

## POWERING FINANCIAL SOLUTIONS GLOBALLY



# Powering Financial Solutions Globally

It was said that power comes out of the barrel of a gun. However, in the global world of the 21st century, the bullet has given way to economics. The ability of economics and finance to change the world has reached a new level.

It would therefore be no surprise to find that the Finance (BFSI) sector today uses the most powerful technology tools, be it process or analytical solutions, in order to maximize revenues, minimize expense and achieve the goals they desire. Technology is core to the financial services businesses – money is electronic rather than physical whether in the cross-border context or retail transactions.

At Dion Global Solutions (Dion), our core theme is to develop and deploy innovative software products and solutions that enable our customers to attain greater success and meet their targets. It is this passion that has been our core value since our inception and has been the guiding force of our every action. We are the technology specialists, thought leaders and our solutions power the financial services sector.

Events of 2008-09 arising out of the sub prime crisis and the consequent economic breakdown shook the foundation of the global financial industry. While a few financial companies perished, many were left with deep damages to their current and future plans. Survivors across the globe have been redrawing their strategies and path to success and have been realizing the power of technology. We at Dion are constantly innovating new techniques and solutions that will enable financial institutions to reclaim their lost grounds. Through the provision of our unique set of offerings that span across front, middle and back office process management, we are focused on empowering this new global financial fabric into a stronger and robust web of business and technology that can be sustained into the next decade.

A powerful business requires focused and passionate mindsets. Our highly qualified and experienced teams across the globe come with deep domain knowledge and technical expertise in the core financial sector. They are hand-picked for these deep domain concepts and undergo constant skills upgrades to ensure that they are equipped with the tools to create state of the art, breakthrough software products for the financial sector. It is this combination of domain expertise and technology that gives us the ability to transform a product and empower our customers.

The global financial industry is undergoing a complete rebuild with new perspectives, hopes and aspirations; an industry where the truly passionate will be empowered with the ability to redefine and reclaim their success. This new generation of financial industry is a complete shift from its ancestry as it realizes new avenues, new methodologies and new targets that can be achieved with the use of modern technology. We at Dion are focused at creating a world of possibilities for those in the financial sector who are passionate to redefine success and create wealth and value for their customers globally.

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# Board of Directors

**Mr. Malvinder Mohan Singh**  
**Mr. Sunil Godhwani**  
**Mr. Shachindra Nath**  
**Mr. Ralph James Horne**  
**Mr. Maninder Singh Grewal**  
**Mr. Pradeep Ratilal Raniga**  
**Mr. Vikram Sahgal**  
**Mr. Padam Bahl**  
**Dr. Preetinder Singh Joshi**  
**Mr. R.K. Shetty**

Non- Executive Chairman  
Non- Executive Director  
Non – Executive Director  
Global CEO & Managing Director  
Non- Executive Director  
Independent Director  
Independent Director  
Independent Director  
Independent Director

## COMPANY SECRETARY

Mr. Tarun Rastogi

## REGISTERED OFFICE

25, Nehru Place, New Delhi-110019

## BANKERS

HDFC Bank Limited  
ICICI Bank Limited  
Axis Bank Limited

## AUDITORS

M/s. R.V. Shah & Co.,  
Chartered Accountants  
28, Maheshwar Niwas, 44-45, Tilak Road,  
Santacruz (West), Mumbai – 400054

## ANNUAL GENERAL MEETING

**Venue** : PHD Chamber of Commerce & Industry,  
PHD House, 4/2 Siri Institutional Area,  
August Kranti Marg, New Delhi - 110016

**Date** : September 20, 2011

**Day** : Tuesday

**Time** : 11.00 AM

A portrait of Ralph James Horne, Global CEO & Managing Director, wearing a dark pinstriped suit, white shirt, and blue tie. He is smiling and looking towards the camera. The background is a light grey gradient.

## Ralph James Horne

Global CEO & Managing Director

### Dear Shareholders,

We are proud to present to you the Annual Report of your company for the year 2010-2011. We are especially excited this year as we have been reporting consistent growth throughout the financial year despite the slow recovery in global economy in 2010. According to Software Industry Survey Organization, 2010 was more a year of recovery than new growth. OECD estimated that the ICT sector grew 3-4% in 2010 after a decline of 6% in 2009. In 2010, IT spending grew an estimated 5.4% and is expected to grow 5.1% in 2011.

