profit After Tax	35	31	210	252	150	13	(170)	12	11	6
Equity Dividend per share - Rs	0.75	1.00	2.50	2.00	-	-	-	-	-	0.50
*excluding revaluation reserve										

ASIT C. MEHTA FINANCIAL SERVICES LIMITED
(formerly Nucleus Netsoft And GIS (India) Ltd.)

BOARD OF DIRECTORS : ASIT C. MEHTA – Chairman
DEENA A. MEHTA
KIRIT H. VORA
VIJAY G. LADHA – (Chairman – Audit Committee)
DR. R. KRISHNAMURTHY
D. SUNDERARAJAN

Registered Office : ‘Nucleus House’, Saki-Vihar Road,
 Andheri (East), Mumbai – 400072

Auditors : M/s Manek & Associates
 Chartered Accountants

Bankers : Bank of India

Share Transfer Agent : Link Intime India Private Limited
 (formerly Intime Spectrum Registry P Ltd)
 C 13 Pannalal Mills Compound, LBS Marg,
 Bhandup W, Mumbai 400 078

Contents	Page Nos.
Notice.....	2
Directors’ Report	3-4
Management Discussion and Analysis Report	5-6
Report on Corporate Governance	7-12
Auditor’s Report	13-15
Balance Sheet	16
Profit and Loss Account	17
Cash Flow Statement	18-19
Schedules to Accounts	20-25
Significant Accounting Policies and Notes on Accounts	26-33
Balance Sheet Abstract	34
Statement pursuant to Section 212	35
Consolidated Financial Statements	36-53
Accounts of Subsidiaries	54-80

25th Annual General Meeting
 on Wednesday, 23rd September, 2009 at 3.00 p.m. at the Registered Office at ‘Nucleus House’,
 Saki Vihar Road, Andheri (East), Mumbai - 400072

ASIT C MEHTA FINANCIAL SERVICES LIMITED

Registered Office: 'Nucleus House', Saki Vihar Road, Andheri (E), Mumbai 400 072

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the Twenty-fifth Annual General Meeting of the Company will be held on Wednesday, the 23rd September, 2009 at 3.00 p.m. at 'Nucleus House', Saki Vihar Road, Andheri East, Mumbai 400 072 to transact the following business:

Ordinary Business:

1. To receive, consider, approve and adopt audited Balance Sheet as at 31st March, 2009 and Profit and Loss Account for the year ended on that date and the Report of the Directors' and Auditors thereon;
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Dr. R. Krishnamurthy who retires by rotation and being eligible, offers himself for re-election;
4. To appoint a Director in place of Mr. D Sunderajan who retires by rotation and being eligible, offers himself for re-election;
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s Manek & Associates, Chartered Accountants, the retiring Auditors are eligible for reappointment.

Special Business:

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

6. "Resolved that pursuant to the proviso to Section 163(1) of the Companies Act, 1956, ('the Act') approval be and is hereby accorded to keep the Register and Index of Members and copies of annual returns prepared under section 159 together with the copies of the certificates and documents required to be annexed thereto under section 161 of the Act, with the Company's Share Transfer Agent – M/s Link Intime India P Ltd (formerly known as Intime Spectrum Registry P Ltd) at their office at C 13 Pannalal Silk Mills Compound, L B S Marg, Bhandup West, Mumbai 400 078 or at such other place where the administrative Office of the said Share Transfer Agent may be situated within the local limits of the city of Mumbai"

For and on behalf of the Board

Mumbai, June 29th, 2009

Asit C. Mehta
Chairman

NOTES:

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing a proxy in order to be effective shall be duly filled, stamped, signed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (b) The details under clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd, in respect of a Director seeking re-election at the Annual General Meeting are given in the Corporate Governance Report.
- (c) The Register of Members and Share Transfer Books will remain closed from 16th September, 2009 to 23rd September, 2009 (both days inclusive).
- (d) The explanatory statement in respect of Special business is annexed.
- (e) Section 109A of the Companies Act, 1956 provides for Nomination by the shareholders of the Company in prescribed Form 2B. Shareholders are requested to avail this facility.
- (f) Since the Company's shares are in compulsory demat trading, to ensure better service and elimination of risk of holding shares in physical form, we request shareholders holding shares in physical form to dematerialize their shares in demat form.
- (g) Any member(s) seeking further information on the Accounts / Operations of the Company are requested to send their queries in writing to the Company at its Registered Office (and marked to the attention of Company Secretary) at least one week in advance of the Meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
- (h) Members / proxies should bring their Attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of the Company's Annual Report.

ANNEXURE TO NOTICE

Explanatory Statement under section 173(2) of the Companies Act, 1956

Item No. 6

In accordance with the provisions of section 163(1) of the Companies Act, 1956 ("the Act") the register and index of members and copies of all annual returns prepared under section 159 of the Act together with the documents required to be annexed thereto are to be kept at the registered office of the company. However, as per proviso to section 163 (1) of the Act such registers, indexes, returns and other related documents can be kept at a place within the city or town in which the registered office of the Company is situated, if approval for such other place is accorded by the members of the Company. Therefore, the special resolution is proposed for the approval of the members for keeping the registers, indexes, returns and other related documents with the Company's Share Transfer Agent – Link Intime India Pvt. Ltd at their Office which is presently at C 13, Pannalal Silk Mills Compound, LBS Marg, Bhandup (West), Mumbai 400078 or at such other place where the office of the Share Transfer Agent may be situated within the local limits of the city of Mumbai, in which case, intimation giving details of such other place would be duly provided to members.

No director is concerned or interested in this resolution.

For and on behalf of the Board

Mumbai, June 29th, 2009

Asit C. Mehta
Chairman

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors present the 25th Annual Report together with the audited accounts of the Company for the year ended 31st March, 2009.

FINANCIAL RESULTS:

Rs in lacs

	STANDALONE		CONSOLIDATED	
	2008 09	2007 08	2008 09	2007 08
Income from Operations	132.46	428.39	822.57	428.39
Other Income	130.88	54.11	51.07	54.29
Total Income	263.34	482.50	873.64	482.68
Profit before depreciation, interest and tax	83.28	75.85	183.2	76.21
Less: Depreciation	24.02	35.22	57.22	37.76
Interest	23.97	2.44	28.49	2.47
Tax	0.55	6.74	35.47	6.94
Profit After Tax	34.74	31.45	62.02	29.04
Profit / (loss) of share in Associate concern			(53.86)	190.18
Profit after tax and share in Associate concern	34.74	31.45	8.16	219.22
Prior year adjustment				0.64
Add: Balance brought forward	15.81	39.15	332.74	167.66
Balance available for appropriation	50.55	70.60	340.9	387.52
Which the Directors have appropriated as:				
- Proposed Dividend	35.12	46.83	35.12	46.83
- Tax on Dividend	1.63	7.96	1.63	7.96
- Balance to be carried forward	13.80	15.81	304.15	332.73

DIVIDEND

The Board of Directors recommends a dividend of 7.5% on the Equity Capital which would entail a outgo of Rs 36.75 lacs (including dividend tax).

OPERATIONAL REVIEW

During the year under review, the performance on consolidated basis was remarkably good, given the very difficult conditions prevailing in the domestic and world markets for the greater part of the year.

On a Consolidated basis the performance have shown a healthy growth of 92% in Income from Operations and 97% rise in profits before tax as compared to previous year.

On a Standalone basis the Company posted operating revenues aggregating to Rs 263-lacs as compared to Rs 428 lacs in the previous year. The sharp drop is purely notional on account of the transfer of ITES business segment in July'08 to the wholly-owned subsidiary 'Nucleus GIS And ITES Ltd' and as such the standalone figures are not directly comparable with those of the previous year.

The performance of ITES Business segment under the then prevailing business conditions for the first 3 months period ended June'08 was satisfactory with gross revenues of Rs 132 lacs and profit before tax of Rs 5 lacs. For the balance 9 months of period the company mainly earned rental income from letting premises to group companies. The Company also earned Rs 47 lacs from investment activity mainly consisting of dividend from a group company. The year was closed with a gross revenues aggregating to Rs 263 lacs and a profit before tax of Rs 35 lacs.

The members of the Company at the 24th Annual General Meeting held in Aug'08 approved the name change of the Company with a purpose to foray into financial service sector. The name of the Company was then changed to 'Asit C Mehta Financial Services Ltd' vide fresh certificate of incorporation issued by the Registrar of Companies, Maharashtra on 11th September, 2008. The Company then applied to the Reserve Bank of India to seek certificate of registration as *non-deposit taking Non Banking Finance Company* and the registration is still awaited.

OUTLOOK

As stated above, the registration as NBFC Company from the Reserve Bank of India is awaited. On receipt of the same the company would foray into financial services including G-sec market for distribution of Government securities. The Company expects adequate business opportunities in the financial sector market and is hopeful of giving satisfactory performance in the current financial year. The Board at an appropriate time in future considering the business conditions and other factors may consider the restructuring of the Group's diversified businesses.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:

- i. in preparation of the annual accounts, the applicable accounting standards have been followed by the Company;
- ii. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the year ended on that date;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- iv. the annual accounts have been prepared on a 'going concern' basis.

FIXED DEPOSITS

The Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made thereunder

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

a) Conservation of energy, Technology absorption and adoption:

The operations of your Company involve low energy consumption. Energy conservation efforts are being pursued on a continuous basis. Close monitoring of power consumption is maintained to minimize wastage and facilitate optimum utilization of energy. The Company has not imported any technology nor incurred any expenditure on research and development of technology.

b) Particulars of employees':

The Company had no employee covered in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

c) Foreign exchange earnings and outgo:

During the year, your Company's Foreign Exchange earnings were Rs 61.62 lacs and outgo aggregated to Rs 0.80 lac as per details given in Notes to Account.

MANAGEMENT DISCUSSION AND ANALYSIS

The "Management Discussion and Analysis Report" is furnished separately and forms part of this Directors' Report.

CORPORATE GOVERNANCE

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd, is annexed hereto and forms part of the Annual Report.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Dr R Krishnamurthy and Mr. D Sunderajan retires by rotation at the ensuing Annual General meeting and being eligible, offers themselves for re-election.

The information on the particulars of the Directors seeking re-appointment as required under clause 49 of the Listing Agreement has been given in the Report on Corporate Governance.

SUBSIDIARY COMPANIES

The audited financials of Nucleus GIS, Inc for the year ended March 31, 2009 together with the Reports of the Directors and Auditors and the Statement pursuant to section 212 of the Companies Act, 1956 are attached. Also, the audited financials of Nucleus GIS And ITES Ltd (to whom ITES business segment was transferred during the year) for the period ended March 31, 2009 together with the Reports of the Directors and Auditors are attached.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Accounting Standards 21 and 23 issued by the Institute of Chartered Accountants of India, the consolidated financial statement incorporating the operation of the Company, its subsidiary and associate concern have been attached hereto which forms part of the Annual Report.

AUDITORS

The Company's Auditors, Manek & Associates as the Statutory Auditor would retire at the ensuing Annual General Meeting and confirmed their eligibility and willingness to accept the office of the auditors, if reappointed. The Audit Committee and the Board recommends their reappointment.

APPRECIATION

The Directors thank the customers, banker, and shareholders for their continued support to the Company. The Directors also look forward for the continuing support from the shareholders.

For and on behalf of the Board of Directors

Mumbai, 29th June, 2009

Asit C Mehta
Chairman

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business Review:

The Company in July'08 had transferred the ITeS Business segment to its wholly-owned subsidiary – Nucleus GIS And ITES Ltd. The company intends to undertake certain NBFC related activities on the grant of license to do so by the Reserve Bank of India. On receiving the permission to do Non-banking financial services activity, the company would earn revenues from the said activity. The Company would also earn revenues from letting out of properties to group concerns and income from dividends.

The Company's wholly-owned Indian subsidiary – Nuclues GIS And ITES Ltd (NGIL) is engaged into ITes / BPO services. As per NASCOMM strategic review 2009:

- the Business Process Outsourcing sector grew by 11.9% in 2008-09;
- the analysis of IT Services outsourcing reveals that there is significant headroom for growth

In the first year of its operation, (about 9 months) – NGIL's performance can be considered as satisfactory in the sluggish business environment in general. The Company earned gross revenues from ITeS of Rs 69.55 millions (including exports of Rs 14.92 millions) and a profit before tax of Rs 10.05 millions.

Financial Performance:

- A) Consolidated Financial Results for the year ended 31st March, 2009 as shown in Table below is of the Company, its wholly-owned two subsidiaries.

Summarised Consolidated financials

Rs in lacs

Segment Revenue			Segment Results Profit / (Loss)		
	2008-09	2007-08		2008-09	2007-08
ITeS	832.50	424.35	ITeS	105.76	45.55
Investments Activities	7.88	45.55	Investments Activities	3.61	4.19
Unallocable	33.26	12.78	Unallocable	(47.35)	(20.70)

- B) Standalone Financial Results

As stated above, the ITeS business segment was transferred to our subsidiary – Nucleus GIS And ITES Ltd in July,2008 and therefore the figures of the year 2008-09 are not directly comparable with that of the previous year.

The following table gives an overview of the Standalone figures of the Company (Unconsolidated)

Rs in lacs

Particulars	2008 -09	2007 – 08
Revenues from Operations	132.46	428.39
Other Income	130.88	54.11
Total revenue	263.34	482.50
Total Expenditure	228.05	444.31
Profit before Tax	35.29	38.19
Profit after tax	34.74	31.45

The Share Capital remain unchanged.

Gross Fixed Assets (including Capital Work-in-progress) decreased by Rs 222 lacs

During the year total investment increased to Rs 605.38 lacs from Rs 306.31 lacs in the previous year.

Borrowings (Bank Term Loan) stood at Rs 240.14 lacs as against Rs 181.17 lacs in the previous year.

Opportunities, Threats, risks and concerns

The future outlook of the Company depends on the performance of its wholly-owned subsidiary – Nucleus GIS And ITES Ltd (NGIL) which is engaged into ITeS Services. The IT sector future remains bright coupled with vast business opportunities for further growth. NGIL offers value added transaction processing services in the industry verticals like banking and insurance. NGIL has inherited competitive strengths from our Company like successfully managing the business processes, offering improved process management methodology etc. As a consequence, it is ready to seize varied opportunities available in the domestic and export ITeS market.

NGIL's performance is exposed to certain threats and risks and concerns like operational risk of normal business competition, financial risk of currency exposure for exports of ITeS, resource risk of adequate manpower and finance etc.

The Company also has a strategic investment in an Associate concern engaged into Stock broking and allied financial services. The outlook of the Associate would largely depend on the volatility of the Stock Markets, which is difficult to predict. The Stock markets were buoyant

in 2007-08 but fell sharply in 2008-09 and is on the path of recovery in the current year of 2009-10 which, if continued is likely to improve the performance of the Associate concern. The Associate concern being operating in the Capital market is subject to tight regulations and compliances and it also carries an exposure of fast technology obsolescence risks.

Internal Control systems and their adequacy

The Company continues to have in place adequate and proper systems of internal control commensurate with the nature and size of its operations. The Company also continues to avail the services of external firm for conducting internal audits at periodic intervals. The Audit Committee meets at regular intervals and reviews inter alia the internal checks and their accuracy. Post audit reviews are also subsequently carried out.

Human Resources

The relations with the employees (including that of its subsidiary) remained cordial. The group values the importance of enhancement of skills and capabilities of its people for meeting future challenges. Periodical in-house training and counseling is a part of our HRA Policy.

FORWARD -LOOKING STATEMENT

Certain statements made in the Management Discussion and Analysis Report, describing the Company's objectives, assumptions, estimates and expectations may be 'forward-looking' statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. The Company is under no obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

REPORT ON CORPORATE GOVERNANCE

I. Company's Philosophy on Corporate Governance.

The Board of Directors and the management is committed to the compliance with corporate governance norms. We are committed to ensure transparency, control, accountability and responsibility in all areas of operations as we believe that is the only way to conduct the affairs. We are committed to adopting good governance practices so as to protect and achieve enhanced value for all our stakeholders.

II. Board of Directors:

The composition of the Board of Directors of the Company is governed by the provisions of the Companies Act, 1956, the Articles of Association of the Company and Clause 49 of the Listing Agreement with The Bombay Stock Exchange Ltd. As at 31st March, 2009, the strength of the Board of Directors was six non-executive members including promoter group / independent directors. The composition of the Board is compliant with the requirements of clause 49(I)(A) – i.e., more than 50% of the directors are non-executive and more than 33% of the directors are independent directors. The detailed composition of the Board and other related information is given in the table below:

Name	Category	Designation	No. of Meetings held in Director's tenure during the year	No. of Meetings attended	No. of Memberships in Boards of other companies	Attendance of each Director at last AGM
Mr. Asit C. Mehta	Promoter and non-Executive Director	Chairman	6	6	6	YES
Mrs. Deena A. Mehta	Promoter and non-Executive Director	Director	6	4	7	No
Mr. Kirit H. Vora	Non-Executive Director	Director	6	6	5	No
Mr. Vijay Ladha	Independent and Non-Executive Director	Director	6	3	1	No
Dr. R. Krishnamurthy	Independent and Non-Executive Director	Director	6	5	1	No
Dr. D Sunderajan	Independent and Non-Executive Director	Director	6	5	1	No

None of the directors of your company hold directorship in more than 15 public companies or is a member of more than 10 committees or is the Chairman of more than 5 committees across all the companies in which they are directors.

Meetings of the Board of Directors:

During the financial year 2008-09, six Board meetings were held on the following dates:

28th April, 2008; 20th June, 2008; 30th July, 2008; 31st October, 2008; 20th January, 2009 and 11th March, 2009.

The information required under Annexure – 1 to clause 49 of the listing agreement was placed before the Board with current status update. A detailed Agenda was sent in advance to the Board members. To enable the Board discharge its responsibilities effectively, the Chairman / CEO briefs the Board at each meeting on the overall performance of the Company. This is followed by presentations by the Business Heads, whenever necessary.

Details of Directors seeking re-appointment at the ensuing Annual General Meeting (as required under clause 49 VI A of the Listing Agreements with the Stock Exchanges):

Particulars	Dr. R. Krishnamurthy	Mr. D. Sundararajan
Age	56 years	69 years
Date of appointment	31st January, 2006	19th April, 2006
Qualification	LLB; Ph.D	B. Tech; M E Iisc
Expertise in specific functional area	Industrial Relations and Human Resource Management	Electronic Applications and Corporate Management
Directorships held in other Public Companies	NIL	Nucleus GIS And ITES Ltd

Memberships of Committees of Other Public companies	NIL	NIL
No. of shares held in the company	1000	NIL

Code of Conduct

The Board has laid down a code of conduct for the Board members and senior management staff of the Company. The Board members and senior management staff have affirmed compliance with the said code of conduct and a declaration to that effect signed by the Chairman and Managing Director is attached and forms part of this report.

CEO Certification

As required by the revised Clause 49 of the Listing Agreement, a certificate from Mr. Asit C Mehta, Chairman and Mr. Tushar Kapadia, Company Secretary was obtained and placed before the Board of Directors at their meeting held on 29th June, 2009.

III. Audit Committee:

As at 31st March, 2009, the Committee comprised of three members and which is as follows:

Name	Designation	Category
Mr. Vijay Ladha	Chairman	Non-Executive & Independent Director
Mr. Kirit H Vora	Member	Non-Executive Director
Dr R Krishnamurthy	Member	Non-Executive & Independent Director

All the members are Non-executive Directors and are financially literate and two members having accounting and related financial management expertise.

The Chairman / CEO and the Internal Auditor are permanent invitees to the Audit Committee meetings. The Statutory Auditors are also invited to attend the meetings. The Company Secretary acts as Secretary of the Audit Committee.

The Audit Committee met four times during the year, i.e. on 20th June, 2008, 30th July, 2008, 31st October, 2008 and 20th January, 2009 and the attendance was as under:

Members of the Audit Committee	No. of meetings attended
Mr. Vijay G. Ladha	3
Dr R Krishnamurthy	4
Mr. Kirit H Vora	4

Besides this, another meeting of the Audit Committee was held on 29th June, 2009 at which the Audited Accounts for the year ended 31st March, 2009, were placed for consideration.

The Audit committee is responsible for overseeing the Company's financial reporting process, reviewing with the management, the financial statements and adequacy of internal audit function and to discuss significant internal audit findings. The Committee also, inter alia, covers the matters mentioned under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors.