The financial year 2010-11 has been extremely eventful. We have successfully rebranded our identity and are known as Dion Global Solutions Limited w.e.f 28th December 2010. The new corporate identity marks the completion of creating a leading global IT solutions company catering to the needs of global financial markets. This rebranding exercise further re-emphasizes Dion's distinct focus on software solutions and research & information services for the financial sector.

In the financial year 2010-11 there have been a number of significant milestones for Dion as we focus on reaching our goal of becoming a leading global solutions provider to the financial services market. Few of these include investments in Marco Polo and Chase Cooper that have provided the business with a presence in Europe and North / Latin America, in addition to bringing in products for Market Structures, Risk and Treasury. We have also made several strides into South Asia, Middle East & African region. In Sri Lanka, we have signed partnership with BC Computers, an entity of Bartleet Group and have been providing software solutions and services to the financial community in Sri Lanka for nearly three decades. In May this year, we successfully participated in two leading banking & financial technology events in Australia & UAE that have helped increase our pipelines for the next financial year. We have also successfully forayed into Africa with a partnership deal signed with a leading technology solutions provider for the banking community in Nigeria.

Your confidence in the Company has empowered us to grow the IT Product and Solutions segment in the past 4 years with a CAGR of 44% (Revenue 2007-08 Rs 43 cr to 2010-11 Rs 128.65 cr). Our growth in Q4 of FY2011 has been especially remarkable with a growth of 83% QoQ. We plan to expand our global reach to several more countries in the next financial year and expand our offerings pool both organically as well as inorganically.

We thank you for your continued trust and faith in us. Our hard-work and perseverance has only just begun to show results and with your continued support we will soon be listed among the global giants.

With Best Wishes

**Ralph James Horne**  
Global CEO & Managing Director  
**Dion Global Solutions**

# About Dion

Dion Global Solutions Limited (formerly known as Religare Technova Ltd.) is a leading software solutions and information research services provider for financial markets across the globe. Part of a large diversified transnational business group, Dion caters to the software and information needs of brokers, financial institutions, banks and other entities in the financial ecosystem worldwide.

Dion's domain expertise in Trading, Clearing & Settlement, Operational Risk Management, Messaging, Customer Management, Technical Analysis & Research and Information Services makes it a complete software solutions and research services provider for global financial markets.

With offices across 14 countries, a state of the art product innovation center in Noida, India and over 450 employees from the finance and IT sector, Dion Global Solutions is poised to be a leader in the global IT space.

Committed to providing the very best, Dion works alongside clients & world renowned technology partners to implement & support solutions to increase productivity, reduce costs & facilitate growth.





## Our Ethos & Philosophy

### Our Vision

“To be a leading technology partner for financial services industry driven by innovation, delivering superior value for all stakeholders globally”

**Our passion is to create world-class products and solutions for banking & financial markets worldwide. Our domain expertise helps us feed this passion well.**

Dion has been at the forefront of creating innovative technology solutions for the global financial markets. We have a wealth of experience built for over two decades in providing innovative solutions to the FSI industry across the globe. This experience has allowed us to understand our clients' business in-depth and work with them to improve their internal processes and efficiencies to ensure they keep a step ahead of competition.

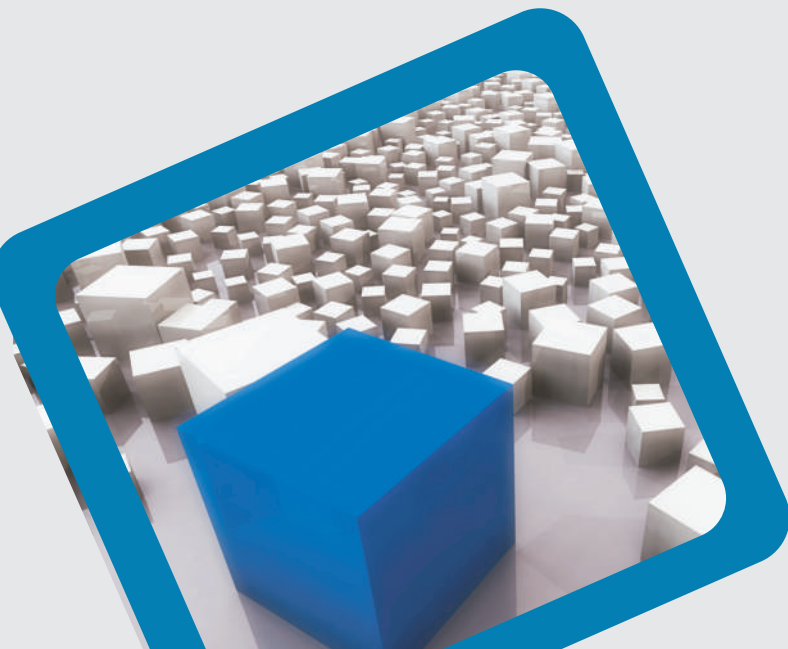
In FY2011, Religare Technova was renamed to Dion Global Solutions Ltd. The name was inspired from the Savior of Syracuse. Dion, the savior of Syracuse, was an intelligent man in the kingdom of Dionysis the Elder during 4th century BC. Dion's intelligence, passion and focus to create a healthy kingdom & his wisdom surpassed that of his peers. His knowledge & understanding led him to predict the first ever inflation in 4th century BC. At Dion Global Solutions, we are backed by our unsurpassed domain expertise in financial markets worldwide & passion to create innovative solutions. Thus the namesake was apt for the company.

Our identity is a representation of our focus and our business mission. The highlight on 'I' represents our focused client centric approach, innovation, IT as the core and our singular focus towards each client's success. The zeta symbol is the 6th letter in Greek alphabets. It has the numeral value of 7, which is considered a lucky number in several mythologies. It is a symbol of good-luck and success.

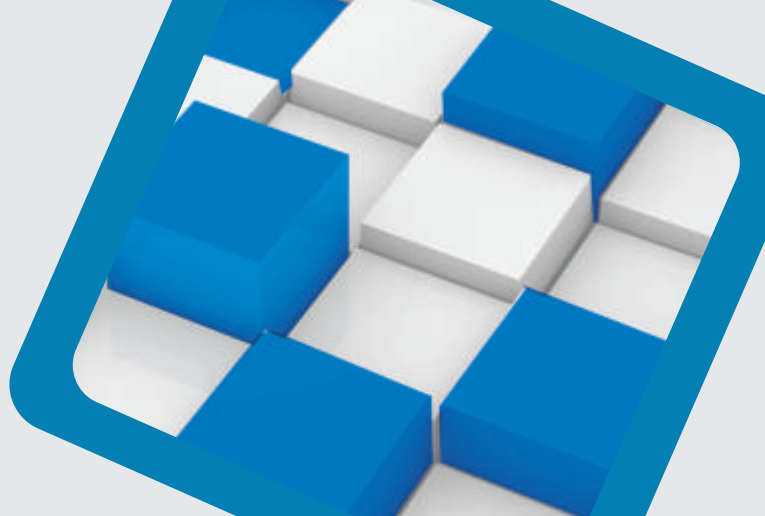
# The Dion Edge

## **Dion is a multinational information technology organization –**

- Providing innovative software solutions for over two decades.
- Among leading providers of capital market solutions in India.
- Leading provider of Online Trading solution in India.
- Leading provider of Back-Office solutions to investment banks & stock brokers in Asia Pacific.
- Chase Cooper, an associate company of Dion, is a leading international provider of Enterprise Wide Operational Risk Management and Compliance solutions.
- In-depth research & information services capabilities.
- Develop & maintain investor relations micro site for top companies in India.
- Highly skilled team of over 450 consultants with vast experience in financial & IT sector.
- Management Team comprises of some of the leading names of the industry.
- State of the art products incubation center at Noida, India.
- Offices across 20 cities in 14 countries.







# Our Key Offerings

Dion Global Solutions provides market leading software solutions to financial institutions in Asia Pacific, Europe, North America and the Middle East. Recently, Dion expanded its profile to add the research & information services division under its list of offerings.