Subsidiary Companies

The Company has one non-listed Indian subsidiary Company and one wholly owned overseas subsidiary, the financial statements of which are reviewed by the Audit Committee.

IV. Investors / Shareholders Grievance Committee:

The Board of Directors constituted the Shareholders / Investors Grievance Committee on 31.7.2002. The present composition, as per Clause 49 II (A), is as follows:

Name	Designation	Category
Mrs. Deena A. Mehta	Member & Chairperson	Non-Executive Director
Mr. Kirit H. Vora	Member	Non-Executive
Mr. Tushar Kapadia	Compliance Officer	Company Secretary

The terms of reference of the Committee is to ensure effective redressal of complaints of the shareholders such as dematerialization, transfer, non-receipt of annual report / share certificate etc.

Status of Complaints for the period 1st April, 2008 to 31st March, 2009

No of complaints Received	No. of complaints Resolved	Complaints pending as at 31.3.2009	Share Transfers pending for approval as at 31.3.2009
5	5	Nil	Nil

V. Remuneration of Directors:

The Company does not have a remuneration committee.

The non-executive Directors' are only paid sitting fees plus reimbursement of actual travel expenses, if any, for attending Board and Committee meetings.

Details of the fees paid to Non- executive Directors and other related information is given in the table below:

Names of Director	Relationship	Sitting fees paid - Rs	Number of shares held*
Asit C Mehta	Husband of Deena A Mehta	22,500	22,60,805
Deena A Mehta	Wife of Asit C Mehta	17,500	9,00,358
Kirit H Vora		32,500	23,520
Vijay G Ladha		22,500	NIL
Dr. R Krishnamurthy		32,500	1000
D Sunderajan		17,500	NIL

*The above shareholding as at 31st March,2009 is in respect of shares which are held by Directors as a first holder and in which they have beneficial interest.

VI. General Body Meetings:

Details of location and time of the General Body Meetings held during the last three financial years are as:

Year	Day, Date and Time	Venue
2005-2006	22 nd AGM held on Friday, 8 th September, 2006 at 3.30 p.m.	Hotel Savoy Suites, Off Saki Vihar Road, Andheri (E), Mumbai 400072
2006-2007	23 rd AGM held on 5 th September, 2007 at 3.30 p.m.	Hotel Savoy Suites, Off Saki Vihar Road, Andheri (E), Mumbai 400072
2007-2008	24 th AGM held on 14 th August, 2008 at 3.00 p.m.	Nucleus House, Saki Vihar Road, Andheri (E), Mumbai 400072

Postal Ballot

During the year, no special resolution has been passed by Postal Ballot.

VII. Disclosures:

Transactions with related parties are disclosed in Note 7 to Schedule 14 to the financial statements for the year. Those transactions do not have potential conflict with the interest of the Company at large.

The Company has complied with the requirements of the Listing Agreements with the Stock Exchanges and the regulations and the guidelines of the SEBI. No strictures were imposed on the Company by the said authorities on any matter related to capital markets during the last three years.

The Company has complied with all the mandatory requirements of Corporate Governance under Clause 49 of the Listing Agreement.

No personnel have been denied access to the Audit Committee.

As required by Clause 32 of the Listing Agreement:

Amount of loans and advances in the nature of loans outstanding from subsidiaries during the year ended 31st March, 2009

(Rs. in lacs)

Name of the Company	Outstanding as at 31 March, 2009 Rs.	Maximum amount outstanding during the year Rs.	Investment in shares of subsidiaries of the Company Rs.
Subsidiary			
Nucleus GIS and ITes Ltd.	5.50	5.50	300.00

VIII. Means of Communication:

- The Quarterly/Half-yearly/Annual financial results of the Company are sent to the Stock Exchanges immediately after the Board approves them.
- The quarterly / half yearly financial results of the Company are published in The Free Press Journal (English) and Navshakti (Marathi).

The Management Discussion and Analysis Report forms part of the Annual Report for the year.

IX. General Shareholders Information:

(Address for correspondence)

1. Registered Office :

'Nucleus House', Saki-Vihar Road,
Andheri (East),
Mumbai 400 072
email: investors@nucleuservices.com
Tel No. +91 22 28570781
Fax No. +91 22 28578352

2. Share Transfer Agents:

(Physical & Demat mode)
Link Intime India Private Limited
(formerly Intime Spectrum Registry P Ltd)
C 13 Pannalal Silk Mills L B S Marg, Bhandup West, Mumbai 400 078
Tel No : +91 022 25963838
Fax No. +91 022 25946969

3. Annual General Meeting:

Date : 23rd September, 2009 Venue : Nucleus House, Saki Vihar Road, Opp. Oxford Chamber,
Time : 3.00 p.m. Andheri (E), Mumbai 400072

4. Book Closure: 16 September, 2009 to 23 September, 2009 (both days inclusive)

5. Listing of Shares & other securities:

Equity Shares: Bombay Stock Exchange Ltd, Mumbai
Phiroze Jejeebhoy Towers, Dalal Street, Mumbai 400023

6. Listing Fees:

Company has paid listing fees for the Financial Year 2009-10 at The Bombay Stock Exchange Ltd, Mumbai, where its securities are listed.

7. Market Price Data:

High/low market prices of the shares during the year 2008-09 at the Bombay Stock Exchange Ltd were as under:

(Source: www.bseindia.com)

Month	High (Rs.)	Low (Rs.)	BSE Sensex High	BSE Sensex Low
April, 2008	81.90	58.40	17480	15297
May, 2008	88.00	64.50	17735	16196
June, 2008	81.45	69.30	16632	13405
July, 2008	72.00	50.00	15130	12514
August, 2008	55.65	49.45	15579	14002
September, 2008	52.00	39.60	15107	12153
October, 2008	43.50	34.40	13204	7697
November, 2008	40.00	27.55	10945	8316
December, 2008	28.90	21.80	10188	8467
January, 2009	43.70	25.65	10470	8631
February, 2009	29.65	24.35	9725	8619
March, 2009	34.35	25.20	10127	8047

Stock Code : BSE 530723

Performance of the Company's Share price in comparison to BSE Sensex

Particulars	Company's Share price v/s BSE Sensex	
	Share price - Rs	BSE Sensex
As on:		
- 1st April, 2008	58.40	15626
- 31st March, 2009	32.50	9708
Change (%)	(44.34)	(37.87)

8. Distribution of Shareholding:

The Distribution of Company's shareholding as on 31.3.2009 was as follows:

No. of Equity Shares	No. of Shareholders	No. of Shares	% of Shareholding
Upto 500	1023	1,88,365	3.8
501 to 1000	110	93436	1.9
1001 to 2000	51	80129	1.62
2001 to 3000	19	48849	0.99
3001 to 4000	10	37960	0.76
4001 to 5000	14	66582	1.34
5001 to 10000	18	138285	2.79
10001 & above	21	4298954	86.8
TOTAL	1266	4952560	100

10. Shareholding Pattern :

The Company's shareholding pattern as on 31.3.2009 as follows:

Category	No. of Shares	% of shareholding
Promoters/Relatives/Associates	36,01,678	72.72
Private Corporate Bodies	2,33,678	4.72
Others (Indian Public)	8,44,999	17.06
Private Trust	2,69,900	5.45
NRIs	2,305	0.05
Total	4,952,560	100.00

Note : There is no foreign shareholding.

11. Dematerialisation of Shares

Nearly 97.15% of total Equity Share Capital is held in dematerialized form with NSDL and CDSL as on 31.3.2009.

12. Share Transfer System:

To expedite the transfer of shares held in the physical mode, the powers to authorise transfers, have been delegated to a Share Transfer Committee consisting of Directors. Meetings of the Share Transfer Committee are held upto two times a month, as may be required. During the year, 6 meetings of the Share Transfer/Demat Committee were held.

13. Financial Calendar 2009-10 :

Financial Year	1st April to 31st March
First Quarter Results	End of July 2009
Half yearly Results	End of October 2009
Third Quarter Results	End of January 2010
Audited Results for the year end	End of June 2010

Declaration regarding Compliance of Code of Conduct

To,

The Members of
Asit C. Mehta Financial Services Limited
(formerly Nucleus Netsoft And GIS (India) Limited)

It is hereby confirmed that as provided in Clause 49 I (D) of the Listing Agreement with The Bombay Stock Exchange Ltd, the Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct during the year ended 31st March, 2009.

Asit C. Mehta
Chairman

29th June, 2009

**V V CHAKRADEO & CO.
COMPANY SECRETARIES.**

**B – 301, MATOSHREE RESIDENCY CHS., 65, PRATHANA SAMAJ ROAD, VILE PARLE (EAST), MUMBAI 400057.
TEL NO. 26116821 EMAIL vvchakra@gmail.com CELL NO. 98200 48732**

Certificate on Compliance of conditions of Corporate Governance as per clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd:

To the Members of
ASIT C MEHTA FINANCIAL SERVICES LTD
(FORMERLY NUCLEUS NETSOFT AND GIS (INDIA) LTD)
MUMBAI

- 1) We have examined the compliance of conditions of Corporate Governance by ASIT C MEHTA FINANCIAL SERVICES LIMITED for the year ended on 31st March, 2009 as stipulated by Clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Ltd.
- 2) The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of procedures adopted and implementation thereof by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.
- 3) In our opinion and to the best of our information and according to explanation given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.
- 4) We have to state that no investor grievances remained unattended or pending for a period exceeding one month against the company as per the records maintained by the Company.
- 5) We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

FOR V V CHAKRADEO & CO.
V. V. CHAKRADEO

PROPRIETOR
COP 1705

Mumbai : 29th June, 2009

AUDITORS' REPORT

To,
The Members,
Asit C Mehta Financial Services Limited (Previously known as Nucleus Netsoft And GIS (India) Limited

We have audited the attached Balance Sheet of Asit C Mehta Financial Services Limited (Previously known as Nucleus Netsoft And GIS (India) Limited as at 31st March 2009, the Profit and Loss account and also the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in Paragraphs 4 & 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the section 211 of the Companies' Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes thereon accounts give the information required by the Companies' Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For MANEK & ASSOCIATES
Chartered Accountants

Mumbai
Dated: JUNE 29, 2009

(SHAILESH MANEK)
Proprietor
Membership No.: 34925

Annexure to the Auditors' Report

(Referred to in paragraph 3 of our Report of even date)

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets under which all fixed assets are verified in a phased manner over a period 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) On discontinuation and transfer of operations of IT unit to its wholly owned subsidiary, the company has transferred part of the Fixed Assets. However the fixed assets disposed of during the year do not affect the going concern assumption.
- (2) (a) As explain to us, inventories were physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (3) (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 except an unsecured loan to its subsidiary company. The maximum balance of loan granted to the company was Rs. 5.5 lacs and the balance outstanding at the year-end was Rs. 5.5 lacs.
(b) The other terms and conditions on which loans have been granted to the subsidiary and other Company are not, *prima-facie*, prejudicial to the interest of the Company.
(c) The company is regular in recovering the Principal amount and interest as stipulated.
(d) There is no overdue amount of loans taken from company or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
(e) The company had not taken any loans, Secured or unsecured, from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to Purchase of fixed assets and with regard to the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls. In our opinion and according to the information and explanations given to us, there is no purchase of inventory and sale of goods during the year and therefore, clause 4(iv) of the Order, to that extent, is not applicable to the Company.
- (5) (a) According to the information and explanations provided by the management, the contracts or arrangements that needs to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) According to the information and explanation given to us, where each of such transactions, is in excess of Rs.5 lakhs in respect of any party, the transaction have been made at prices which are prima facie, reasonable having regard to the prevailing market prices at the relevant time, except that in respect of sale of services, no comparison of prices could be made available to us since the Company informed us that there are no prevailing market prices/ alternate sources of supply.
- (6) The Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- (7) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and nature of its business.
- (8) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of the manufacturing activities carried on by the Company and therefore, clause 4(viii) of the Order is not applicable.
- (9) (a) According to records of the Company, and on the basis of our examination of the books of account, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education & protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same..

- (b) According to the information and explanations given to us, no disputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess. Details of disputed dues in respect of Foreign Exchange Regulation Act and Service Tax which have not been deposited as on March 31, 2009 on account of any dispute are given below.

Name of the Statute	Nature of Dues	Amount (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Foreign Exchange Regulation Act, 1973	Contravention of FERA regulations	10,000,000	1994-95	Appellate Tribunal Foreign Exchange
Service Tax	Service tax on Brokerage Income	6,798,386/-	1996-2000	Commissioner of Central Excise (Appeals)

- (10) The Company does not have any accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (11) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a bank and the Company has not issued any debentures and hence clause 4 (xi) of the Order, to that extent, is not applicable.
- (12) In our opinion and according to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (14) In our opinion, the company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid shares, securities, debentures and other investments have been held by the Company in its own name, except to the extent of the exemption granted under Section 49 of the Companies Act, 1956.
- (15) According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (16) In our opinion, term loan availed by the company were, prima facie, applied by the Company during the year for the purpose for which the loans were obtained, other than temporary deployment pending allocation.
- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that funds of Rs. 1,94,95,684/- raised on short-term basis have been used for long-term investment.
- (18) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (19) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (20) The Company has not raised any money by way of public issue during the year.
- (21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For MANEK & ASSOCIATES
Chartered Accountants

(SHAILESH MANEK)
Proprietor
Membership No.: 34925

MUMBAI
Dated: JUNE 29, 2009

BALANCE SHEET AS AT MARCH 31, 2009

	Schedules	Rupees	As At March 31, 2009 Rupees	Rupees	As At March 31, 2008 Rupees
SOURCES OF FUNDS					
Shareholders' Funds:					
Share Capital	1	49,525,600		49,525,600	
Reserves & Surplus	2	78,230,912		78,737,045	
			127,756,512		128,262,645
Loan Funds:					
Secured Loans	3		24,014,385		18,117,591
Deferred Tax Liability (Net)			5,424,276		5,424,276
TOTAL			157,195,173		151,804,512
APPLICATION OF FUNDS					
Fixed Assets:					
Gross Block	4	112,330,266		144,926,187	
Less : Depreciation/ Amortisation		22,733,297		43,638,664	
Net Block			89,596,969		101,287,523
Capital Work in Progress			21,131,422		10,705,368
Investments	5		60,538,190		30,631,090
Current Assets, Loans and Advances:					
Stock in trade		84,753		621,148	
Sundry Debtors		73,357		7,499,966	
Cash and Bank Balances		9,156,202		5,763,330	
Other Current Assets		694,607		35,736	
Loans and Advances		11,127,487		8,360,228	
		21,136,406		22,280,408	
Less:					
Current Liabilities and Provisions:					
Current Liabilities	7	31,420,458		5,820,118	
Provisions		3,787,355		7,279,759	
		35,207,813		13,099,877	
Net Current Assets			(14,071,408)		9,180,531
TOTAL			157,195,173		151,804,512
Significant Accounting Policies and Notes to the Financial Statements	14				
Schedules referred to herein form an integral part of the Balance Sheet					

As per our report of even date attached.

For Manek & Associates
Chartered AccountantsShailesh L. Manek
Proprietor
Mem. No. 34925Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

Schedules	Year ended March 31, 2009 Rupees	Year ended March 31, 2008 Rupees
INCOME		
Income from Operations	8	13,246,157
Other Income	9	13,088,245
TOTAL	26,334,402	48,250,878
EXPENDITURE		
Cost of Goods sold	10	-
Employees' Costs	11	7,403,584
Operating and Other Expenses	12	10,602,813
Depreciation/ Amortisation		2,706,969
Less: Transferred from Revaluation Reserve		304,902
		2,402,067
Interest and Finance Charges	13	2,396,844
TOTAL		22,805,308
PROFIT BEFORE TAX		
Continuing Operations		3,873,507
Discontinued Operations		(344,413)
		3,529,094
Provision for Taxation:		
Current Tax		-
Deferred Tax expense / (Credit) (Net)		-
Fringe Benefits Tax		55,363
Profit after tax		3,473,731
Balance of Profit brought forward from previous year		1,581,887
AMOUNT AVAILABLE FOR APPROPRIATION		5,055,618
Appropriation:		
Proposed Dividend		3,511,995
Corporate Dividend Tax		162,968
BALANCE CARRIED TO BALANCE SHEET		1,380,655
Earnings Per Share:		
Basic and Diluted - (Rs.) including discontinued operations		0.70
Basic and Diluted - (Rs.) excluding discontinued operations		0.78
Face Value per share - (Rs.10/-)		10.00
Significant Accounting Policies and Notes to the Financial Statements	14	
Schedules referred to herein form an integral part of the Profit and Loss Account		

As per our report of even date attached.

For Manek & Associates
Chartered AccountantsShailesh L. Manek
Proprietor
Mem. No. 34925Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Particulars	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	3,529,094	3,819,039
Add Depreciation/ Amortisation	2,402,067	3,522,261
Foreign exchange Loss	-	9,653
Valuation loss of closing stock	64,227	3,760
Interest expense	2,396,844	244,462
Provision for doubtful debt	849,188	9,674
Bad debts written off	95,835	-
Loss on sale/ Assets Impaired	584,564	213,476
	6,392,726	4,003,286
Less		
Interest income	873,583	245,306
Dividend income	4,702,710	40,806
	5,576,293	286,112
Operating profit before Working Capital changes	4,345,526	7,536,213
(Increase) / Decrease in Sundry Debtors	6,481,586	(373,751)
(Increase) / Decrease in Inventory	472,168	755,920
(Increase) / Decrease in Loans & Advances	(1,524,877)	687,941
Increase / (Decrease) in Current Liabilities	18,432,973	354,315
	23,861,850	1,424,426
Cash generated from Operations	28,207,376	8,960,638
Taxes (Paid)/ Received (Net of TDS and Refund)	(1,956,616)	(2,072,676)
Net cash generated from Operating Activities		
- From Continuing Operations	15,283,990	
- From Discontinued Operation	10,967,071	
	26,250,760	6,887,962
B CASH FLOW FROM INVESTING ACTIVITY		
Purchase of fixed assets/ capital work-in-progress	(11,437,872)	(11,952,253)
Sale of fixed assets	9,410,840	125,000
Interest received	873,583	222,043
Dividend received	4,702,710	40,806
Sale of Investments	92,900	2,500,000
Purchase of Investments	(30,000,000)	-
Net cash from / (used) in Investing Activities		
- From Continuing Operations	(35,668,679)	
- From Discontinued Operation	9,310,840	
	(26,357,838)	(9,064,403)
C CASH FLOW FROM FINANCING ACTIVITY		
Term loan taken	5,896,794	828,627
Interest paid	(2,396,844)	(244,462)
Net cash from / (used) in Financing Activities		
- From Continuing Operations	3,807,267	
- From Discontinued Operation	(307,318)	
	3,499,949	584,165

Particulars	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
D Net increase/(decrease) in cash & cash equivalents (A+B+C)	3,392,872	(1,592,276)
E Cash and cash equivalents at the beginning of the year	5,763,330	7,355,606
G Cash and cash equivalents at the end of the year (D+E+F)	9,156,202	5,763,330

1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute Of Chartered Accountants Of India.

2. Cash and cash equivalent includes:

Cash on hand and Balances with bank	548,515	3,405,644
Deposits/Margin Money Account	8,607,686	2,357,686
Total	9,156,202	5,763,330

3. Previous Year's balances have been regrouped, wherever considered necessary

As per our report of even date attached.