## Areas of expertise

### Financial Market

- Trading
- Clearing & Settlement
- Data Management
- Technical Analysis
- Customer Management
- Financial Analytics

### Services

- Consultancy - Operational Risk
- Bespoke Application Development

### Banking

- Operational Risk Management
- Internal Audit Software
- Treasury Management

### Research & Information Service

- Financial Equity Research
- Bespoke Business Research
- Off-the shelf Research Reports
- Databases & Analytics
- Investor Portals

# Our Global Presence



## ● OUR OFFICES

Australia | Brazil | Colombia | Dubai | Hong Kong | India | Indonesia |  
Malaysia | Mexico | New Zealand | Singapore | UK | USA | Vietnam



● **CLIENT LOCATIONS**

Across the Globe





# Financial Declaration



## Directors' Report

Dear Members,

### Dion Global Solutions Limited

Your Directors have immense pleasure in presenting this 16<sup>th</sup> Annual Report on the business and operations of the Company together with Audited Accounts for the financial year ended March 31, 2011.

### FINANCIAL HIGHLIGHTS

The brief highlights of Standalone and Consolidated financial results of the Company for the Financial Years (FY) 2010-11 and 2009-10 are as under:

(INR in million)

Particulars	Standalone		Consolidated	
	2010-11	2009-10	2010-11	2009-10
Income from Operation	306.76	232.48	1,288.81	905.45
Operating Expenses	358.02	336.91	1,211.74	1,089.26
Operating Profit/(Loss)	<b>(51.26)</b>	<b>(104.43)</b>	<b>77.07</b>	<b>(183.80)</b>
Non Operating Income	35.69	175.03	12.02	103.45
Non Operating Expenses	196.31	159.51	225.68	166.04
Net Profit/ (Loss) Before Tax	<b>(211.87)</b>	<b>(88.91)</b>	<b>(136.59)</b>	<b>(246.40)</b>
Tax Expense/ (Credit)	-	1.44	12.44	0.86
Net Profit/ (Loss) After Tax	<b>(211.87)</b>	<b>(90.35)</b>	<b>(149.03)</b>	<b>(247.25)</b>
Share of Minority Interest	-	-	17.45	-
Net Profit/(Loss) for the year	<b>(211.87)</b>	<b>(90.35)</b>	<b>(166.49)</b>	<b>(247.25)</b>
Issue of Bonus Shares	-	-	-	(0.40)
Loss arising on Merger	-	30.56	-	190.03
Brought Forward Loss	(456.97)	(397.18)	(718.29)	(660.67)

### OPERATIONS

During the year under review, the Company has earned Consolidated Income of INR 1288.81 Million as against Consolidated Income of INR 905.45 Million during the previous financial year. The Company has earned operating profit of INR 77.07 Million on consolidated basis for the year under review as against operating loss of INR 183.80 Million on consolidated basis during the previous financial year. The Company has recorded consolidated net loss of INR 166.49 Million during the year under review as against consolidated net loss of INR 247.25 Million in the previous financial year. Your Directors are continuously looking for avenues for future growth of the Company in its business operations related to global BFSI led IT Products and Solutions.

### DIVIDEND

Keeping in view the losses of the Company during the year under review, your Directors have decided not to recommend any dividend for the financial year ended March 31, 2011.

### RESTRUCTURING OF BUSINESS OF THE COMPANY

The Hon'ble High Court of Delhi vide its order dated July 28, 2010 has sanctioned the Scheme of Arrangement

("Scheme") which inter-alia involve demerger of services business from its subsidiaries i.e. Religare Technova Business Intellect Limited, Religare Technova IT Services Limited and Religare Technova Global Solutions Limited (RTGSL) into Religare Technologies Limited and the subsequent amalgamation of Residual RTGSL (excluding services business) into the Company. The Scheme became effective on August 16, 2010 with effect from the appointed date i.e. April 1, 2009.

The successful implementation of the above de-merger process has demonstrated our ability to identify market opportunity to seed new businesses, grow rapidly to gain leadership in businesses which are large enough to be independent and thereby create value for its shareholders. This move is in line with our strategy of expanding our business operations of global BFSI led IT products and solutions. The BFSI sector has entered into a high growth trajectory and will continue to witness good growth in near future. There is a demand for IT and software solutions to optimize and increase the efficiencies of various organizations. We are confident that the Company will achieve new heights and will emerge as a leader in its domain.

### ACQUISITION OF CHASE COOPER LIMITED

Dion Global Solutions Pty Limited (step down subsidiary of your Company) has acquired 44% equity stake in AEOIU Limited and thereby formed a strategic partnership with Chase Cooper Limited, wholly owned subsidiary of AEOIU. Chase Cooper is a leading international provider of Enterprise Wide Operational Risk Management and Compliance solutions. Chase Cooper has established a track record for advising and assisting global organizations on how to implement enterprise wide operational risk and compliance solutions. Chase Cooper has also been an innovator in its application of financial analytics and modelling of operational risk factors to help organizations more accurately quantify the economic impact of operational risks.