For Manek & Associates
Chartered Accountants

Shailesh L. Manek
Proprietor
Mem. No. 34925

Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Tushar Kapadia
Company Secretary

**SCHEDULES ATTACHED TO AND FORMING PART OF
THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009**

	(Rupees)	
	As at 31.03.2009	As at 31.3.2008
SCHEDULE 1 : SHARE CAPITAL		
Authorised :		
10,000,000 (Previous year: 10,000,000) Equity shares of Rs 10/- each	100,000,000	100,000,000
Issued, subscribed and Paid-up :		
49,52,560 (Previous year: 49,52,560) Equity shares of Rs 10/- each fully paid-up	49,525,600	49,525,600
	49,525,600	49,525,600
Of the above:		
a) 673,750 equity shares of Rs 10 each were issued for consideration other than cash to the shareholders of erstwhile Nucleus Financial Services Private Ltd, which was amalgamated with the Company on April 1, 1993		
b) 15,11,720 equity shares of Rs 10 each were issued for consideration other than cash to the shareholders of erstwhile Nucleus Netsoft And GIS (India) Ltd, which was amalgamated with the Company on April 1, 2005.		
SCHEDULE 2: RESERVES AND SURPLUS		
Capital Reserve - Share Forfeiture Account	759,500	759,500
Revaluation Reserve:		
As per last Balance Sheet	15,351,699	15,656,601
Less: Transferred to Profit & Loss Account	304,902	304,902
	15,046,797	15,351,699
Securities Premium Account	41,043,960	41,043,960
General Reserve	20,000,000	20,000,000
Surplus as per Profit and Loss Account	1,380,655	1,581,887
	78,230,912	78,737,046
SCHEDULE 3: SECURED LOANS		
Term Loan from Bank	24,014,385	18,117,591
(Secured by equitable mortgage of Office premises bearing nos B 404, B 504 and B 604)	24,014,385	18,117,591
(Repayable within one year: Rs 44,47,500 Previous year: Rs 31,70,000)		

Schedule 4: Fixed Assets

(Rupees)										
Description of the Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	1.4.2008	Additions	Deduction / Adjustment/ Impairment	Total	1.4.2008	For the year	Adjustments	As at 31.3.2009	As at 31.3.2009	As at 31.3.2008
Office premises	105,532,213			105,532,213	15,532,692	1,720,176		17,252,868	88,279,345	89,999,521
Plant	38,007,006	-	38,007,006	-	3,373,577	9,312	3,382,889	-	-	433,429
Computers	23,696,669	893,580	21,662,573	2,927,676	18,896,766	560,993	16,596,267	2,861,492	66,184	4,799,903
Electrical Fittings	862,991	-	529,030	333,961	437,090	25,743	272,623	190,210	143,751	425,901
Software	1,364,150	-	1,364,150	-	1,248,527	51,258	1,299,785	-	-	735,183
Air Conditioners	792,464		488,692	303,772	302,148	21,395	130,876	192,667	111,105	490,316
Furniture and Fixtures	6,446,472	93,488	4,209,773	2,330,187	3,011,383	248,356	1,501,819	1,757,920	572,267	3,435,091
Office and Other Equipments	1,656,012	24,752	926,957	753,807	782,100	62,675	428,079	416,696	337,111	873,912
Projector	148,650	-		148,650	54,383	7,061	-	61,444	87,206	94,267
Total	178,506,627	1,011,820	67,188,181	112,330,266	43,638,666	2,706,969	23,612,338	22,733,297	89,596,969	101,287,523
Previous Year	117,974,971	27,674,051	722,835	144,926,187	40,195,860	3,827,163	384,359	43,638,664	101,287,523	77,779,111

**SCHEDULES ATTACHED TO AND FORMING PART OF
THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009**

	As at 31.03.2009	As at 31.3.2008
(Rupees)		
SCHEDULE 5: INVESTMENTS		
Longterm (at cost)		
A) Unquoted - non-trade		
1. Investment in subsidiary Companies		
i) 50,000 (Previous year: 50,000) common stock of Nucleus GIS, Inc, USA of USD 1 each, fully paid	2,212,700	2,212,700
ii) 30,00,000 (Previous year: NIL) equity shares of Nucleus GIS And ITES Ltd of Rs 10 each, fully paid	30,000,000	-
2. Company under same management		
23,50,000 (Previous year: 23,50,000) equity shares of Asit C Mehta Investment Intermediates Ltd of Rs 10 each, fully paid.	28,323,740	28,323,740
3) Government Bond		
11.50% Maharashtra 2008 Bond	876	876
B) Quoted -non trade		
i) 437 (Previous year : 437) equity shares of Maxwell Industries Ltd of Rs 2 each, fully paid (Market Value Rs 3881 Previous year Rs 7,079)	874	874
ii) Nil (Previous year: 500) equity shares of Arvee Denim & Export Ltd of Rs 10 each. Fully paid (Market Value - Rs - Nil ; Previous year: Rs 38,600)	-	5,000
C) Other Investment		
Bonds - quoted (non trade)		
Nil (Previous year 879) units of 8.75% tax free bonds of UTI. (Market Value: Nil ; Previous year:Rs 88,175)	-	87,900
	60,538,190	30,631,090
Aggregate book value of unquoted investments	60,537,316	30,537,316
Aggregate book value of quoted investments	874	93,774
Aggregate market value of quoted investments	3881	134854
SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES		
A) Current Assets:		
Stock of Shares	84,753	291,118
Stock of GPS Devices	-	330,030
	84,753	621,148
Sundry Debtors (Unsecured)		
Outstanding for period exceeding 6 months		
- Considered good	73,357	283,711
- Considered doubtful	849,188	9,674
Other debts	-	7,216,255
Total	922,545	7,509,640
Less: Provision for doubtful debts	849,188	9,674
Total	73,357	7,499,966
CASH AND BANK BALANCES		
Cash on hand	7,915	2,695
Balances with scheduled banks		
in Current Accounts	540,601	3,402,949
in Deposit Accounts	-	562,945
in Margin money deposits	8,607,686	1,794,741
(Margin money deposits are pledged with banks against guarantees issued)		
	9,156,202	5,763,330

**SCHEDULES ATTACHED TO AND FORMING PART OF
THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009**

(Rupees)

	As at 31.03.2009	As at 31.3.2008
Other Current Assets		
Interest Accrued on Deposits	694,607	35,736
B. LOANS AND ADVANCES		
(Unsecured - considered good)		
Advance to Subsidiary	835,214	-
Advances Recoverable in cash or in kind or for value to be received	3,065,759	2,629,777
Deposits	430,501	835,691
Advance Tax / Tax Deducted at Source (Net of provision)	6,796,013	4,894,760
	11,127,487	8,360,228

SCHEDULE - 7 : CURRENT LIABILITIES & PROVISIONS
A. Current Liabilities

Sundry Creditors		
i) Total Outstanding Dues of micro enterprises and small enterprises#: and	-	-
ii) others	-	1,023,633
Investor Education and Protection fund - Unpaid dividends*	384,538	335,808
Other Liabilities	7,035,920	4,460,677
Leave and Licence Security Deposit from a subsidiary company	24,000,000	-
	31,420,458	5,820,118

(Refer Note 18 to Schedule 14)

* not due

B. Provisions

Provision for Gratuity	112,392	684,468
Provision for Compensated Absences	-	1,116,813
Provision for Dividend	3,511,995	4,682,660
Corporate Dividend Tax	162,968	795,818
	3,787,355	7,279,759

**SCHEDULES ATTACHED TO AND FORMING PART OF
THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009**

(Rupees)

	Year ended March 31, 2009	Year ended March 31, 2008
SCHEDULE 8 - INCOME FROM OPERATIONS		
IT Enabled Services and Software Services	13,093,574	42,434,946
Profit/(Loss) on trading in Securities	152,583	404,329
	<u>13,246,157</u>	<u>42,839,275</u>

SCHEDULE 9 - OTHER INCOME

Dividend Income on:		
Long Term Investments (non trade)	4,700,000	-
Current Investments (non trade)	2,710	40,806
Interest Received:		
- On Fixed Deposits with Banks (Tax Deducted at source Rs.119,483, Previous year Rs. 49,510/-)	632,479	237,280
- Others - Income tax refund	241,104	8,026
Exchange gain (net)	105,693	-
Leave & License Fees Received (Tax Deducted at Source Rs. 1,216,028 Previous year Rs. 8,53,745/-)	6,771,765	3,684,492
Bad Debts Recovered	284,494	415,000
Miscellaneous Receipts	243,355	357,274
Excess Provisions written-back	106,645	668,725
	<u>13,088,245</u>	<u>5,411,603</u>

SCHEDULE 10 - COST OF GOODS SOLD

Opening Stock of GPS devices	330,030	222,627
Add: Purchases	-	2,386,628
	<u>330,030</u>	<u>2,609,255</u>
Less: Transferred on sales of ITeS Business	330,030	-
	-	2,609,255
Less: Closing stock of GPS devices	-	330,030
	-	<u>2,279,225</u>

SCHEDULE 11 - EMPLOYEES' COST

Salaries and Allowances	6,807,123	17,658,866
Company's Contribution to Provident and Other Funds	289,445	996,167
Staff welfare	307,016	512,532
	<u>7,403,584</u>	<u>19,167,565</u>

**SCHEDULES ATTACHED TO AND FORMING PART OF
THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009**

(Rupees)

	Year ended March 31, 2009	Year ended March 31, 2008
SCHEDULE 12 - OPERATING & OTHER EXPENSES		
Data Processing Charges	2,849,393	8,151,810
Rent	-	388,838
Rates & Taxes	934,776	1,019,657
Travelling & Conveyance	429,258	809,570
Legal & Professional Fees	1,718,391	2,790,392
Electricity Charges	772,280	1,833,247
Repairs & Maintenance- others	137,023	272,718
Computer Expenses	58,041	135,590
Printing and Stationery	314,070	277,381
Advertisement Expenses	61,045	171,129
Business Promotion	32,328	254,773
Membership & Subscription	26,521	130,762
Insurance	36,387	72,673
Postage & Telephone charges	548,068	903,793
Software Expenses	-	6,794
Incentives and Brokerage	-	15,100
Directors' Sitting Fees	145,000	62,500
Share Trading Expenses	6,843	6,602
Exchange Rate Fluctuation	-	546,062
Auditors Remuneration (Excluding Service Tax)		
- Audit fees	200,000	450,000
- Tax Audit fees	50,000	50,000
Loss on Sale of Fixed Assets	-	213,476
Provision for doubtful debts	849,188	9,674
Valuation Loss of Shares held as Stock-in-Trade	64,227	3,760
Miscellaneous Expenses	189,574	642,025
Bad debts	95,835	-
Assets Impaired	584,564	-
Donation	500,000	-
	10,602,813	19,218,326
SCHEDULE 13 - INTEREST & FINANCE CHARGES		
Interest on Bank Overdraft	62,076	74,258
Interest on Inter Corporate Deposits	177,575	-
Interest on Term Loan	1,370,151	-
Bank Charges & Commission	787,042	170,204
	2,396,844	244,462

SCHEDULE 14:

I. SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

1. Significant Accounting Policies

1. Basis of preparation of financial statements:

The financial statements have been prepared and presented under the historical cost convention on an accrual basis, in accordance with the Generally Accepted Accounting Principles in India and the Accounting Standard (AS) as notified under the Companies (Accounting Standard) Rules 2006, except for office premises acquired on amalgamation, which is stated as per the revalued amount.

2. Use of estimates:

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

3. Revenue Recognition:

Revenue is recognized on accrual basis as under:

- a. Information Technology Enabled Services (ITES) and Software Services Fees: Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers.
- b. Dividend is recognized when the right to receive the payment is established.
- c. Interest income is recognized on time proportion basis.

4. Fixed Assets:

a. Tangible Assets:

Fixed assets other than office premises acquired on amalgamation are stated as cost less accumulated depreciation. Based on an independent valuation of an approved valuer, the office premise acquired on amalgamation, was revalued in the year 1996-97 and has been stated at the revalued figure.

b. Intangible Assets:

Intangible assets are stated at cost, less any accumulated amortization / impairment losses. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

5. Inventory:

Inventories are valued at cost or net realizable value whichever is lower. Cost is arrived at using FIFO method.

6. Depreciation/ Amortisation:

Depreciation is provided on the straight-line method basis, except in the case of computers of Domestic unit acquired on amalgamation, where the written down value method is used. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. Pursuant to this policy depreciation on computer software has been provided @ 33.33%, on Straight Line method, which is higher than the corresponding rates prescribed under schedule XIV to the Companies Act, 1956.

7. Investments:

Investments are classified into Long term and Current Investments. Long-term investments are carried at cost, less provision for diminution other than temporary in their value, determined separately for each individual investment basis. Current investments are carried at the lower of cost and fair value.

8. Retirement Benefits:

Company's contribution to Provident Fund is charged to Profit and Loss account. Gratuity benefits payable to employees and certain directors on retirement are provided on the basis of actuarial valuation on Balance sheet date and Leave Encashment provided on the basis of actual basis as against actuarial valuation in previous year.

9. Taxation:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates by the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Fringe Benefits Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961.

10. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract. The exchange difference arising on settlement/ translation are recognized in the revenue accounts, except those pertaining to the fixed assets acquired from outside India, which are adjusted to the cost of such fixed assets.

11. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Impairment of assets

The company assess at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. 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 amount, 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 previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

13. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

B. NOTES TO ACCOUNTS

1. Capital commitments and contingent liabilities

(Rupees)

Particulars	March 31,2009	March 31,2008
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	32,00,000	50,00,000
Contingent liabilities not provided:		
Bank guarantees to customs for EOU bonding	62,500	62,500
Service Tax Matter under dispute	67,98,386	67,98,336
FERA matter (refer Note 4)	100,00,000	100,00,000

2. The name of the Company was changed to Asit C Mehta Financial Services Ltd vide fresh certificate of incorporation issued on 11th September, 2008 by the Registrar of Companies, Maharashtra.

3. The members had approved the transfer / sale of Information Technology Enabled Services (ITeS) business by passing a resolution on 10th June, 2008 through postal ballot to a wholly owned subsidiary (WOS) – Nucleus GIS And ITES Ltd (incorporated on 28.5.2008) and authorized the Board of Directors to do all such acts, deeds as may be necessary including fixing of effective date of transfer. Accordingly, the Board of Directors transferred the ITeS business segment with relevant assets and liabilities to WOS from 1st July, 2008 at their book values.

The details of sale to WOS are as follows:

(Rupees)

Net Assets Transferred (at book value as at 1.7.08)

Fixed Assets	95,86,315	
Inventories	<u>3,30,330</u>	99,16,645
Less: Current Liabilities/Provisions		<u>23,91,040</u>
Business Sale consideration		75,25,605

Summarised financial results of the Continuing and Discontinued Operations for the year ended 31st March, 2009 are shown below:

Rupees

	Continuing Operations	Discontinued Operations (ITeS Business)	Total
Income from operation	1,52,583 (4,04,329)	1,30,93,574 (4,24,34,946)	1,32,46,157 (4,28,39,275)
Other Income	1,29,82,552 (54,11,603)	1,05,693 (-)	1,30,88,245 (54,11,603)
Employees' costs and Other expenses	57,22,057 (49,39,129)	1,22,84,340 (3,57,25,987)	1,80,06,397 (4,06,65,116)
Depreciation	14,50,045 (12,52,664)	9,52,022 (22,69,597)	24,02,067 (35,22,261)
Interest	20,89,526 (2,44,462)	3,07,318 (-)	23,96,844 (244,462)
Profit / -loss before taxation	38,73,507 (-6,20,323)	-344,413 (44,39,362)	35,29,094 (38,19,039)

Figures in bracket pertain to previous year

Summarised position of assets and liabilities of the Continuing and Discontinued Operations for the year ended 31st March, 2009 are shown below:

Rupees

	Continuing Operations	Discontinued Operations (ITeS Business)	Total
Fixed Assets (net)	11,07,28,391 (7,67,33,122)	- (3,52,59,769)	11,07,28,391 (11,19,92,891)
Investments	6,05,38,190 (3,06,31,090)	- (-)	6,05,38,190 (3,06,31,090)
Deferred Tax Liability	54,24,276 (54,24,276)		54,24,276 (54,24,276)
Current Assets, Loans and advances			
Inventories	84,753 (291,118)	84,753 (330,030)	84,753 (621,148)
Debtors	73,357 (-)	73,357 (74,99,966)	73,357 (74,99,966)
Other Current Assets	2,09,78,296 (136,63,671)	2,09,78,296 (495,623)	2,09,78,296 (141,59,294)
Current Liabilities & Provisions	3,52,07,813 (73,29,017)	3,52,07,813 (57,70,859)	3,52,07,813 (130,99,876)

Figures in bracket pertain to previous year

4. The Company had received pay orders valuing to Rs 50.72 lacs from a customer in the financial year 1994-95 in respect of Money Changing business that were dishonored by a nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company had challenged the proceeding before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) which gave the ruling in favour of the Company for which the company has furnished a bank guarantee of Rs.26.86 lacs (previous year Rs. 26.86 lacs). The Customs Department filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is pending for disposal. The Company has also filed a suit with the Hon'ble High Court of Judicature at Bombay against the bank concerned seeking amongst others, a direction to the bank to pay interest on the amount of dishonored pay orders. As at the year end the case is pending for disposal with the Hon'ble High Court of Judicature at Bombay.

During the financial year 2007-08, the Company received an order imposing a penalty of Rs 100 lacs from the Office of the Special Director of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Company contends that it has complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The said order also stipulated to pre-deposit the penalty for preferring an appeal against the said order. The Company filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order and also for waiver of the condition to pre-deposit the penalty. The ATFE rejected the Company's request for the pre-deposit of the penalty and to which the Company filed a Writ petition before the Bombay High Court which waived the pre-deposit of the penalty against furnishing a bank guarantee of equivalent sum and the same is furnished by the Company. The said appeal is pending before ATFE.

On the basis of legal advice obtained the Management is of the view that the order of the Special Director is erroneous, perverse, and bad in law. The Company had complied with the RBI regulations as stipulated in the FLM Memorandum.

5. Retirement Benefits:**a. Post-employment benefit plans**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost.

b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

c. The following table sets out the unfunded status of the gratuity plan, compensated leave absences and the amounts recognized in the Company's financial statements as at March 31, 2009

-(Rupees)

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded) (Refer Note below)
Reconciliation of liability recognized in the Balance sheet		
Present value of commitments	112392	
Fair value of plans	-	-
Net liability in the Balance sheet	112392	
Movement in net liability recognized in the Balance sheet		
Net liability as at 1 st April, 2008	684468	
Net expense recognized in the Profit and Loss account	112392	
Contribution during the year	(684468)	
Net liability as at 31 st March, 2009	112392	
Expense recognized in the Profit and Loss account		
Current service cost	9738	
Interest cost	7699	
Expected return on plan assets		
Actuarial (gains)/ losses	(94955)	
Expense charged to the Profit and Loss account	112392	
Return on plan assets		
Expected return on plan assets	-	-
Actuarial (gains)/ losses	-	-
Actual return on plan assets	-	-
Reconciliation of defined-benefit commitments		
Commitments as at 1 st April, 2008	684468	
Current service cost	9738	
Interest cost	7699	
Paid benefits	684468	
Actuarial (gains)/ losses	(94955)	
Commitments as at 31 st March, 2009	112392	
Reconciliation of plan assets		
Plan assets as at 1 st April, 2008	-	-
Expected return on plan assets	-	-
Contributions during the year	-	-
Paid benefits	-	-
Actuarial (gains)/ losses	-	-
Plan assets as at 31 st March, 2009	-	-

Note: The Company had only one employee at the end of the year and the liability for the leave encashment is provided on actual basis and therefore no working is given.

The above expenses have been included under 'contribution to provident and other fund' under the employee's cost in the profit and loss account.

Asit C Mehta Financial Services Limited

The actuarial calculations used to estimate commitments and expenses in respect of gratuity and leave encashment are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	
Discount rate	7.50%
Expected return on plan assets	NIL
Expected rate of salary increase	5%
Mortality	LIC (1994-96) Ultimate

6. Particulars of Managerial Remuneration (Rupees)

Particulars	31 March 2009	31 March 2008
Salaries and Allowances	-	828,000
Company's contribution to provident and pension fund	-	72,000
Director's sitting fees	145,000	62,500
Total	145,000	962,500

As no commission is payable to Directors, the computation of net profits in accordance with section 309(5) read with section 349 of the Companies Act, 1956 has not been given.