### SUBSIDIARIES

As per Section 212 of the Companies Act, 1956 ("the Act") it is required to attach the Balance Sheet, Profit and Loss Account, Directors' Report and Auditors' Report of your Company's subsidiaries to the Annual Report of your Company. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has exempted companies from complying with the provisions of Section 212 subject to compliance of conditions stated in the circular. In compliance with requirement of aforesaid circular, the Board of Directors has passed a resolution in its meeting held on May 12, 2011, for not attaching the documents of the subsidiaries of your Company as prescribed under Section 212(1) of the Companies Act, 1956.

Accordingly, the Annual Report of the Company for the financial year 2010-2011 does not contain the Annual Accounts of your Company's subsidiaries. However, the Annual Accounts of the subsidiary companies and the

related detailed information are open for inspection by any member and your Company will make available those document/details upon request by any member of the Company or its subsidiary companies who may be interested in obtaining the same. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by your Company includes financial information of its subsidiaries duly audited by the Statutory Auditors and the same is published in your Company's Annual Report. The financial information of the subsidiary companies, as required by the said circular, is disclosed in the Annual Report.

#### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of the Directors' Report.

#### EMPLOYEES STOCK OPTION SCHEME

The Company has instituted an Employee Stock Option Scheme titled "Dion Global Employee Stock Option Scheme 2011" ("**Scheme**") to enable its employees and the employees of its subsidiaries to participate in the future growth and financial success of the Company. The Scheme is in accordance with the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ("**SEBI Guidelines**"). The Company's shareholders approved the Scheme for the issuance of Stock Options to Employees through Postal Ballot.

Details as required under SEBI Guidelines pertaining to the Scheme are disclosed in the Report on Corporate Governance and forms part of the Directors' Report.

#### CHANGE OF NAME

During the year under review, the name of your Company has been changed from "Religare Technova Limited" to "Dion Global Solutions Limited" with effect from December 28, 2010.

The names of overseas subsidiaries of your Company have also been changed to reflect the new identity of the Holding Company.

#### CHANGES IN CAPITAL STRUCTURE

During the financial year ended March 31, 2011, the paid-up share capital of the Company has been changed from INR 403.97 Million to INR 438.66 Million pursuant to the Scheme of Arrangement and the revised share capital of the Company has been listed on the Bombay Stock Exchange Limited. The Authorised Share Capital of the Company has also increased from INR 470 Million to INR 745 Million pursuant to the Scheme.

The Authorized Share Capital of the Company has been re-classified from INR 745.00 Million divided into 74,500,000

Equity Shares of INR 10 each to INR 745 Million divided into 59,500,000 Equity Shares of INR 10 each and 15,000,000 Preference Shares of INR 10 each.

#### WRITING OFF ACCUMULATED LOSSES OF THE COMPANY

As at March 31, 2011, your Company has accumulated losses of INR 668.84 Million on Standalone basis and consequently, Capital of the Company was not adequately represented by the available assets and improvements in the performance of the Company cannot be appropriately reflected unless past losses are written off.

The Board of Directors of your Company, subject to the necessary approval of Shareholders and other regulatory authorities, decided to undertake a financial restructuring of the Company which would result in the right sizing of the Balance Sheet of the Company leading to an updated presentation to the Shareholders based on current factual situation.

Accordingly, the accumulated losses of INR 668.84 Million will be written off against the Reserves & Surplus and partly by reducing the existing paid-up equity share capital of the Company from INR 438.66 Million to INR 219.33 Million. The total loss to be written off will be INR 624.95 Million out of total loss of INR 668.84 Million and the balance loss of INR 43.88 Million represent the unabsorbed depreciation and business loss of the financial year 2010-11.

#### DIRECTORS

Mr. Shivinder Mohan Singh, Mr. Harpal Singh, Mr. J W Balani and Dr. Sunita Naidoo, Directors of the Company resigned from the Board of Directors of the Company with effect from October 15, 2010. The Board of Directors placed on record their appreciation for the valuable services and guidance provided by them during their tenure as Directors of the Company.