7. Related Parties

a. Related parties where control exists

Wholly Owned Subsidiaries - Nucleus GIS, Inc. USA
- Nucleus GIS And ITES Ltd

b. Related parties where significant influence exists and where transactions have taken place:

Associate Company - Asit C Mehta Investment Intermediates Ltd - Associate
All Alertz.com (India) Private Ltd - A Group Company

c. Key Management Personnel (KMP)

Asit C Mehta - Director
Deena A Mehta - Director

d. Related party transactions during the year: (Rupees)

Particulars	Wholly owned Subsidiaries	Associate	Other group companies	KMP	Total
Equity Shares subscription	300,00,000 (-)				300,00,000 (-)
Sale of ITeS business segment (Assets less liabilities)	75,25,605 (-)				75,25,605 (-)
Preliminary expenses for Company formation	4,58,747 (-)				4,58,747 (-)
Leave & Licence security deposit received	2,40,00,000 (-)	50,00,000 (-)			2,90,00,000 (-)
Rendering of services	- (-)	301,437 (15,26,446)	- (-)	- (-)	301,437 (15,26,446)
Leave & License fees	4,320,149 (-)	2,451,616 (36,84,492)	- (-)	- (-)	6,771,765 (36,84,492)
Short Term Loan taken			47,00,000 (-)		47,00,000 (-)
Short Term Loan given	550,000 (-)				550,000 (-)
Short Term Loan repaid			47,00,000 (-)		47,00,000 (-)
Dividend received	- (-)	47,00,000 (-)	- (-)	- (-)	47,00,000 (-)
Managerial remuneration	- (-)	- (-)	- (-)	(-) (900,000)	(-) (900,000)

Sitting fees	- (-)	- (-)	- (-)	40,000 (12,500)	40,000 (12,500)
Purchase of services	19,586 (195,089)	- (-)	- (-)	- (-)	19,586 (195,089)
Interest payable			177,575 (-)		177,575 (-)
Interest receivable	934 (-)				934 (-)

Outstanding as on 31 March 2009

Particulars	Subsidiaries	Associate	Total
Receivable	835,214 (-)	- (-)	835,214 (-)
Payables	2,40,00,000 (569,500)	50,00,000 (-)	2,90,00,000 (569500)

Figures for previous year are given in brackets

8. Information pursuant to paragraphs 4A, 4B, 4C & 4D of part II of schedule VI of the Companies Act, 1956 to the extent applicable

a) Expenditure in foreign currency (on accrual basis)- (Rupees)

Particulars	31 March 2009	31 March 2008
Traveling	60,429	52,024
Business promotion expenses	19,586	195,089
Advertisement expenses	-	18,105

b) CIF Value of imported capital goods (on accrual basis) (Rupees)

Particulars	31 March 2009	31 March 2008
Software	-	117,363

c) Earnings in foreign currency (on accrual basis) (Rupees)

Particulars	31 March 2009	31 March 2008
Export of IT Enabled Services	6,161,695	25,889,875

9. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a. Amounts receivable in foreign currency on account of the following:

Particulars	Amount in Rs	Amount in Foreign currencies
Export of services:-		
- in US Dollars	(27,37,644)	(68,492)
- in Euros	(644,527)	(10,216)

Figures in brackets are in respect of previous year.

10. Loans and advances include

a. Balances with Nucleus Stock Trust representing 269,900 equity shares of the company issued pursuant to the Scheme of amalgamation approved by the Hon'ble Bombay High Court vide its order dated February 10, 2006 to Nucleus Stock Trust, in which the Company is the sole beneficiary.

11. During the year interest amounting to Rs.6,67,585/- (previous year Rs. 18,43,067) paid on term loans has been capitalized and stated under capital work in progress at the year end.

12. Since the closure of the year, the Company has given a Corporate Guarantee and also created a charge on certain immoveable properties aggregating to Rs 420 lacs to a bank for the credit facilities sanctioned to Nucleus GIS And ITES Ltd (a wholly-owned subsidiary).

13. As at the year end there are no amounts due and outstanding, to be credited to Investors' Education and Protection Fund.

14. The Company has identified IT Enabled Services and Investment as primary business segments in compliance with the Accounting Standard AS - 17 Segment Reporting, considering the Management structure, the internal financial and management reporting and the differential risks and returns of products in each segment. The Company has considered business segment as primary segment for disclosure.

Primary Segments Reporting (by Business Segments)

- a. Information Technology Enabled Services and Software Services; (I T)
 b. Investments Activities; (I)

(Rupees)

Particulars	I T	Investments	Total
External Revenue	1,31,99,267 (42,434,946)	54,87,772 (445,135)	1,86,87,039 (42,880,081)
Inter segment Revenue	- (-)	- (-)	- (-)
Total Revenue	1,31,99,267 (42,434,946)	54,87,772 (445,135)	1,86,87,039 (42,880,081)
Segment result Profit / -loss	-344,413 (44,39,362)	50,61,469 (419,673)	47,17,056 (48,59,035)
Interest expense			17,27,450 (244,462)
Less: excess of unallocated income over unallocated expenses			539,488 (795,534)
Income taxes			55,363 (673,875)
Total profit after taxation			34,73,731 (31,45,164)
Other Information			
Segment Assets	- (4,35,85,387)	6,06,22,943 (3,09,22,208)	6,06,22,943 (7,45,07,595)
Unallocated Corporate Assets			13,17,80,043 (9,03,96,794)
Total Assets			19,24,02,986 (16,49,04,389)
Segment Liabilities	- (57,70,859)	- (-)	- (57,70,859)
Unallocated Corporate Liabilities			6,46,46,474 (3,08,70,885)
Total Liabilities			6,46,46,474 (3,66,41,744)
Capital expenditure	10,11,820 (62,63,315)	- (-)	10,11,820 (62,63,315)
Depreciation	952,022 (22,69,597)	- (-)	952,022 (22,69,597)
Non cash expenditure other than depreciation	-	-	- (23,087)

Secondary Segment Reporting (by geographic segments)

(Rupees)

	Domestic	Exports	Total
Segment Revenue	1,25,25,344 (1,69,90,206)	6,161,695 (2,58,89,875)	1,86,87,039 (4,28,80,081)
Total carrying value of Segment Assets	*	*	*
Capital Expenditure	*	*	*

Figures in brackets are in respect of previous year.

* In view of the interwoven, inter-mix nature of business and segment assets, other segmental information is not ascertainable.

15. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

Including Discontinued Operations:

Rupees

	For the year ended 31 March 2009	For the year ended 31 March 2008
Profit after tax	34,73,731	31,45,164
Profit available for Equity Shareholders	34,73,731	31,45,164
Weighted average number of Shares used in Computing earnings per share –Basic and Diluted	49,52,560	49,52,560
Face value of Equity Shares	10	10
Per share – Basic and Diluted (Rs.)	0.70	0.64

After excluding discontinued operations:

	For the year ended 31 March 2009	For the year ended 31 March 2008
Profit after tax	38,18,144	31,45,164
Profit available for Equity Shareholders	38,18,144	31,45,164
Weighted average number of Shares used in Computing earnings per share –Basic and Diluted	49,52,560	49,52,560
Face value of Equity Shares	10	10
Per share – Basic and Diluted (Rs.)	0.78	0.64

16. In view of the unabsorbed business losses / depreciation available for set off with the company, the company has no liability towards current tax under normal provisions of taxation. The Company's income of Export Oriented Unit division was fully exempt under the provisions of section 10B of the Income Tax Act, 1961.

17. The break up of Net Deferred Tax Liability is as under:

(Rupees)

Particulars	31 March, 2009	31 March, 2008
Difference in book value and tax value of fixed assets	(111,15,312)	(111,15,312)
Unabsorbed Depreciation and Business Losses	54,89,712	54,89,712
43B items (Gratuity, leave encashment etc.)	201,325	201,325
Net Deferred Tax Liability	(54,24,276)	(54,24,276)

Deferred tax credit have not been recognised on considerations of prudence as set out in AS 22 on "Accounting for Taxes on Income". However, the existing provision as of 31 March, 2008 has been carried forward.

18. The Company has not received any intimation from the 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no such disclosure under the said act is considered necessary. This has been relied upon by the auditors.

19. During the year the Company was engaged in share trading activity. Statement of shares held as stock in trade is as follows:

Name of the Company	Opening Balance		Sale		Closing Balance	
	Nos	Amount – Rs	Nos	Amount - Rs	Nos	Amount - Rs
Datamatics Technology Ltd	1000	28400	1000	29025	-	-
Maruti Udyog Ltd	100	82913	100	70876	-	-
Omnitex Industries Ltd	13295	56504			13295	28052*
Surat Textiles Ltd	40000	123301	10000	21800	3000	56700*
Total		291118		121701		84752

(* net of provision for diminution in market value)

20. Previous year figures are restated / regrouped / rearranged wherever necessary in order to confirm to current years groupings and classifications.

For Manek & Associates.
Chartered Accountants

For and on behalf of the Board

Shailesh L Manek
Proprietor

Asit C Mehta
Chairman

Kirit H Vora
Director

Mumbai, 29th June, 2009

Tushar Kapadia
Company Secretary

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. REGISTRATION DETAILS:-

1) Registration No.	: 11-91326	2) State Code	: 11
3) Balance Sheet Date	: 31.03.2009		

II. CAPITAL RAISED DURING THE YEAR (Rs. in Thousands):-

1) Public Issue	: Nil	3) Bonus Issue	: Nil
2) Right Issue	: Nil	4) Private Placement	: Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs. in Thousands):-

A) 1) Total Liabilities	: 157,195	2) Total Assets	: 157,195
B) Sources of Funds (Rs. in Thousands):-			
1) Paid-up Capital	: 49,526	4) Unsecured Loans	: Nil
2) Reserves & Surplus	: 78,231	5) Deferred Tax Liability	: 5,424
3) Secured Loans	: 24,014		
C) Application of Funds (Rs. in Thousands):-			
1) Net Fixed Assets	: 110,728	4) Misc. Expenditure	: Nil
2) Investments	: 60,538	5) Accumulated Losses	: Nil
3) Net Current Assets	: (14,071)		

IV. PERFORMANCE OF COMPANY (Rs. in Thousands):-

1) Turn Over	: 26,334	4) Profit/(loss) After Tax	: 3,473
2) Total Expenditure	: 22,805	5) Earning Per Share (Rs.)	: 0.70
3) Profit/(Loss) Before Tax	: 3,529	6) Dividend Rate (Final)	: 7.5%

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(As per Monetary Terms):-

1) Item Code No.	: Not Applicable	3) Item Code No.	: Not Applicable
Product Description	: Investment Activities	Product Description	: Not Applicable
2) Item Code No.	: Not Applicable		
Product Description	: Not Applicable		

For and on behalf of the Board

Asit C. Mehta	Kirit H. Vora
Chairman	Director

Tushar Kapadia
Company Secretary

Mumbai, 29th June, 2009

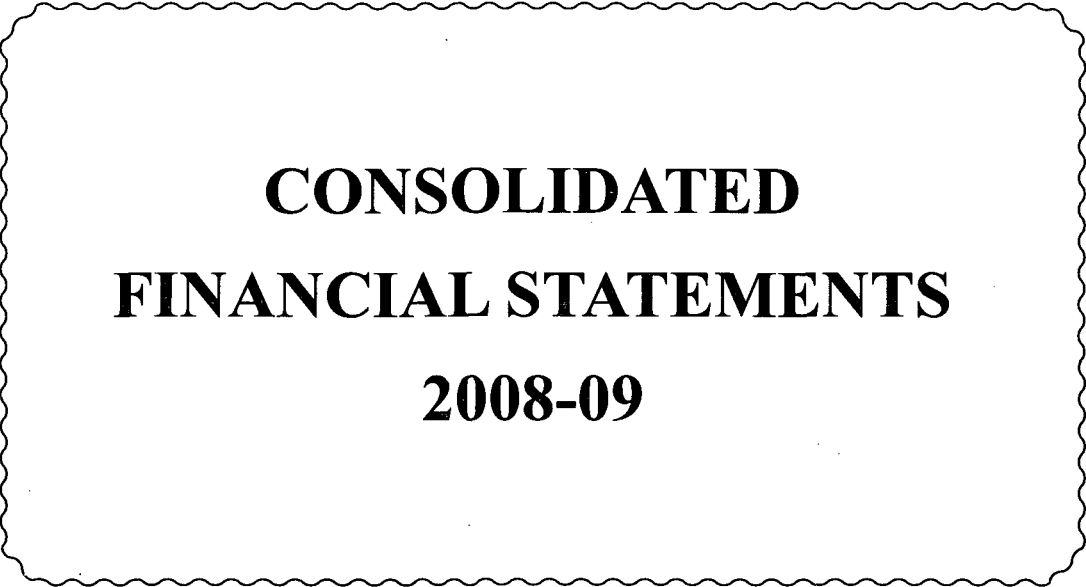
STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

1	Name of the Company	Nucleus GIS Inc.	Nucleus GIS And ITES Limited
2	Financial Year of the Subsidiary Company	31 st March, 2009	31 st March, 2009
3	(a) Number of Shares held in the Subsidiary Company	50000 fully paid common stock of US \$ 1 each	30,00,000 fully paid equity shares of Rs. 10/- each
	(b) Percentage of the shareholding in a Subsidiary Company	100%	100%
4	Total Issued Share Capital of the Subsidiary Company.	US \$ 50000	Rs. 3,00,00,000
5	Net Aggregate amount of subsidiary's Profit / (Loss) not dealt within the Holding company's accounts		
	(a) For the year ended 31st March, 2009	Rs.3,96,498	Rs. 7,031,782
	(b) For the previous financial years since they became Company's Subsidiary.	(Rs. 1,45,713)	N.A.
6	The net aggregate amounts of Profits / (Losses) of the Subsidiaries which have been dealt with in the accounts of the Holding Company:		
	(a) For the year ended 31st March, 2009	Nil	Nil
	(b) For the previous financial years since they became Company's Subsidiary.	Nil	N.A.

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

Mumbai, 29th June, 2009



**CONSOLIDATED
FINANCIAL STATEMENTS
2008-09**

AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF ASIT C MEHTA FINANCIAL SERVICES LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF ASIT C MEHTA FINANCIAL SERVICES LIMITED, ITS SUBSIDIARY & ASSOCIATE COMPANY

1. We have examined the attached Consolidated Balance Sheet of Asit C Mehta Financial Services Limited, its subsidiary and its Associate Company as at March 31, 2009 and also the Consolidated Profit and Loss Account and Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these statements based on our audit.
2. We conducted our audit in accordance with generally accepted auditing standards in India. These Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with and identified financial reporting framework and are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe our audit provides a reasonable basis for our opinion.
3. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements and Accounting Standard (AS) 23, Accounting for Investments in Associate in Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Asit C Mehta Financial Services Limited, its subsidiary and its Associate and included in the Consolidated Financial Statements.
4. On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual financial statements of Asit C Mehta Financial Services Limited, its subsidiary and its Associate, included in the Consolidated Financial Statements read together with the Significant Accounting Policies, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a. in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of Asit C Mehta Financial Services Limited, its subsidiary and its associate as at 31st March, 2009,
 - b. in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of Asit C Mehta Financial Services Limited, its subsidiary and its associate for the year then ended and
 - c. in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of Asit C Mehta Financial Services Limited, its subsidiary and its associate for the year then ended.

For MANEK & ASSOCIATES
Chartered Accountants

(SHAILESH MANEK)
Proprietor
Membership No.: 34925

Mumbai
Dated: June 29, 2009

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2009

			As At March 31, 2009 Rupees	As At March 31, 2008 Rupees
SOURCES OF FUNDS				
Shareholders' Funds:				
Share Capital	1	49,525,600	49,525,600	
Reserves & Surplus	2	113,857,995	117,021,704	
		163,383,595		166,547,304
Loan Funds:				
Secured Loans	3		25,014,385	18,117,591
Unsecured Loan			3,950,000	
Deferred Tax Liability (Net)			6,058,415	5,424,276
TOTAL			198,406,395	190,089,171
APPLICATION OF FUNDS				
Fixed Assets:				
Gross Block	4	130,786,695		144,926,187
Less : Depreciation/ Amortisation		26,053,216		43,638,664
Net Block			104,733,479	101,287,523
Capital Work in Progress			21,131,422	10,705,368
Investments	5		57,030,555	67,209,309
Current Assets, Loans and Advances:				
Stock in trade	6	2,413,072		621,148
Sundry Debtors		15,192,129		7,499,966
Cash and Bank Balances		15,152,628		7,490,555
Other Current Assets		742,707		35,736
Loans and Advances		11,937,861		8,360,228
		45,438,396		24,007,633
Less:				
Current Liabilities and Provisions:				
Current Liabilities	7	24,819,685		5,820,118
Provisions		5,107,772		7,300,543
		29,927,457		13,120,661
Net Current Assets			15,510,939	10,886,972
TOTAL			198,406,395	190,089,171
Significant Accounting Policies and Notes to the Financial Statements	14			
Schedules referred to herein form an integral part of the Balance Sheet				

As per our report of even date attached.

For Manek & Associates
Chartered AccountantsShailesh L. Manek
Proprietor
Mem. No. 34925Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

	Schedules	Year ended March 31, 2009 Rupees	Year ended March 31, 2008 Rupees
INCOME			
Income from Operations	8	82,256,934	42,839,275
Other Income	9	5,107,092	5,429,324
		87,364,025	48,268,599
EXPENDITURE			
Cost of Goods sold	10	253,681	2,279,225
Employees' Costs	11	29,229,449	19,167,565
Operating and Other Expenses	12	39,560,085	19,199,706
Depreciation/ Amortisation		6,026,888	
Less: Transferred from Revaluation Reserve		304,902	
		5,721,986	3,776,213
Interest and Finance Charges	13	2,849,357	247,077
		77,614,558	44,669,796
PROFIT BEFORE TAX		9,749,468	3,598,803
Provision for Taxation:			
Current Tax		2,722,955	420,784
Deferred Tax expense / (Credit) (Net)		634,139	186,690
Fringe Benefits Tax		190,363	87,185
Profit after tax		6,202,011	2,904,144
Add: Prior year adjustment - Taxation			63,522
Add/(Less): Share in profit/(loss) of a Associate concern		(5,385,854)	19,018,635
Net Profit for the year		816,157	21,986
Balance of Profit / (Loss) Brought Forward from previous year		33,273,817	16,765,994
AMOUNT AVAILABLE FOR APPROPRIATION		34,089,974	38,752,295
Appropriation:			
Transfer to General Reserve		-	-
Proposed Final Dividend		3,511,995	4,682,660
Corporate Dividend Tax		162,968	795,818
BALANCE CARRIED TO BALANCE SHEET		30,415,011	33,273,817
Earnings Per Share - Basic and Diluted (Refer Note 13 of Schedule 14)			
Basic and Diluted - (Rs.) including discontinued operations		0.16	4.44
Basic and Diluted - (Rs.) excluding discontinued operations			
Face Value per share - (Rs.)		10.00	10.00
Significant Accounting Policies and Notes to the Financial Statements	14		
Schedules referred to herein form an integral part of the Profit and Loss Account			

As per our report of even date attached.

For Manek & Associates
Chartered AccountantsShailesh L. Manek
Proprietor
Mem. No. 34925Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

Rupees

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	9,749,468	3,598,803
Add : Depreciation/ Amortisation	5,721,986	3,776,213
Foreign exchange Loss	-	9,653
Valuation loss of closing stock	64,227	3,760
Interest expense	2,849,357	247,077
Provision for doubtful debt	849,188	9,674
Bad debts written off	95,835	-
Loss on sale/ Assets Impaired	584,564	61,295
	10,165,157	4,107,672
Less :		
Interest income	978,792	263,027
Dividend income	49,421	40,806
	1,028,214	303,833
Operating profit before Working Capital changes	18,886,411	7,402,642
(Increase) / Decrease in Sundry Debtors	(8,637,186)	(373,751)
(Increase) / Decrease in Inventory	(1,856,151)	755,920
(Increase) / Decrease in Loans & Advances	(2,476,561)	687,941
Increase / (Decrease) in Current Liabilities	13,131,833	923,814
	161,935	1,993,925
Cash generated from Operations	19,048,346	9,396,566
Taxes (Paid)/ Received (Net of TDS and Refund)	(4,721,361)	(2,053,390)
Net cash generated from Operating Activities	14,326,986	7,343,176
B CASH FLOW FROM INVESTING ACTIVITY		
Purchase of fixed assets/ capital work-in-progress	(29,894,302)	(11,952,253)
Sale of fixed assets	9,410,840	619,500
Interest received	978,792	239,764
Dividend received (Including dividend of Rs 47,00,000/- (Previous year: Nil) from a Associate concern)	4,749,421	40,806
Sale of Investments	92,900	2,500,000
Net cash from / (used) in Investing Activities	(14,662,348)	(8,552,182)
C CASH FLOW FROM FINANCING ACTIVITY		
Term loan taken	10,846,794	828,627
Interest paid	(2,849,357)	(247,077)
Net cash from / (used) in Financing Activities	7,997,436	581,550
D Net increase/(decrease) in cash & cash equivalents(A+B+C)	7,662,074	(627,456)
E Cash and cash equivalents at the beginning of the year	7,490,554	8,118,010
G Cash and cash equivalents at the end of the year (D+E+F)	15,152,628	7,490,554
1 The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute Of Chartered Accountants Of India.		
2 Cash and Cash equivalent includes:		
Cash on Hand and balances with banks	3,218,081	5,132,868
Deposits/ Margin money Account	11,934,546	2,357,686
	15,152,628	7,490,554
3 Previous Year's balances have been regrouped, wherever considered necessary		

As per our report of even date attached.

For Manek & Associates
Chartered AccountantsShailesh L. Manek
Proprietor
Mem. No. 34925Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
ChairmanKirit H. Vora
DirectorTushar Kapadia
Company Secretary

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

(Rupees)

	As at 31.03.2009	As at 31.3.2008
SCHEDULE 1 : SHARE CAPITAL		
Authorised :		
10,000,000 (Previous year: 10,000,000) Equity shares of Rs 10/- each	100,000,000	100,000,000
Issued, subscribed and Paid-up :		
49,52,560 (Previous year: 49,52,560) Equity shares of Rs 10/- each fully paid-up	49,525,600	49,525,600
	49,525,600	49,525,600
Of the above:		
a) 673,750 equity shares of Rs 10 each were issued for consideration other than cash to the shareholders of erstwhile Nucleus Financial Services Private Ltd, which was amalgamated with the Company on April 1, 1993		
b) 15,11,720 equity shares of Rs 10 each were issued for consideration other than cash to the shareholders of erstwhile Nucleus Netsoft And GIS (India) Ltd, which was amalgamated with the Company on April 1, 2005.		
SCHEDULE 2: RESERVES AND SURPLUS		
Capital Reserve - Share Forfeiture Account	759,500	759,500
Revaluation Reserve:		
As per last Balance Sheet	15,351,699	15,656,601
Less: Transferred to Profit & Loss Account	304,902	304,902
	15,046,797	15,351,699
Securities Premium Account	41,043,960	41,043,960
General Reserve	26,592,728	26,592,728
Surplus as per Profit and Loss Account	30,415,011	33,273,817
	113,857,995	117,021,704
SCHEDULE 3:		
Secured Loans:		
Term Loan from Bank		
(Secured by equitable mortgage of Office premises bearing nos B 404, B 504 and B 604)	24,014,385	18,117,591
(Repayable within one year: Rs 44,47,500 Previous year: Rs 31,70,000)		
Car Loan	1,000,000	-
(Repayable within one year - Rs 355,803)	25,014,385	18,117,591
Secured by hypothecation of vehicle financed		
Unsecured Loan		
Inter-corporate Deposit	3,950,000	-
	3,950,000	-

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

SCHEDULE OF FIXED ASSETS

Schedule: 4

(Rupees)

Description of the Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	1.4.2008	Additions	Sales / Adjustment/ Impairment	Total	1.4.2008	For the year	Adjustments	As at 31.3.2009	As at 31.3.2009	As at 31.3.2008	
Office premises	105,532,213			105,532,213	15,532,692	1,720,176		17,252,868	88,279,345	89,999,521	
Plant	38,007,006	-	38,007,006	-	3,373,577	9,312	3,382,889	-	-	433,429	
Computers	23,696,669	9,548,414	21,662,573	11,582,510	18,896,766	2,721,663	16,596,267	5,022,162	6,560,348	4,799,903	
Electrical Fittings	862,991	210,132	529,030	544,093	437,090	47,428	272,623	211,895	332,198	425,901	
Software	1,364,150	4,210,871	1,364,150	4,210,871	1,248,527	577,707	1,299,785	526,449	3,684,422	735,183	
Air Conditioners	792,464	425,726	488,692	729,498	302,148	64,035	130,876	235,307	494,191	490,316	
Furniture and Fixtures	6,446,472	2,671,329	4,209,773	4,908,028	3,011,383	581,146	1,501,819	2,090,710	2,817,318	3,435,091	
Office and Other Equipments	1,656,012	755,755	926,957	1,484,810	782,100	161,757	428,079	515,778	969,032	873,912	
Projector	148,650	-		148,650	54,383	7,061	-	61,444	87,206	94,267	
Motor Car		1,646,022		1,646,022		136,603		136,603	1,509,419		
Total	178,506,627	19,468,249	67,188,181	130,786,695	43,638,666	6,026,888	23,612,338	26,053,216	104,733,479	101,287,523	
Previous Year	117,974,971	27,674,051	722,835	144,926,187	40,195,860	3,827,163	384,359	43,638,664	101,287,523	77,779,111	

	As at 31.03.2009	As at 31.3.2008
SCHEDULE 5: INVESTMENTS		
Longterm (at cost) Unquoted		
1. Company under same management 23,50,000 (Previous year: 23,50,000) equity shares of Asit C Mehta Investment Intermediates Ltd of Rs 10 each, fully paid.	67,114,659	48,096,024
Add: Proportionate share of Income/(loss) for the year	(5,385,854)	19,018,635
Less: Dividend received	(4,700,000)	-
	57,028,805	67,114,659
2) Government Bond		
11.50% Maharashtra 2008 Bond	876	876
B) Quoted -non trade		
i) 437 (Previous year : 437) equity shares of Maxwell Industries Ltd of Rs 2 each, fully paid (Market Value Rs 3881 Previous year Rs 7,079)	874	874
ii) Nil (Previous year: 500) equity shares of Arvee Denim & Export Ltd of Rs 10 each. Fully paid (Market Value - Rs - Nil; Previous year: Rs 38,600)	-	5,000
C) Other Investment Bonds - quoted (non trade) Nil (Previous year 879) units of 8.75% tax free bonds of UTI.(Market Value: Nil; Previous year:Rs 89,175)	-	87,900
	57,030,555	67,209,309
Aggregate book value of unquoted investments	57,029,681	67,115,535
Aggregate book value of quoted investments	874	93,774
Aggregate market value of quoted investments	3,881	134,854

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

	As at 31.03.2009	As at 31.3.2008
Rupees		
SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES		
A) Current Assets:		
Stock of Shares	84,753	291,118
Stock of GPS Devices	329,500	330,030
Work-in-process	1,998,819	-
	2,413,072	621,148
Sundry Debtors (Unsecured)		
Outstanding for period exceeding 6 months		
- Considered good	73,357	283,711
- Considered doubtful	849,188	9,674
Other debts	15,118,772	7,216,255
	16,041,317	7,509,640
Less: Provision for doubtful debts	849,188	9,674
	15,192,129	7,499,966
CASH AND BANK BALANCES		
Cash on hand	31,161	2,695
Balances with scheduled banks		
in Current Accounts	3,186,921	5,130,173
in Deposit Accounts	-	562,945
in Margin money deposits	11,934,546	1,794,741
(Margin money deposits are pledged with banks against guarantees issued)	15,152,628	7,490,554
Other Current Assets		
Interest Accrued on Deposits	742,707	35,736
B. LOANS AND ADVANCES		
(Unsecured - considered good)		
Advances Recoverable in cash or in kind or for value to be received	4,804,557	2,629,777
Deposits	430,501	835,691
Advance Tax / Tax Deducted at Source	6,702,803	4,894,760
(Net of provision)	11,937,861	8,360,228
SCHEDULE - 7: CURRENT LIABILITIES & PROVISIONS		
A. Current Liabilities		
Sundry Creditors		
i) Total Outstanding Dues of micro enterprises and small enterprises*: and	-	-
ii) others	-	1,023,633
Investor Education and Protection fund (not due)	384,538	335,808
Other Liabilities	24,435,147	4,460,677
Security Deposit from subsidiary company	-	-
(*Refer note 13 of Schedule 14)	24,819,685	5,820,118

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

	Rupees	
	As at 31.03.2009	As at 31.3.2008
B. Provisions		
Provision for Taxation	-	20,784
Provision for Gratuity	799,562	684,468
Provision for Compensated Absences	633,247	1,116,813
Provision for Dividend	3,511,995	4,682,660
Corporate Dividend Tax	162,968	795,818
	5,107,772	7,300,543
SCHEDULE 8 - INCOME FROM OPERATIONS		
I T Enabled Services and Software Services	82,104,351	42,434,946
Profit/(Loss) on trading in Securities	152,583	404,329
	82,256,934	42,839,275
SCHEDULE 9 - OTHER INCOME		
Dividend Income on:		
Current Investments (non trade)	49,421	40,806
Interest Received:		
- On Fixed Deposits with Banks	737,688	255,001
(Tax Deducted at source Rs.134,063/-, Previous year Rs. 49,510/-)		
- Others - Income tax refund	241,104	8,026
Exchange gain (net)	981,064	3,684,492
Leave & License Fees Received	2,451,616	415,000
Bad Debts Recovered	284,494	668,725
Profit on sale of investment	1,458	-
Miscellaneous Receipts	253,601	357,274
Excess Provisions written-back	106,645	-
	5,107,092	5,429,324
SCHEDULE 10 - COST OF GOODS SOLD		
Opening Stock of GPS devices	-	222,627
Add: Purchases	583,181	2,386,628
	583,181	2,609,255
Less: Closing stock of GPS devices	329,500	330,030
	253,681	2,279,225
SCHEDULE 11 - EMPLOYEES' COST		
Salaries and Allowances	27,038,182	17,658,866
Company's Contribution to Provident and Other Funds	1,062,209	996,167
Staff welfare	1,129,058	512,532
	29,229,449	19,167,565

SCHEDULES ATTACHED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31st MARCH, 2009

Rupees

	As at 31.03.2009	As at 31.3.2008
SCHEDULE 12 - OPERATING & OTHER EXPENSES		
Data Processing Charges	18,483,149	8,151,810
Rent	4,505,000	388,838
Rates & Taxes	958,228	1,022,313
Travelling & Conveyance	1,278,245	849,810
Legal & Professional Fees	2,688,185	2,934,479
Electricity Charges	2,695,678	1,833,247
Repairs & Maintenance-other	1,223,953	272,718
Computer Expenses	169,839	135,590
Printing and Stationery	842,430	277,381
Advertisement Expenses	100,754	171,129
Business Promotion	54,543	60,897
Membership & Subscription	43,800	130,762
Insurance	74,849	72,673
Postage & Telephone charges	1,545,677	942,026
Software Expenses	-	6,794
Incentives and Brokerage	-	15,100
Directors' Sitting Fees	145,000	62,500
Share Trading Expenses	6,843	6,602
Exchange Rate Fluctuation	-	648,189
Auditors Remuneration (Excluding Service Tax)		
- Audit fees	405,650	450,000
- Tax Audit fees	100,000	50,000
Loss on Sale of Fixed Assets	-	61,295
Provision for doubtful debts	849,188	9,674
Valuation Loss of Shares held as Stock-in-Trade	64,227	3,760
Miscellaneous Expenses	1,158,730	642,119
Bad debts	95,835	-
Assets Impaired	584,564	-
Donation	1,000,000	-
Preliminary expenses written-off	485,717	-
	39,560,085	19,199,706

SCHEDULE 13 - INTEREST & FINANCE CHARGES

Interest on Bank Overdraft	62,076	74,258
Interest on Inter Corporate Deposits	237,367	-
Interest on Term Loan	1,370,151	-
Bank Charges & Commission	1,179,763	172,819
	2,849,357	247,077

SCHEDULE 14:

SIGNIFICANT ACCOUNTING POLICIES AND NOTES FORMING PART OF CONSOLIDATED BALANCE SHEET CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2009

A. Significant Accounting Policies

1. Basis of Consolidation:

a. Basis of Preparation:

The Consolidated Financial statements are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. Reference in these notes to, Company, Parent Company, Companies or Group shall mean to include Asit C Mehta Financial Services Ltd (formerly known as Nucleus Netsoft And GIS India Limited) or its subsidiaries, unless otherwise stated.

b. Principles of Consolidation:

The consolidated financial statements comprise of the Financial Statements of Asit C Mehta Financial Services Ltd (formerly Nucleus Netsoft And GIS India Limited), its subsidiaries and associate. The financial statement of the group companies are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India. The effects of inter company transactions are eliminated on consolidation.

c. Investment in associate:

Investment in entities in which the parent company has significant influence but not a controlling interest, are reported according to the equity method as per Accounting Standard (AS) 23 on Accounting for Investment in Associates in Financial Statements, issued by the Institute of Chartered Accountants of India i.e. the investment is initially recorded at cost, identifying any goodwill/ capital reserve arising at the time of acquisition. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the investor's share of net assets of the investee. The Consolidated Profit and Loss account includes the investor's share of the results of the operations of the investee.

The Consolidated Financial statement present the consolidated accounts of Asit C Mehta Financial Services Ltd (formerly Nucleus Netsoft And GIS (India) Limited) with its following subsidiaries/ associate.

List of subsidiaries / Associate considered for Consolidation

Name of Company	Country of Incorporation	Period	Ownership Interest (%)	Original Cost of Investment	Share of Post Acquisition Reserves and Surplus Investment	Carrying Cost of Investment (Rs.)	Audited by
Subsidiary							
Nucleus GIS, Inc.	United States of America	1.4.2008 to 31.3.2009	100%	NA	NA	NA	Manek & Associates
Nucleus GIS And ITES Ltd	India	28.5.08 to 31.3.09	100%	NA	NA	NA	Manek & Associates
Associate							
Asit C. Mehta Investment and Intermediates Ltd.	India	1.4.2008 to 31.3.2009	31.33%	28,323,740	2,87,05,065	5,70,28,805	Chandrakant & Sevantilal

2. Basis of preparation of financial statements:

The financial statements have been prepared under historical cost convention on an accrual basis, in accordance with the Generally Accepted Accounting Principles in India, and the Accounting Standards (AS) as notified under the Companies (Accounting Standards) Rules, 2006, except for office premises acquired on amalgamation, which is stated as per the revalued amount.

3. Use of estimates:

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

4. Revenue Recognition:

Revenue is recognized on accrual basis as under:

- a. Information Technology Enabled Services (ITES) and Software Services Fees: Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers.
- b. Dividend is recognized when the right to receive the payment is established.
- c. Interest income is recognized on time proportion basis.
- d. All expenses are accounted on accrual basis except leave travel allowance and medical reimbursement to employees which are accounted on payment basis.

5. Fixed Assets:

a. Tangible Assets:

Fixed assets other than office premises acquired on amalgamation are stated as cost less accumulated depreciation. Based on an independent valuation of an approved valuer, the office premise acquired on amalgamation, was revalued in the year 1996-97 and has been stated at the revalued figure.

b. Intangible Assets:

Intangible assets are stated at cost, less any accumulated amortization / impairment losses. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

6. Inventory:

- a. Bought out Inventories are valued at cost or net realizable value whichever is lower. Cost is arrived at using FIFO method.
- b. Work in progress for the ITES projects undertaken is recognized to the extent of work completed and is valued at the lower of cost or estimated net realizable value.

7. Depreciation/ Amortisation:

a) Depreciation in respect of Asit C Mehta Financial Services Ltd is as given under:

Depreciation is provided on the straight-line method basis, except in the case of computers of Domestic unit acquired on amalgamation, where the written down value method is used. The rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. Pursuant to this policy depreciation on computer software has been provided @ 33.33%, which is higher than the corresponding rates prescribed under schedule XIV to the Companies Act, 1956.

b) Depreciation in respect of Nucleus GIS And ITES Ltd is as given under:

Depreciation is provided on the written-down method at the rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. Pursuant to this policy depreciation on computer software has been provided @ 33.33% on Straight Line method, which is higher than the corresponding rates prescribed under schedule XIV to the Companies Act, 1956.

8. Investments:

Investments are classified into Long term and Current Investments. Long-term investments are carried at cost, less provision for diminution other than temporary in their value, determined separately for each individual investment basis. Current investments are carried at the lower of cost and fair value.

9. Retirement Benefits:

Company's contribution to Provident Fund is charged to profit and loss account. Gratuity and Compensated absences payable to employees and certain directors on retirement are provided on the basis of actuarial valuation on balance sheet date.

10. Taxation:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates by the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization backed by convincing evidence. Deferred

Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Fringe Benefits Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961.

11. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract. The exchange difference arising on settlement/ translation are recognized in the revenue accounts, except those pertaining to the fixed assets acquired from outside India, which are adjusted to the cost of such fixed assets.

12. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

13. Impairment of assets

The company assess at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. 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 amount, 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 previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

14. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made. Contingent Assets are not recognised in the financial statements since they may result in the recognition of income that may never be realised

B. NOTES TO ACCOUNTS

1. Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosures and a guide to better understanding of the consolidated position of the companies. Recognizing this purpose, the Company has disclosed only such Notes from the individual financial statements, which fairly present the required disclosures.
2. Capital commitments and contingent liabilities

(Rupees)

Particulars	March 31,2009	March 31,2008
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	32,00,000	50,00,000
Contingent liabilities:		
Bank guarantees to customs for EOU bonding	62,500	62,500
Service Tax Matters	67,98,386	67,98,386
Foreign Exchange Regulation Act, 1973 matters (refer note 5 below)	1,00,00,000	1,00,00,000

3. The name of the Company was changed to Asit C Mehta Financial Services Ltd vide fresh certificate of incorporation issued on 11th September, 2008 by the Registrar of Companies, Maharashtra.
4. The members had approved the transfer / sale of Information Technology Enabled Services (ITeS) business by passing a resolution on 10th June, 2008 through postal ballot to a wholly owned subsidiary (WOS) – Nucleus GIS And ITES Ltd (incorporated on 28.5.2008) and authorized the Board of Directors to do all such acts, deeds as may be necessary including fixing of effective date of transfer. Accordingly, the Board of Directors transferred the ITeS business segment with relevant assets and liabilities to WOS from 1st July, 2008 at their book values.
5. The Company had received pay orders valuing to Rs 50.72 lacs from a customer in the financial year 1994-95 in respect of Money Changing business that were dishonored by a nationalized bank as per the instructions of Directorate of Revenue & Intelligence. The Company had challenged the proceeding before the Customs, Excise and Gold (Control), Appellate Tribunal, Mumbai (CEGAT) which

gave the ruling in favour of the Company for which the company has furnished a bank guarantee of Rs.26.86 lacs (previous year Rs. 26.86 lacs). The Customs Department filed a reference petition before the Hon'ble High Court of Judicature at Bombay and the same is pending for disposal. The Company has also filed a suit with the Hon'ble High Court of Judicature at Bombay against the bank concerned seeking amongst others, a direction to the bank to pay interest on the amount of dishonored pay orders. As at the year end the case is pending for disposal with the Hon'ble High Court of Judicature at Bombay.

During the financial year 2007-08, the Company received an order imposing a penalty of Rs 100 lacs from the Office of the Special Director of Enforcement holding Company guilty in respect of defiance with the instructions contained in the FLM Memorandum. The Company contends that it has complied with the relevant regulations of the Reserve Bank of India as contained in FLM – Memorandum of Instructions to Full-Fledged Money Changers. The said order also stipulated to pre-deposit the penalty for preferring an appeal against the said order. The Company filed an appeal before the Appellate Tribunal for Foreign Exchange (ATFE) contesting the order and also for waiver of the condition to pre-deposit the penalty. The ATFE rejected the Company's request for the pre-deposit of the penalty and to which the Company filed a Writ petition before the Bombay High Court which waived the pre-deposit of the penalty against furnishing a bank guarantee of equivalent sum and the same is furnished by the Company. The said appeal is pending before ATFE.

On the basis of legal advice obtained, the Management is of the view that the order of the Special Director is erroneous, perverse, and bad in law. The Company had complied with the RBI regulations as stipulated in the FLM Memorandum.

6. Retirement Benefits:

1. Post-employment benefit plans

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost.

2. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

3. The following table sets out the unfunded status of the gratuity plan, compensated leave absences and the amounts recognized in the Company's financial statements as at March 31, 2009

(Rupees)

Particulars	Gratuity (Unfunded)	Leave Encashment (Unfunded)
Reconciliation of liability recognized in the Balance sheet		
Present value of commitments	799,562	633,247
Fair value of plans		-
Net liability in the Balance sheet	799,562	633,247
Movement in net liability recognized in the Balance sheet		
Net liability as at 1 st April, 2008	684,468	11,16,813
Net expense recognized in the Profit and Loss account	253,667	(9,61,688)
Contribution during the year	(138,573)	4,78,122
Net liability as at 31 st March, 2009	799,562	633,247
Expense recognized in the Profit and Loss account		
Current service cost	1,68,963	665,964
Interest cost	45,144	9,0014
Expected return on plan assets		
Actuarial (gains)/ losses	39,560	(17,17,666)
Expense charged to the Profit and Loss account	2,53,667	(9,61,688)

Return on plan assets		
Expected return on plan assets		-
Actuarial (gains)/ losses		-
Actual return on plan assets		-
Reconciliation of defined-benefit commitments		
Commitments as at 1 st April, 2008	684468	1116813
Current service cost	168963	665964
Interest cost	45144	90014
Paid benefits	(138,573)	4,78,122
Actuarial (gains)/ losses	39,560	(17,17,666)
Commitments as at 31 st March, 2009	799,562	633,247
Reconciliation of plan assets		
Plan assets as at 1 st April, 2008	-	-
Expected return on plan assets	-	-
Contributions during the year	-	-
Paid benefits	-	-
Actuarial (gains)/ losses	-	-
Plan assets as at 31 st March, 2009	-	-

The above expenses have been included under 'contribution to provident and other fund' under the employee's cost in the profit and loss account.

The actuarial calculations used to estimate commitments and expenses in respect of gratuity and leave encashment are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	
Discount rate	7.50%
Expected return on plan assets	NIL
Expected rate of salary increase	5%
Mortality	LIC (1994-96) Ultimate

7. Related Parties

a. Associate / Group entities

Associate Company - Asit C Mehta Investment Intermediates Ltd - Associate
All Alertz.com (India) Private Ltd – A Group Company

b. Key Management Personnel (KMP)

Asit C Mehta - Director
Deena A Mehta - Director

c. Related party transactions during the year:

Particulars	Associate	Other group companies	KMP	(Rupees)
				Total
Leave & Licence security deposit received	50,00,000 (-)			50,00,000 (-)
Rendering of services	8,40,701 (15,26,446)	- (-)	- (-)	8,40,701 (15,26,446)
Leave & License fees	24,51,616 (36,84,492)	- (-)	- (-)	24,51,616 (36,84,492)

Dividend received	47,00,000	-	-	47,00,000
	(-)	(-)	(-)	(-)
Managerial remuneration	-	-	(-)	(-)
	(-)	(-)	(900,000)	(900,000)
Sitting fees	-	-	40,000	40,000
	(-)	(-)	(12,500)	(12,500)
Interest payable		2,19,881		2,19,881
		(-)		(-)
Share of + Income / (-) loss from Associate	-53,85,854			-53,85,854
	(+ 190,18,635)			(+ 190,18,635)
Purchase of services				-
	(132,892)			(132,892)
Loan Taken (net) and balance outstanding		- 39,50,000		39,50,000
		(-)		(-)
Rent (Share in common expenses)	45,05,000			45,05,000
	(-)			(-)

Outstanding as on 31 March 2009

Particulars	Associate	Other group companies	Total
Payables	1,02,04,792	39,92,306	141,97,098
	(-)	(-)	(-)

Figures for previous year are given in brackets

8. Disclosure of Derivatives

The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Trade Receivables	USD 80,220	Rs 40,87,213
Trade Payables	USD 692	Rs 35,257
Bank Balance	USD 5,000	Rs 254,750

The Cash flow is expected to occur and impact the Profit and Loss account within a period of 1 year.

9. Primary Segments Reporting (by Business Segments)

- Information Technology Enabled Services and Software Services; (I T)
- Investments Activities; (I)

(Rupees)

Particulars	I T	Investment Activities	Total
External Revenue	8,32,49,973	7,87,772	8,40,37,745
	(4,24,34,946)	(4,55,135)	(4,28,80,081)
Inter Segment revenue			
Total revenue	8,32,49,973	7,87,772	8,40,37,745
	(4,24,34,946)	(4,55,135)	(4,28,80,081)
Segment result			
Profit / - loss	1,05,75,960	3,61,469	1,09,37,429
	(45,54,765)	(4,19,673)	(49,74,438)
Interest Expense			17,26,514
			(2,47,077)
Less: Excess of			
unallocated income			5,38,554
over unallocated expenses			(-11,28,558)
Income Taxes			35,47,457
			(6,94,659)
Profit after taxation			62,02,010
			(29,04,144)

Other information			
Segment Assets	4,02,73,715	5,71,15,307	9,73,89,022
	(4,35,85,387)	(3,85,768)	(4,39,71,155)
Unallocated Corporate Assets			13,09,44,829
			(15,92,38,677)
Total Assets			22,83,33,851
			(20,32,09,832)
Segment Liabilities	2,43,03,783		2,43,03,783
			(57,70,859)
Unallocated Corporate Liabilities			4,06,46,474
			(3,08,91,669)
Total Liabilities			6,49,50,257
			(3,66,62,528)
Capital Expenditure			2,98,94,303
			(62,63,315)
Depreciation	42,71,941		42,71,941
	(22,69,597)		(22,69,597)

Secondary Segment Reporting (by geographic segments)

(Rs)

	Domestic	Exports	Total
Segment Revenue	6,29,47,998 (1,69,90,206)	2,10,89,747 (2,58,89,875)	8,40,37,745 (4,28,80,081)
Total carrying value of Segment Assets	*	*	*
Capital Expenditure	*	*	*

Figures in brackets are in respect of previous year.

* In view of the interwoven, inter-mix nature of business and segment assets, other segmental information is not ascertainable.

10. During the year interest amounting to Rs.6,67,585/- (previous year Rs. 18,43,067) paid on term loans has been capitalized and stated under capital work in progress at the year end.
11. Earnings Per Share:

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting year. Diluted earnings per share are computed using the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value.

Dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

Rupees

	For the year ended 31 March 2009	For the year ended 31 March 2008
Profit after tax	8,16,157	219,86,301
Profit available for Equity Shareholders	8,16,157	219,86,301
Weighted average number of Shares used in		
Computing earnings per share –Basic and Diluted	4,952,560	4,952,560
Face value of Equity Shares	10	10
Per share – Basic and Diluted (Rs.)	0.16	4.44

12. Loans and advances include

Balance with Nucleus Stock Trust representing 269,900 equity shares of the company issued pursuant to the Scheme of amalgamation approved by the Hon'ble Bombay High Court vide its order dated February 10, 2006 to Nucleus Stock Trust, in which the Company is the sole beneficiary

13. The Company has not received any intimation from the 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no such disclosure under the said act is considered necessary. This has been relied upon by the auditors.

The Company has not received any intimation from the 'suppliers' regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no such disclosure under the said act is considered necessary.

14. The break up of Net Deferred Tax Liability is as under:

(Rupees)

Particulars	31 March, 2009	31 March, 2008
Difference in book value and tax value of fixed assets	(121,57,460)	(111,15,312)
Unabsorbed Depreciation and Business Losses	54,89,712	54,89,712
43B items (Gratuity, leave encashment etc.)	609,333	201,325
Net Deferred Tax Liability	(60,58,415)	(54,24,276)

15. Previous year figures are restated / regrouped / rearranged wherever necessary in order to confirm to current years groupings and classifications.

As per our report of even date attached.

For Manek & Associates
Chartered Accountants

Shailesh L. Manek
Proprietor
Mem. No. 34925

Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Tushar Kapadia
Company Secretary

DIRECTORS' REPORT**To The Members,**

The Directors have pleasure in presenting their First Annual Report and Audited Accounts for the period ended 31st March, 2009.

Financial Results:**(Rs. In Lacs)**

Particulars	For the period ended 31st March, 2009
Income from Operations	690.11
Other Income	5.41
Total	695.51
Profit before Depreciation, Interest and Tax	142.72
Less: Depreciation	33.20
Interest	4.51
Tax (including FBT and Deferred Tax)	34.69
Profit After Tax	70.31
Available for appropriation	70.31
APPROPRIATIONS	
Proposed Dividend	25.53
Tax on Dividend	4.34
Transfer to General Reserve	7.00
Surplus retained in Profit and Loss Account	33.45

Dividend:

The Board of Directors recommend for your approval a maiden dividend @ 20% on proportionate basis on the weighted average outstanding shares entailing a total outgo (including dividend distribution tax) of Rs 29.87 lacs.

Operations:

The Company was registered on 28th May, 2008 vide issuance of certificate of incorporation from the Registrar of Companies, Maharashtra. The Company acquired the ITeS business segment in July '08 on a going concern basis from its parent company for a net consideration of Rs 75.26 lacs. During the span of about 9 months the company achieved gross revenues of Rs 695 lacs and a profit after tax of Rs 70.31 lacs. The exports revenues were Rs 149 lacs which were about 21% of the total revenues.

The Company successfully executed a project consisting unification of vital data for the issuance of smart cards for a State Government under a commercial arrangement with a national level PPP operator. The project is still under execution and is likely to be completed in the first quarter of 2009-10. On the export front the Company earned steady revenues from the existing customers of its parent Company. The Company also earned modest revenue from GIS and CAD services.

Future outlook

The Company intends to focus more on digitization services which is at a nascent stage and is likely to grow in the near future. Various government Offices through their e-governance projects would require digitization services for converting paper to electronic form for varied reasons. Many Government and semi-government bodies have recently announced the different projects for the issuance of Identity/smart Cards. Our recent experience at successful implementation of some of the critical processes in this type of projects is expected to give us lead in the ensuing projects. On the export front, as the USA markets have yet not shown signs of recovery, we shall pursue for more projects in ITeS services through aggressive marketing strategy. The Board is cautiously optimistic for a better prospect in the medium term.

Compliance Certificate

Pursuant to the proviso to Section 383A(1) of the Companies Act, 1956 read with the Companies (Compliance Certificates) Rules, 2001 framed thereunder, your Company has obtained a Compliance Certificate from V.V. Chakradeo & Co., Company Secretaries, Mumbai for the period ended 31st March, 2009 confirming that the Company has complied with all the provisions of the Companies Act, 1956. A copy of such certificate is attached with this Report and forms an integral part. The observations made in the Compliance Certificate are self explanatory and therefore do not call for any comments.

Directors' Responsibility Statement [Section 217 (2AA)]:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief confirm that:

1. in the preparation of annual accounts, applicable accounting standards have been followed by the Company;
2. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the period ended on that date;

3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
4. the Annual Accounts have been prepared on a going concern basis.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956**a) Conservation of energy, Technology absorption and adoption:**

The operations of your Company involve low energy consumption. Energy conservation efforts are being pursued on a continuous basis. Close monitoring of power consumption is maintained to minimize wastage and facilitate optimum utilization of energy. The Company has not imported any technology nor incurred any expenditure on research and development of technology.

b) Particulars of employees:

The Company had one employee covered under section 217 (2A) of the Companies Act, 1956 and a statement of information relating thereto has been given by way of an Annexure to this Report.

c) Foreign exchange earnings and outgo:

During the period ended under report:

- Foreign Exchange earnings were Rs 149.28 lacs; and
- Expenditure in Foreign Currency were Rs 0.87 lac

Directors:

In accordance with the provisions of the Companies Act, 1956 and Company's Articles of Association, Mr D. Sundararajan, retire by rotation at the ensuing Annual General meeting and being eligible, offer himself for re-election.

Auditors

The term of office of M/s. Manek & Associates, as the Statutory Auditors of the Company will expire at the conclusion of the ensuing Annual General Meeting of the Company. They, being eligible, offer themselves for re-appointment. The Board recommends their appointment.

Appreciation:

The Directors thank the customers, bankers, employees and the parent company for their support to the Company.

For and on behalf of the Board

Place: Mumbai
Date: 29th June, 2009

Asit C. Mehta
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

Information as per section 217 (2A) read with Companies (Particulars of employees) Rules, 1975 and forming part of the Directors' report for the year ended 31st March, 2009

Name of the Employee	Mr. Suupriyo S Sikdar*
Age	49 years
Designation	Chief Executive Officer
Qualification	PGD in Management Studies
Gross Remuneration – Rs	20,09,913
Date of commencement of employment with the company	1.7.2008
Experience	28 years
Last employment held	Nucleus Netsoft And GIS (India) Ltd
Designation	Chief Executive Officer

**Employed for the part of the year*

Notes:

- a) The Gross remuneration is subject to tax and comprises salary, allowances, performance bonus and the value of perquisites as per Income Tax Rules.
- b) The above employee is not a relative of any Director of the Company.

For and on behalf of the Board

Place: Mumbai
Date: 29th June, 2009

Asit C. Mehta
Chairman

COMPLIANCE CERTIFICATE

To

The Members,

NUCLEUS GIS AND ITES LIMITED

Mumbai.

We have examined the registers, records, books and papers of **NUCLEUS GIS AND ITES LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2009. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents,. We certify that in respect of the aforesaid financial Year :

1. the Company has kept and maintained all registers as per the provisions of the rules made thereunder and all entries therein have been duly recorded.
2. the Company has duly filed the forms and returns with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. the Company being limited company has the minimum prescribed paid-up capital and has minimum number of members and its maximum number of members during the said financial year excluding its present and past employees and the company during the year under scrutiny is:
 - i) has not invited public to subscribe for its shares or debentures;
 - ii) has not invited or accepted any deposits from persons other than its members, directors or their relatives.
4. the Board of Directors duly met Nine times in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. the company has closed its Register of Members, and / or debenture holders from ___ to ___ and necessary compliance of section 154 of the Act has been made. NOT APPLICABLE
6. the Company being incorporated on 28th May 2008, the First Financial year of the company was ended on 31st March 2009 and the first Annual General Meeting for the financial year ended 31.03.2009 will be held after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minute Book maintained for the purpose.
7. One Extra ordinary general meeting was held on 19th March 2009 during the year under review.
8. the company has NOT advanced loan to its directors and/ or persons or firms or companies referred in the section 295 of the Act after complying with the provisions of the ACT.
9. the company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. the company has made necessary entries in the register maintained under section 301 of the ACT.
11. the company has obtained necessary approvals from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act wherever applicable. NOT APPLICABLE
12. the Board of Director or duly constituted Committee of Directors has approved the issue of duplicate share certificates . NOT APPLICABLE
13. the Company has :
 - (i) delivered all the certificates on allotment of securities and on lodgment thereof for transfer / transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) Deposited the amount of dividend declared including interim dividend in a separate Bank Account which is within five days from the date of declaration of such dividend. NOT APPLICABLE
 - (iii) paid / posted warrants for dividends to all the members within a period of 30 (Thirty) days from the date of declaration and that all unclaimed / unpaid dividend has been transferred to Unpaid Dividend Account of the Company with ___ Bank on ____ . NOT APPLICABLE
 - (iv) transferred the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund. NOT APPLICABLE.
 - (v) Duly complied with the requirements of section 217 of Act.
14. the Board of Directors of the company is duly constituted. During the period under review there was no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies.
15. the appointment of Managing Director / Whole-time Director/ Manager has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act and approval of the Central Government has been obtained in respect of appointment of ___ not being in terms of Schedule XIII. NOT APPLICABLE
16. the appointment of sole-selling agents was in compliance of the provisions of the Act. NOT APPLICABLE
17. the Company has obtained all the necessary approvals from the Concerned authorities.. The company was not required to obtain any approvals from the Central Government, Company Law Board, Regional Director, or such other authorities as may be prescribed under the various provisions of the Act, during the period under review.
18. the directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.

19. the company has issued 50,000 equity shares of Rs.10/- each to the subscribers at the time of incorporation and has further issued a total 29,50,000 equity shares of Rs. 10/- each during the financial year ending 31.03.2009 and complied with the provisions of the ACT.
20. the company has not bought back shares during the financial year ending 31.03.2009 after complying with the provisions of the ACT.
21. the company has NOT redeemed preference shares / debentures during the year after complying with the provisions of the Act.
22. the company wherever necessary has kept in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act. NOT APPLICABLE.
23. the Company has complied with the provisions of sections 58A and 58AA read with Companies (Acceptance of Deposit) Rules, 1975/the applicable directions issued by the Reserve Bank of India/any other authority in respect of deposits accepted including unsecured loans taken, amounting to Rs. ___ raised by the Company during the year and the company has filed the copy of Advertisement / Statement in lieu of Advertisement / necessary particulars as required with the Registrar o Companies ___ on ___. The company has also filed return of deposit with the Registrar of Companies / Reserve Bank of India /other authorities. NOT APPLICABLE.
24. the Company has made borrowings from banks. However, there was no resolution required under section 293(1)(d) of the Act. Also, no borrowings were made by the Company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March 2009.
25. the company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the ACT and has made necessary entries in the register kept for the purpose. NOT APPLICABLE
26. the company has altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny after complying with the provisions of the Act. NOT APPLICABLE.
27. the company has altered the provisions of the memorandum with respect to the objects of the Company during the year under scrutiny and complied with provisions of the Act. NOT APPLICABLE.
28. the company has altered the provisions of the memorandum with respect to name of the company during the year under scrutiny and complied with provisions of the Act. NOT APPLICABLE
29. the company has altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny and complied with provisions of the Act. NOT APPLICABLE
30. the company has altered its articles of association after obtaining approval of members and the amendments to the articles of association have been duly registered with the Registrar of Companies. NOT APPLICABLE
31. a list of prosecution initiated against or show cause notices received by the company for alleged offences under the Act and also the fines and penalties or any other punishment imposed on the company. NOT APPLICABLE
32. the company has NOT received any money as security from its employees during the year under certification.
33. the Company has remitted both the employer's and employee's contribution to provident fund upto date and complied with the provisions of the Provident Fund Act.

Place : Mumbai

V. V. CHAKRADEO

Date : 29th June 2009

C.P. NO. : 1705

ANNEXURE A

Registers as maintained by the Company

1. Register of Members u/s 150
2. Minutes of the Board and AGM u/s 193
3. Register of Directors u/s 303
4. Register of Directors shareholdings
5. Registrar of Contracts
6. Register of charges.

ANNEXURE B

Forms and returns as filed by the Company with the Registrar of Companies, Central Government or other authorities during the financial year ended 31.3.2009

1. Form no. 20 filed on 26.06.08
2. Form no. 2 filed 29.08.2008, 4.12.08 and 5.12.08..
3. Form no. 23 filed on 28.03.2009
4. Form no. 22 filed u/s 165 on 28.11.2008.
5. Form no. 22 B filed on 18.07.2008

AUDITORS' REPORT

To,
The Members,
Nucleus GIS And ITeS Limited

We have audited the attached Balance Sheet of **Nucleus GIS And ITeS Limited** as at **31st March 2009**, the Profit and Loss account and also the Cash Flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors' Report) Order, 2003 (as amended) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in Paragraphs 4 & 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books.
- (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of the section 211 of the Companies' Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31st March 2009 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies' Act, 1956.
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with the significant accounting policies and notes thereon accounts give the information required by the Companies' Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2009;
 - (b) in the case of the Profit and Loss Account, of the profit for the period ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows for the period ended on that date.

For MANEK & ASSOCIATES
Chartered Accountants

Mumbai
Dated: JUNE 29, 2009

(SHAILESH MANEK)
Proprietor
Membership No.: 34925

Annexure to the Auditors' Report
(Referred to in paragraph 3 of our Report of even date)

- (1) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) No fixed assets were disposed of during the year, and therefore, do not affect the going concern assumption.
- (2) (a) As explain to us, inventories were physically verified during the year by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
- (3) (a) The Company has not granted any secured or unsecured loan to companies, firms and any other parties covered in the register maintained under section 301 of the Act 1956.
- (b) The company has taken unsecured loans, from holding company and another Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum balance of loan granted to the company was Rs. 75 lacs and the balance outstanding at the year-end was Rs. 45 lacs
- (c) The other terms and conditions on which loans have been taken from the subsidiary and other Company are not, *prima-facie*, prejudicial to the interest of the Company.
- (d) The company is regular in repaying the Principal amount and interest as stipulated.
- (4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to Purchase of inventory and fixed assets and sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls. In our opinion and according to the information and explanations given to us, there is no sale of goods during the period and therefore, clause 4(iv) of the Order, to that extent, is not applicable to the Company.
- (5) (a) According to the information and explanations provided by the management, the contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) According to the information and explanation given to us , where each of such transactions, is in excess of Rs.5 lakhs in respect of any party, the transaction have been made at prices which are prima facie, reasonable having regard to the prevailing market prices at the relevant time, except that in respect of purchase of services, no comparison of prices could made available to us since the Company informed up that there are no prevailing market prices/ alternate sources of supply.
- (6) The Company has not accepted any deposits from the public and consequently the directives issued by the Reserve Bank of India, the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- (7) In our opinion, the internal audit function carried out during the year by a firm of Chartered Accountants appointed by the management have been commensurate with the size of the Company and nature of its business.
- (8) According to information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of the manufacturing activities carried on by the Company and therefore, clause 4(viii) of the Order is not applicable.
- (9) (a) According to records of the Company, and on the basis of our examination of the books of account, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education & protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty and cess were in arrears, as at March 31, 2009 for a period of more than six months from the date they became payable.
- (c) According to the information and explanation given to us, there are no dues of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (10) The Company does not have any accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial period covered by our audit. Since the company is formed this year there is no question of cash losses incurred in the immediate preceding financial year.

- (11) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a bank and the Company has not issued any debentures and hence clause 4 (xi) of the Order, to that extent, is not applicable.
- (12) In our opinion and according to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the company.
- (14) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the company.
- (15) According to the information and explanations given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (16) The Company has not raised any term loans during the year. Therefore, the provisions of clause 4(xvi) of the Order are not applicable to the company.
- (17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investment.
- (18) According to the information and explanation given to us the Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (19) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (20) The Company has not raised any money by way of public issue during the year.
- (21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For MANEK & ASSOCIATES
Chartered Accountants

Mumbai
Dated: JUNE 29, 2009

(SHAILESH MANEK)
Proprietor
Membership No.: 34925

BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedules	Rupees	As At March 31, 2009 Rupees
SOURCES OF FUNDS			
Shareholders' Funds:			
Share Capital	1	30,000,000	
Reserves & Surplus	2	4,044,804	
			34,044,804
Loan Funds:			
Secured Loans	3	1,000,000	
Unsecured Loans	4	4,500,000	5,500,000
Deferred Tax Liability (Net)			634,139
TOTAL			40,178,943
APPLICATION OF FUNDS			
Fixed Assets:			
Gross Block	5	18,456,429	
Less : Depreciation/ Amortisation		3,319,919	
Net Block			15,136,510
Current Assets, Loans and Advances:			
Stock in Trade	6	2,328,319	
Sundry Debtors		15,118,772	
Cash and Bank Balances		3,888,070	
Other Current Assets		48,100	
Loans and Advances		25,738,798	
		47,122,059	
Less:			
Current Liabilities and Provisions:			
Current Liabilities	7	17,719,698	
Provisions		4,359,927	
		22,079,625	
Net Current Assets			25,042,433
TOTAL			40,178,943
Significant Accounting Policies and Notes to the Financial Statements	14		
Schedules referred to herein form an integral part of the Balance Sheet			

As per our report of even date attached.
For Manek & Associates
Chartered Accountants

For and on behalf of the Board

Shailesh L. Manek
Proprietor
Mem. No. 34925

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Mumbai
Date: 29th June, 2009

Suopriyo Sikdar
Chief Executive Officer

PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED MARCH 31, 2009

	Schedules	Period ended March 31, 2009 Rupees
INCOME		
Income from Operations	8	69,010,777
Other Income	9	540,653
		69,551,430
EXPENDITURE		
Cost of Goods sold	10	253,681
Employees' Costs	11	21,825,864
Operating and Other Expenses	12	33,199,848
Interest and Finance Charges	13	451,197
Depreciation/ Amortisation		3,319,919
		59,050,509
		PROFIT BEFORE TAX
		10,500,921
Provision for Taxation:		
Current Tax		2,700,000
Deferred Tax expense / (Credit) (Net)		634,139
Fringe Benefits Tax		135,000
		Profit after tax available for appropriation
		7,031,782
Appropriation:		
Transfer to General Reserve		700,000
Proposed Final Dividend		2,553,082
Corporate Dividend Tax		433,896
		BALANCE CARRIED TO BALANCE SHEET
		3,344,804
Weighted average number of shares used as denominator in computing Earnings Per Share - Basic and Diluted		4.13
Face Value per share - (Rs.)		10.00
Significant Accounting Policies and Notes to the Financial Statements	14	
Schedules referred to herein form an integral part of the Profit and Loss Account		

As per our report of even date attached.
For Manek & Associates
Chartered Accountants

For and on behalf of the Board

Shailesh L. Manek
Proprietor
Mem. No. 34925

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Mumbai
Date: 29th June, 2009

Suopriyo Sikdar
Chief Executive Officer

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31ST MARCH, 2009

Particulars	For the period March 31, 2009 Rupees	
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax		10,500,921
Add: Depreciation/ Amortisation	3,319,919	
Interest expense	60,726	3,380,645
		13,881,566
Less: Interest Income	70,778	
Dividend	46,711	
Profit on sale of investment	1,458	118,947
Operating profit before Working Capital Changes		13,762,619
(Increase) / Decrease in Sundry Debtors	(15,118,772)	
(Increase) / Decrease in Inventory	(2,328,319)	
(Increase) / Decrease in Loans & Advances	(25,786,898)	
Increase / (Decrease) in Current Liabilities	19,040,115	(24,193,874)
		(10,431,255)
Taxes (Paid) / Refund received		(2,782,467)
Net Cash Generated by Operating activities		(13,213,722)
B CASH FLOW FROM INVESTING ACTIVITY		
Purchase of fixed assets	(18,456,429)	
Proceeds from Equity shares issued	30,000,000	
Interest received	70,778	
Dividend received	46,711	
Purchase of Investments	(10,000,000)	
Sale of Investments	10,001,458	
Net cash from / (used) in investing activities		11,662,518
C CASH FLOW FROM FINANCING ACTIVITY		
Term loan taken	5,500,000	
Interest paid	(60,726)	
Net cash from / (used) in Financing Activities		5,439,274
		3,888,070
Cash and Cash equivalent at the end of the period	(A + B + C)	3,888,070

Notes to the Cash Flow Statement:

1. This being the first accounting period the previous year figures are not stated.
2. Cash and Cash equivalents included in the Cash Flow Statement comprises the following:

a. Cash on Hand	23,246
b. Bank Balances with Scheduled Banks	
- In current Accounts	537,964
- In Deposit / Margin Account	3,326,860
	3,888,070

As per our report of even date attached.
For Manek & Associates
Chartered Accountants

Shailesh L. Manek
Proprietor
Mem. No. 34925

Mumbai
Date: 29th June, 2009

For and on behalf of the Board

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Suupriyo Sikdar
Chief Executive Officer

Schedules Attached To And Forming Part of the Accounts for the period ended 31st March, 2009

(Rupees)

	As at 31.03.2009
SCHEDULE 1 : SHARE CAPITAL	
Authorised :	
50,00,000 Equity Shares of Rs 10/- each	<u>50,000,000</u>
Issued, Subscribed and Paid-up :	
30,00,000 Equity Shares of Rs 10/- each fully paid-up <i>(All the above shares are held by the holding company - Asit C Mehta Financial Services Ltd and its nominees)</i>	<u>30,000,000</u>
SCHEDULE 2: RESERVES AND SURPLUS	
General Reserve	
- set aside during the period	700,000
Surplus as per Profit and Loss Account	3,344,804
	<u>4,044,804</u>
SCHEDULE 3: SECURED LOANS	
Car Loan	<u>1,000,000</u>
(Repayable within one year Rs.3,55,803) (Secured by hypothecation of vehicle financed)	
SCHEDULE 4: UNSECURED LOANS	
Inter Corporate Deposits	<u>4,500,000</u>

SCHEDULE 5: FIXED ASSETS

(Rupees)

Description of the Assets	GROSS BLOCK			DEPRECIATION			NET BLOCK
	Additions during the period	Sales / Adjustment	Total	For the period	Adjustments	As at 31.3.2009	As at 31.3.2009
Computers	8,654,834	-	8,654,834	2,160,670	-	2,160,670	6,494,164
Software	4,210,871	-	4,210,871	526,449	-	526,449	3,684,422
Electrical Fittings	210,132	-	210,132	21,685	-	21,685	188,447
Air Conditioners	425,726	-	425,726	42,640	-	42,640	383,086
Furniture and Fixtures	2,577,841	-	2,577,841	332,790	-	332,790	2,245,051
Office and Other Equipments	731,003	-	731,003	99,082	-	99,082	631,921
Vehicle	1,646,022	-	1,646,022	136,603	-	136,603	1,509,419
Total	18,456,429	-	18,456,429	3,319,919	-	3,319,918	15,136,510

	(Rupees)
	As at 31.03.2009
SCHEDULE 6: CURRENT ASSETS, LOANS AND ADVANCES	
A) Current Assets:	
Stock of GPS Devices	329,500
Work-in-process	1,998,819
	<u>2,328,319</u>
Sundry Debtors (Unsecured)	
Outstanding for period exceeding 6 months	
- Considered good	452,025
- Considered doubtful	-
	<u>452,025</u>
Other debts - considered good	14,666,747
	<u>15,118,772</u>
CASH AND BANK BALANCES	
Cash on hand	23,246
Balances with scheduled banks	
in Current Accounts	537,964
in Deposit Accounts	3,326,860
	<u>3,888,070</u>
Other Current Assets	
Interest Receivable	48,100
B. LOANS AND ADVANCES	
(Unsecured - considered good)	
Advances Recoverable in cash or in kind or for value to be received	1,738,798
Security Deposit with holding Company	24,000,000
	<u>25,738,798</u>
SCHEDULE - 7 : CURRENT LIABILITIES & PROVISIONS	
A. Current Liabilities	
Sundry Creditors	
i) Total Outstanding Dues of Micro Enterprises and Small Enterprises: and *	-
ii) others	9,615,633
Interest accrued but not due	43,240
Other Liabilities	8,060,825
* Refer note 15 to Schedule 14	<u>17,719,698</u>
B. Provisions	
Provision for Gratuity	687,170
Provision For Leave Encashment	633,247
Provision for Tax	41,050
Provision for Fringe benefit tax	11,482
Proposed Dividend	2,553,082
Corporate Dividend Tax on proposed dividend	433,896
	<u>4,359,927</u>
SCHEDULE 8 : INCOME FROM OPERATIONS	
IT Enabled Services and Software Services	69,010,777
(Tax Deducted at Source Rs.16,44,370/-)	
Total	<u>69,010,777</u>
SCHEDULE 9 : OTHER INCOME	
Dividend	46,711
Interest Received (Tax Deducted at Source Rs.14,580 /-)	70,778
Profit/(Loss) On Sale Of Investments	1,458
Exchange Rate Fluctuation	411,460
Miscellaneous Income	10,246
Total	<u>540,653</u>

(Rupees)

		As at 31.03.2009
SCHEDULE 10 : COST OF GOODS SOLD		
Opening Stock of GPS Devices		-
Add :- Purchases during the year		583,181
		583,181
Less :- Closing Stock of GPS Devices		329,500
Total		253,681
SCHEDULE 11 : EMPLOYEES' COST		
Salaries and Allowances		20,231,059
Company's Contribution to Provident and other Funds		772,764
Staff Welfare		822,042
Total		21,825,864
SCHEDULE 12 : OPERATING & OTHER EXPENSES		
Data Processing Charges		15,633,756
Rent		4,505,000
Leave & License Fees		4,320,149
Rates & Taxes		23,452
Travelling And Conveyance		848,987
Electricity Expenses		1,923,398
Legal And Professional Charges		900,011
Repairs& Maintenance - Machinery		42,362
- Others		1,044,568
Computer Expenses		111,798
Printing & Stationery		528,360
Advertising Exps		39,709
Business Promotion		75,058
Membership & Subscription		17,279
Insurance Expenses		38,462
Festival expenses		84,591
Internet Charges		587,161
Telephone Expenses		354,406
Donation		500,000
Auditors Remuneration (excl Service Tax)		
Audit Fees	200,000	
Tax Audit Fees	50,000	250,000
Preliminary Expenses Written off		485,717
Office expenses		552,305
Tender fees		81,167
Miscellaneous Expenses		252,152
Total		33,199,848
SCHEDULE 13 : INTEREST & FINANCIAL CHARGES		
Interest on Inter corporate deposits		54,217
Interest Paid - Others		6,509
Bank Charges		390,471
Total		451,197

SCHEDULE 14

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. Significant Accounting Policies**1. Basis of preparation of financial statements:**

The financial statements have been prepared and presented under the historical cost convention on an accrual basis in accordance with the Generally Accepted Accounting Principles in India, and the Accounting Standard (AS) as notified under the Companies (Accounting Standard) Rules 2006.

2. Use of estimates:

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

3. Revenue Recognition:

Revenue is recognized on accrual basis as under:

- a. Information Technology Enabled Services (ITES) and Software Services Fees: Income from services rendered of ITES is recognized on services rendered. Software services fees are accounted on its completion and acceptance by the customers.
- b. Dividend is recognized when the right to receive the payment is established.
- c. Interest income is recognized on time proportion basis.
- d. All expenses are accounted on accrual basis except leave travel allowance and medical reimbursement to employees which are accounted on payment basis.

4. Fixed Assets:**a. Tangible Assets:**

Fixed assets are stated as cost less accumulated depreciation.

b. Intangible Assets:

Intangible assets are stated at cost, less any accumulated amortization / impairment losses. Cost includes original cost of acquisition, including incidental expenses related to such acquisition.

5. Inventory:

- a. Bought out Inventories are valued at cost or net realizable value whichever is lower. Cost is arrived at using FIFO method.
- b. Work in progress for the ITeS projects undertaken by the Company is recognized to the extent of work completed and is valued at the lower of cost or estimated net realizable value.

6. Depreciation/ Amortisation:

Depreciation is provided on the written-down method at the rates of depreciation prescribed in Schedule XIV to the Companies Act, 1956 and are considered as the minimum rates. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter than that envisaged in the aforesaid schedule, depreciation is provided at a higher rate based on the management's estimate of the useful life/ remaining useful life. Pursuant to this policy depreciation on computer software has been provided @ 33.33% on Straight Line method, which is higher than the corresponding rates prescribed under schedule XIV to the Companies Act, 1956.

7. Investments:

Investments are classified into Long term and Current Investments. Long-term investments are carried at cost, less provision for diminution other than temporary in their value, determined separately for each individual investment basis. Current investments are carried at the lower of cost and fair value.

8. Retirement Benefits:

Company's contribution to Provident Fund is charged to Profit and Loss account. Gratuity benefits payable to employees and Leave encashment are provided on the basis of actuarial valuation on Balance Sheet date.

9. Taxation:

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations.

Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax / substantively enacted tax rates by the Balance Sheet date, to the extent that the timing differences are expected to crystallize.

Deferred Tax Assets are recognized where realization is reasonably certain whereas in case of carried forward losses or unabsorbed depreciation, deferred tax assets are recognized only if there is a virtual certainty of realization backed by convincing evidence. Deferred Tax Assets are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.

Fringe Benefits Tax has been calculated in accordance with the provisions of the Income Tax Act, 1961.

10. Foreign Currency Transactions:

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates. In respect of monetary items which are covered by forward exchange contracts, the difference between the year end rate and the rate on the date of the contract is recognized as exchange difference and the premium on such forward contracts is recognized over the life of the forward contract. The exchange difference arising on settlement/ translation are recognized in the revenue accounts, except those pertaining to the fixed assets acquired from outside India, which are adjusted to the cost of such fixed assets.

11. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of a qualifying asset are capitalized as part of such asset till such time as the asset is ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

12. Impairment of assets

The company assess at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. 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 amount, 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 previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

13. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

B. NOTES TO ACCOUNTS

1. The Company was incorporated on 28th May, 2008. The financial statement pertains for the period from the date of incorporation to 31st March, 2009. Therefore, there are no comparative figures for the previous period.
2. Under a Business Purchase-Sale Agreement between the Company and the holding Company 'Asit C Mehta Financial Services Ltd' (earlier known as Nucleus Netsoft And GIS (India) Ltd) "the ITes business segment" of the holding company vested with the Company on a going concern basis together with assets and liabilities from 1st July, 2008. The ITes business comprised of the running business relating to Information Technology Enabled Services and Software services and the relevant assets and liabilities thereof.

The details of purchase of the ITes business from the holding Company are as follows:

	(Rupees)	
Net Assets Transferred		
Fixed Assets	95,86,315	
Inventories	3,30,330	99,16,645
Less: Current Liabilities/Provisions		23,91,040
Purchase consideration		75,25,605

3. Estimated amount of contracts remaining to be executed on Capital account and not provided for Rs Nil.

4. Employee Benefits:

The disclosures required as per AS 15 are as under:

a. Post-employment benefit plans

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

For defined benefit schemes, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out at each balance sheet date. Actuarial gains and losses are recognized in full in the Profit and Loss account for the period in which they occur. Past service cost is recognized immediately to the extent that the benefits are already vested, and otherwise is amortized on a straight line basis over the average period until the benefits become vested.

The retirement benefit obligations recognized in the balance sheet represents the present value of the defined benefit obligations as adjusted for unrecognized past service cost.

b. Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized during the period when the employee renders the service.

c. The following table sets out the unfunded status of the gratuity plan, compensated leave absences and the amounts recognized in the Company's financial statements as at March 31, 2009

Particulars	(Rupees)	
	Gratuity (Unfunded)	Leave Encashment (Unfunded)
<i>Reconciliation of liability recognized in the Balance sheet</i>		
Present value of commitments	687,170	633,247
Fair value of plans		-
Net liability in the Balance sheet	687,170	633,247
<i>Movement in net liability recognized in the Balance sheet</i>		
Opening liability at the beginning of the period	785,468	16,05,572
Net expense recognized in the Profit and Loss account	141,275	9,61,688
Contribution during the year	(239,573)	(10,637)
Net liability as at 31 st March, 2009	687,170	633,247
<i>Expense recognized in the Profit and Loss account</i>		
Current service cost	159,225	665,964
Interest cost	37,445	90,014
Expected return on plan assets		
Actuarial (gains)/ losses	(55,395)	(17,17,666)
Expense charged to the Profit and Loss account	141,275	961,688
<i>Return on plan assets</i>		
Expected return on plan assets		
Actuarial (gains)/ losses		
Actual return on plan assets		
<i>Reconciliation of defined-benefit commitments</i>		
Opening liability at the beginning of the period	785,468	16,05,572
Current service cost	159,225	665,964
Interest cost	37,445	90,014
Paid benefits	(239,573)	(10,637)
Actuarial (gains)/ losses	(55,395)	(17,17,666)
Commitments as at 31 st March, 2009	687,170	633,247
<i>Reconciliation of plan assets</i>		
Plan assets as at 1 st April, 2008		
Expected return on plan assets		
Contributions during the year		
Paid benefits		
Actuarial (gains)/ losses		
Plan assets as at 31 st March, 2009		

The above expenses have been included under 'contribution to provident and other fund' under the employee's cost in the profit and loss account.

The actuarial calculations used to estimate commitments and expenses in respect of gratuity and leave encashment are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expense.

Particulars	
Discount rate	7.50%
Expected return on plan assets	NIL
Expected rate of salary increase	5%
Mortality	LIC (1994-96) Ultimate

5. The Company has a leasing (Leave and Licence) arrangement in respect of Office Premises with its holding company. The arrangement is for a period of 3 years and is renewable for further period with mutual consent. Under the arrangement, refundable interest free security deposit is given and the arrangement is on a non-cancellable operating lease on the following payment terms:

Lease rental obligation:		(Rupees)
Lease rental payment for the period ended 31 st March, 2009		43,20,149
Future rental obligation:		
- not later than one year		49,92,000
- later than one year but not later than three years		56,00,000

6. As no commission is payable to Directors, the computation of net profits in accordance with section 309(5) read with section 349 of the Companies Act, 1956 has not been given. No Managerial remuneration was paid to any Director during the period.
7. Deferred Tax adjustments recognized in the financial statements are as under:

Particulars		(Rupees)
		31 March, 2009
Deferred Tax Liability		
On account of difference in book value and tax value of fixed assets		10,42,148
Deferred Tax Asset		
43B items (Gratuity and leave encashment)		4,08,009
Net Deferred Tax Liability		6,34,139

8. Disclosure of Derivatives

The period end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Trade Receivables	USD 80,220	Rs 40,87,213
Trade Payables	USD 692	Rs 35,257
Bank Balance	USD 5,000	Rs 254,750

The Cash flow is expected to occur and impact the Profit and Loss account within a period of 1 year.

9. Earnings Per Share – Basic and Diluted

a. Profit for the period after Taxation - Rs	70,31,782
b. Total number of equity shares of Rs 10 each outstanding at the end of the period	30,00,000
c. Weighted number of equity shares	17,02,055
d. Earnings per share – Rs (a / d)	4.13

10. Security Deposit is given to the Holding Company against use of premises on Leave and Licence basis.

11. Payments to Auditors: Amount in Rupees

a) As Auditors	200,000
b) In other capacity	
- For Tax Audit	50,000
- For certification and other services	15,000
Total	265,000

12. During the period the following investments were purchased and sold:

Name of the fund	No. of units
a) UTI – Liquid Plus Fund Daily Dividend – Reinvestment	4857.221
b) HDFC Cash Management Fund – Savings Plus Plan	498429.946

13. The Company's primary business segment of Information Technology Enabled Services (ITES) falls under single primary business segment and accordingly disclosures requirement as per Accounting Standard 17 in this regard are not applicable.

The disclosure under Secondary Segment Reporting (by geographic segments) is as under: (Rupees)

	Domestic (In India)	Exports to USA	Total
Segment Revenue	5,40,82,725	1,49,28,052	6,90,10,777
Total carrying value of Segment Assets	*	*	*
Capital Expenditure	*	*	*

* In view of the interwoven, inter-mix nature of business and segment assets, other segmental information is not ascertainable.

14. The information pursuant to paragraphs 4A, 4B, 4C & 4D of part II of schedule VI of the Companies Act, 1956 to the extent applicable
 a) Expenditure in foreign currency (on accrual basis)

Particulars	(Rupees)
	31 March 2009
Traveling	51,525
Business promotion expenses	35,257

- b) Earnings in foreign currency (on accrual basis)

Particulars	(Rupees)
	31 March 2009
Export of IT Enabled Services	1,49,28,052

15. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2002 and therefore no such disclosures under the Act is considered necessary. This has been relied upon by the auditors.
 16. As at the period end there are no amounts due and outstanding, to be credited to Investors' Education and Protection Fund.
 17. Related Parties

- a) Controlling Company

Asit C Mehta Financial Services Ltd (earlier known as Nucleus Netsoft And GIS (India) Ltd) – the holding company (holds 100% equity capital as at 31st March, 2009)

- b) Other related parties with whom transactions have taken place during the period

- i) Fellow subsidiary – Nucleus GIS, Inc, USA
 ii) Other related parties where common control exists (Group entities):
 - Asit C Mehta Investment Intermediates Ltd
 - All Alertz.com Pvt. Ltd

Rupees

Details of Transactions	Holding Company	Fellow subsidiary	Group entities
Purchase of Business (as detailed in note 2 above)	75,25,605		
Equity Capital subscription received	3,00,00,000		
Company formation expenses paid	4,58,747		
Inter-corporate loan taken	550,000		97,00,000
Inter-corporate loan repaid			57,50,000
Interest on loan	934		42,306
Income for services rendered			5,39,264
Business promotion expenses paid		35,257	
Dividend payable*	25,33,082		
Leave & License fees paid	43,20,149		
Refundable security deposit paid	2,40,00,000		
Share in common expenses			
- Rent			45,05,000
- Other expenses			7,07,067
Closing balance payable	8,35,214	35,257	91,97,098

*subject to approval at the ensuing Annual General meeting

As per our report of even date attached.

For Manek & Associates
 Chartered Accountants

For and on behalf of the Board

Shailesh L. Manek
 Proprietor
 Mem. No. 34925

Asit C. Mehta
 Chairman

Kirit H. Vora
 Director

Mumbai
 Date: 29th June, 2009

Suupriyo Sikdar
 Chief Executive Officer

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. REGISTRATION DETAILS:-

- | | | | |
|---------------------|-------------|-----------------------|--------------|
| 1) Registration No. | : 11-182793 | 3) Balance Sheet Date | : 31.03.2009 |
| 2) State Code | : 11 | | |

II. CAPITAL RAISED DURING THE YEAR (Rs. in Thousands):-

- | | | | |
|-----------------|-------|----------------------|----------|
| 1) Public Issue | : Nil | 3) Bonus Issue | : Nil |
| 2) Right Issue | : Nil | 4) Private Placement | : 30,000 |

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

(Rs. in Thousands):-

- | | | | |
|-------------------------|----------|-----------------|----------|
| A) 1) Total Liabilities | : 40,179 | 2) Total Assets | : 40,179 |
|-------------------------|----------|-----------------|----------|

B) Sources of Funds (Rs. in Thousands):-

- | | | | |
|-----------------------|----------|---------------------------|---------|
| 1) Paid-up Capital | : 30,000 | 4) Unsecured Loans | : 4,500 |
| 2) Reserves & Surplus | : 4,045 | 5) Deferred Tax Liability | : 634 |
| 3) Secured Loans | : 1,000 | | |

C) Application of Funds (Rs. in Thousands):-

- | | | | |
|-----------------------|----------|-----------------------|-------|
| 1) Net Fixed Assets | : 15,137 | 4) Misc. Expenditure | : Nil |
| 2) Investments | : Nil | 5) Accumulated Losses | : Nil |
| 3) Net Current Assets | : 25,042 | | |

IV. PERFORMANCE OF COMPANY (Rs. in Thousands):-

- | | | | |
|-----------------------------|----------|----------------------------|---------|
| 1) Turnover | : 69,551 | 4) Profit/(loss) After Tax | : 7,032 |
| 2) Total Expenditure | : 59,051 | 5) Earning Per Share (Rs.) | : 4.13 |
| 3) Profit/(Loss) Before Tax | : 10,501 | 6) Dividend Rate (Final) | : 20% |

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(As per Monetary Terms):-

- | | | | |
|---------------------|----------------------------------|---------------------|------------------|
| 1) Item Code No. | : Not Applicable | 3) Item Code No | : Not Applicable |
| Product Description | : IT Enabled & Software Services | Product Description | : Not Applicable |
| 2) Item Code No. | : Not Applicable | | |
| Product Description | : Not Applicable | | |

For and on behalf of the Board

Asit C. Mehta
Chairman

Kirit H. Vora
Director

Suupriyo Sikdar
Chief Executive Officer

Mumbai, 29th June, 2009

DIRECTORS' REPORT

To,

The Members of Nucleus GIS Inc,

This report presented by your Directors in respect of Financial Year ended 31.03.2009 has been made out for the limited purpose of annexing with the Balance Sheet of the holding Company (incorporated in India) in terms of section 212(1) of the Companies Act, 1956 read with section 212(2)(b) of the said Act.

Pursuant to section 212(2)(a), the Balance Sheet of Nucleus GIS Inc. (hereby called body corporate) as at 31st March, 2009 and the Profit and Loss Account for the year ended on that date dealt with this report have also been made in accordance with the requirements of the Indian Companies Act, 1956, which have been certified by Indian firm of Chartered Accountants, thereby making the Audit Report thereof in accordance with the requirements of the Indian Companies Act, 1956.

The Financial Results of the Body Corporate drawn in accordance with the Indian Companies Act, 1956 are as follows:

FINANCIAL PERFORMANCE:

Particulars	2008-09 (Rs.)	2007-08 (Rs.)
Income	552,119	363,778
Profit / (Loss) before Tax	419,453	(220,142)
Profit After Tax	396,498	(240,926)

DIVIDEND:

The Board of Directors does not recommend any dividend.

DIRECTORS' RESPONSIBILITY STATEMENT [SECTION 217 (2AA)]:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, the Directors, to the best of their knowledge and belief confirm that:

1. in the preparation of annual accounts, applicable accounting standards have been followed by the Company;
2. appropriate accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at 31st March, 2009 and of the profit of the Company for the period ended on that date;
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities
4. the Annual Accounts have been prepared on a going concern basis.

INFORMATION PURSUANT TO SECTION 217 OF THE COMPANIES ACT, 1956

Considering the nature of services provisions of Section 271(1)(e) is not applicable. The Company had no employee covered under section 217(2A) of the Companies Act, 1956. The Company being an entity incorporated in USA the particulars of Foreign Exchange earnings and outgo are contextually irrelevant herein.

For and on behalf of the Board

Place: Mumbai
Date : 18th May, 2009

Asit C. Mehta
Chairman

AUDITORS' REPORT

To,
The Members,
NUCLEUS GIS INC

We have audited the attached Balance Sheet of **NUCLEUS GIS INC** as at **March 31, 2009**, the Profit and Loss Account and also the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us, the Companies (Auditor's Report) Order, 2003, as amended, issued by the Central Government in terms of sub-section (4A) of section 227 of the Companies Act, 1956 ("the Act") is not applicable to the Company for the period under review, it being a foreign company having no place of business established within India as defined under Section 591 (1) (a) of the Act;

We report as follows:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
- e) "In our opinion, the provisions of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 are not applicable;"
- f) In our opinion and to the best of our information and according to the explanations given to us, the said Financial Statements, read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
 - i) in the case of the Balance Sheet, of the State of Affairs of the Company as at March 31, 2009,
 - ii) in case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For MANEK & ASSOCIATES
Chartered Accountants

MUMBAI
DATED: 18th May, 2009

(SHAILESH MANEK)
Proprietor
M.No.34925

BALANCE SHEET AS AT 31ST MARCH, 2009

(Currency : Indian Rupees)

	Amount Rs	Amount Rs 31-03-2009	Amount Rs	Amount Rs 31-03-2008
SOURCES OF FUNDS				
Share Capital (Refer Note 5)		2,248,650		2,248,650
Total		2,248,650		2,248,650
APPLICATION OF FUNDS				
Fixed Assets				
Gross Block - Motor Car	-		933,240	
Less : Accumulated Depreciation / Car Sale	-		933,240	
		-		-
Current Assets, Loans and Advances				
Cash and Bank Balances	2,108,356		1,727,224	
Sundry Debtor	35,257		-	
	2,143,614		1,727,224	
Current Liabilities and Provisions				
Current Liabilities				
- Outstanding Expenses	-		-	
- Advance from Holding Company	-		-	
	-		-	
Provision for Tax	40,678		20,784	
Net Current Assets		2,102,936		1,706,439
Profit and Loss account - Debit Balance		145,713		542,210
Total		2,248,650		2,248,650

(The accompanying notes are integral part of these financial statements)

For Manek & Associates
Chartered Accountants

Shailesh L. Manek
Proprietor
Membership No. 34925

Mumbai

Date: 18th May, 2009

For Nucleus GIS, Inc

Asit C. Mehta
Director

Suupriyo Sikdar
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

(Currency : Indian Rupee)

	31-03-2009	31-03-2008
Revenue		
Marketing and support fees	52,842	193,876
Bank Interest	35,365	17,721
Profit on sale of Vehicle	-	152,181
Exchange Fluctuation Gain	463,911	
Expenses	552,119	363,778
- General and Administrative		
Expenses - As per Annexure A	132,666	329,967
- Depreciation on Motor car	-	253,952
Operating Profit / (Loss) before tax	419,453	(220,142)
Tax Provision	(22,955)	(20,784)
Profit / (Loss) after tax	396,498	(240,926)
Less : Excess / Short provision of earlier year	-	63,522
	396,498	(177,404)
Balance of Loss of earlier year b/f	(542,211)	(364,806)
Balance of Loss carried to Balance Sheet	(145,713)	(542,211)
Earnings Per share	7.93	(4.82)

(The accompanying notes are integral part of these financial statements)

For Manek & Associates
Chartered Accountants

Shailesh L. Manek
Proprietor
Membership No. 34925

Mumbai:
Date: 18th May, 2009

For Nucleus GIS, Inc

Asit C. Mehta
Director

Suupriyo Sikdar
Director

Annexure : A
Forming part of Profit and loss account for the year ended 31st March, 2009

(Currency : Indian Rupee)

PARTICULARS	31-03-2009	31-03-2008
General and Administrative Expenses		
Bank Charges	2,250	2,615
Telephone Expenses	56,042	38,233
Professional Fees	69,783	144,087
State Filing Tax	-	2,656
Travelling & Conveyance	-	40,240
Office Expenses	4,591	-
Exchange Fluctuation Loss	-	102,137
Total	132,666	329,967

SCHEDULE 4 - FIXED ASSETS

Amount in Rupees

Description of the Assets	GROSS BLOCK				DEPRECIATION/ AMORTISATION				NET BLOCK	
	As at 1st April, 2008	Additions during the year	Adjustment/ Sales	As at 31st March, 2008	As at 1st April, 2008	For the year	Adjustment/ Sales	As at 31st March, 2009	As at 31st March, 2009	As at 31st March, 2008
Tangible Assets										
Vehicles	-	-	-	-			-	-	-	-
Total	-	-	-	-	-	-	-	-	-	-
Previous year	933,240		933,240	-	83,017	253,952	336,969	-	-	-

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2009

Particulars	For the year ended March 31, 2009 Rupees	For the year ended March 31, 2008 Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	419,453	(220,142)
Add Depreciation/ Amortisation	-	253,952
Foreign exchange Loss (non-cash)	-	-
Profit on Sale of Motor Car	-	(152,181)
	-	101,771
Operating profit before working capital changes	419,453	(118,371)
(Increase) / Decrease in Sundry Debtors	(35,257)	569,500
Increase / (Decrease) in Current Liabilities	19,894	(23,547)
	(15,363)	545,953
Cash generated from operations	404,089	427,582
Taxes (Paid)/ Received	(22,957)	42,738
Net cash generated from operating activities	381,132	470,320
B CASH FLOW FROM INVESTING ACTIVITY		
Sale of Motor Car	-	494,500
Net cash (used in) / generated from investing activities	-	494,500
C CASH FLOW FROM FINANCING ACTIVITY		
Net cash used in financing activities	-	-
D Net increase/(decrease) in cash & cash equivalents (A+B+C)	381,132	964,820
E Cash and cash equivalents at the beginning of the year	1,727,224	762,404
F Cash and cash equivalents acquired on amalgamation	-	-
G Cash and cash equivalents at the end of the year (D+E+F)	2,108,356	1,727,224

NOTES TO CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31 2009

- The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in Accounting Standard-3 on Cash Flow Statements issued by the Institute Of Chartered Accountants Of India.
- Previous Year's balances have been regrouped, wherever considered necessary
For Manek & Associates
Chartered Accountants
Shailesh L. Manek
Proprietor
Membership No. 34925
Mumbai, 18th May, 2009
- For Nucleus GIS, Inc
Asit C. Mehta
Director
Suupriyo Sikdar
Director

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2009**Currency – Indian Rupees**

- Nucleus GIS Incorporated was incorporated on December 22, 2004 in the State of Delaware as a wholly owned subsidiary of its holding Company - Asit C Mehta Financial Services Ltd (formerly known as Nucleus Netsoft And GIS (India) Ltd (NNGIS).
- Accounting Policies
 - The accounts are drawn under historical cost convention, on accrual basis of accounting, and in accordance with the provisions of the Indian Companies Act, 1956 as applicable to bodies corporate.
 - These financial statements have been prepared for the purpose of compliance with the provisions of section 212 of the Companies Act, 1956 by the holding company. The Balance Sheet and Profit and Loss Account of the Company has been drawn up in terms of US Dollars, representing functional currency of the Company. In accordance with requirements of Accounting Standard 11 of the Institute of Chartered Accountants of India, these financial statement have been converted into Indian rupee, the reporting currency, at the following exchange rate:
 - Revenues and Expenditure at the average exchange rate during the year;
 - Current Assets and Current Liabilities at the exchange rate prevailing at the year-end.
 - Fixed Assets and Fixed Capital (including Share Capital) at the exchange rate prevailing on the date of transaction.
 - The resultant translation exchange difference has been charged to Profit and Loss Account as "Exchange Difference".
 - Impairment of assets**

The company assess at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the company estimates the recoverable amount of the asset. 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 amount, 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 previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2.8. Provisions, Contingent liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits would be required to settle the obligation, and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimates required to settle the obligation at the balance sheet date. Provisions are reviewed at each balance sheet date and are adjusted to reflect the current best estimation. A contingent liability is disclosed unless the possibility of an outflow of resources embodying the economic benefits is remote or a reliable estimate of the amount of obligation cannot be made.

NOTES TO ACCOUNTS

1. Fixed Assets and Depreciation

Fixed asset is stated at cost less accumulated depreciation. In Previous year fixed asset only consist of Motor car which is depreciated on straight line method @ 33.33% of the rate of depreciation.

2. Taxes comprise of state and federal tax in the United States.

3. Earnings per share

The basic and diluted earnings per share is computed by dividing the profit after tax attributable to common stockholders by weighted average number of equity shares outstanding during the year.

4. Contingent Liabilities - Nil (as at 31.3.2008 - NIL)

5. Share Capital

	<u>2008-09</u>	<u>2007-08</u>
<u>Authorised Share Capital</u>		
50000 equity shares (common stock) of par equivalent to 1 USD / INR 44.97 per share	2,248,650	2,248,650
<u>Issued Paid up Capital</u>		
50000 equity shares (common stock) of par equivalent to 1 USD / INR 44.97 per share	2,248,650	2,248,650

6. Foreign Exchange Translations

In case of Integral Foreign Operations, monetary items denominated in foreign currency are translated into the reporting currency at the exchange rates in effect at the balance sheet date and non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligation occurred

The transactions in foreign exchange are accounted at the exchange rate prevailing on the date of transactions. Any exchange gains or losses arising out of the subsequent fluctuations are accounted for in the Profit and Loss Account, except those relating to acquisition of fixed assets, which are adjusted to the cost of the respective assets.

Monetary items denominated in foreign currency are translated into the reporting currency at the exchange rates in effect at the balance sheet date and non-monetary items are translated at rates of exchange in effect when the assets were acquired or obligations incurred

7. Related Parties

a. Key Management Personnel (KMP)

Asit C Mehta - Director

b. Related parties with whom transactions have taken place during the year:

Asit C Mehta Financial Services Ltd – the Holding Company

(Formerly Nucleus Netsoft And GIS (India) Ltd)

Nucleus GIS And ITES Ltd – fellow subsidiary

Transactions during the year:

Amount in Rs.

Particulars	Holding Co.	Fellow Subsidiary	Total
Sale of services	21,072 (1,93,876)	31,770 -	52,842 (1,93,876)

(Previous year figures are given in bracket)

8. Previous years figures are restated / regrouped / rearranged wherever necessary in order to confirm to current years groupings and classifications.

For Manek & Associates
Chartered Accountants

For Nucleus GIS, Inc

Shailesh L. Manek
Proprietor
Membership No. 34925

Asit C. Mehta
Director

Suupriyo Sikdar
Director

Mumbai, 18th May, 2009

**STATEMENT PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I. REGISTRATION DETAILS:-

1) Registration No.	: Incorporated in	3) Balance Sheet Date	: 31.03.2009
2) State Code	: USA		

II. CAPITAL RAISED DURING THE YEAR (Rs. in Thousands):-

1) Public Issue	: Nil	3) Bonus Issue	: Nil
2) Right Issue	: Nil	4) Private Placement	: Nil

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Rs. in Thousands):-

A) 1) Total Liabilities : 2,249
2) Total Assets : 2,249

B) Sources of Funds (Rs. in Thousands):-

1) Paid-up Capital : 2,249
2) Reserves & Surplus : Nil
3) Secured Loans : Nil
4) Unsecured Loans : Nil
5) Deferred Tax Liability : Nil

C) Application of Funds (Rs. in Thousands):-

1) Net Fixed Assets	: Nil	4) Misc. Expenditure	: Nil
2) Investments	: Nil	5) Accumulated Losses	: Nil
3) Net Current Assets	: 2,103	6) Debit Balance in P & L A/c	: 146

IV. PERFORMANCE OF COMPANY (Rs. in Thousands):-

1) Turn Over	: 552	4) Profit/(loss) After Tax	: 396
2) Total Expenditure	: 133	5) Earning Per Share (Rs.)	: 7.93
3) Profit/(Loss) Before Tax	: 419	6) Dividend Rate (Final)	: Nil

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY

(As per Monetary Terms):-

1) Item Code No.	: Not Applicable
Product Description	: IT Enabled & Software Services
2) Item Code No.	: Not Applicable
Product Description	: Not Applicable
3) Item Code No.	: Not Applicable
Product Description	: Not Applicable

For and on behalf of the Board

Asit C. Mehta
Director

Suupriyo Sikdar
Director

Mumbai, 18th May, 2009

'Nucleus House' Saki-Vihar Road, Andheri (East), Mumbai 400072.