Mr. Shachindra Nath, Mr. Pradeep Ratilal Raniga and Mr. R. K. Shetty were appointed as Additional Directors of the Company with effect from October 15, 2010 and were appointed as Directors within the meaning of Section 257 of the Companies Act, 1956 with effect from December 21, 2010.

Mr. Ralph James Horne was appointed as an Additional Director of the Company on October 15, 2010 and was appointed as Director within the meaning of Section 269 read with Section 2(26) and Schedule XIII to the Companies Act, 1956 designated as Global CEO & Managing Director of the Company with effect from October 15, 2010 for a period of three years and the said appointment was also approved by the Shareholders at the Annual General Meeting held on December 21, 2010.

In accordance with provisions of the Companies Act, 1956 and Articles of Association of the Company, Mr. Malvinder Mohan Singh, Dr. P. S. Joshi and Mr. Padam Bahl are liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible have offered themselves for re-appointment.



Brief resume of the Directors proposed to be re-appointed, nature of their expertise in specific functional areas and names of Companies in which they hold directorships and memberships/chairmanships of Board Committees and number of shares held in the Company, as stipulated under Clause 49 of Listing Agreement entered into with Stock Exchanges, are provided in the Report on Corporate Governance forming part of the Annual Report.

#### **FIXED DEPOSITS**

Your Company has neither invited nor accepted any deposits from public within the meaning of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

#### **LISTING WITH STOCK EXCHANGE**

The Equity Shares of your Company continue to be listed on the Bombay Stock Exchange Limited. The Annual Listing Fee for the financial year 2011-12 has been paid to the Exchange.

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

In view of the nature of activities which are being carried on by your Company, the particulars as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy and Technology Absorption are not applicable to the Company.

#### **FOREIGN EXCHANGE EARNINGS AND OUTGO**

Your Company has incurred expenditure of INR 15.02 Million (Previous Year: INR 7.06 Million) in Foreign Exchange and earned income of INR 123.57 Million (Previous Year: INR 121.25 Million) in Foreign Exchange during the year under review on a standalone basis.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of provisions of Section 217(2AA) of the Companies Act, 1956, your Directors confirm that:

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures, wherever applicable;
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2011, and of the loss of the Company for the year;
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and

- (iv) The Directors have prepared the annual accounts on a 'going concern' basis.

#### **CORPORATE GOVERNANCE**

Your Company continues to be committed to uphold the standards of Corporate Governance and adhere to the requirements set out by Clause 49 of the Listing Agreement with the Stock Exchanges.

A detailed Report on Corporate Governance along with the Certificate of M/s. RB & Associates, Company Secretaries in Practice, confirming compliance of conditions of Corporate Governance as stipulated in Clause 49 is set out in this Annual Report and forms part of the Annual Report.

#### **AUDITORS**

M/s. R. V. Shah & Co., Chartered Accountants, retires as Statutory Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Statutory Auditors, if re-appointed.

#### **AUDITORS' REPORT**

The observations of the Auditors in their report read together with the Notes on Accounts are self explanatory and therefore, in the opinion of the Directors, do not call for any further explanation.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

Your Company believes in formulating adequate and effective Internal Control Systems and implementing the same strictly to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The Internal Control Systems is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors and the Business Heads are periodically apprised of the Internal Audit findings and corrective actions taken.

The Audit Committee actively reviews the adequacy and effectiveness of Internal Control System and suggests improvements for strengthening them.

#### **STATEMENT OF PARTICULARS OF EMPLOYEES**

Statement of Particulars of Employees as required under Section 217(2A) of the Companies Act, 1956 (the Act) and the rules framed there under, forms part of the Annual Report. However, in terms of the provisions of Section 219(1) (b) (iv) of the Act, this Report and Accounts are being sent to all the Shareholders excluding the Statement of Particulars of Employees under Section 217(2A) of the Act. Any Shareholder interested in obtaining a copy of the Statement may write to the Company Secretary at the Registered Office of the Company.

### HUMAN RESOURCES

The Company seeks to nurture a mutually beneficial relationship with its employees. This relationship is characterized by the investment which the Company makes in its employees by providing challenging roles and assignments opportunities for personal growth, relevant and timely performance support, training and an enabling environment. The Company seeks to create a workplace which combines achievement orientation with care for employees. The Company lists 'people' as one of its stated core values.

The Company has a structured induction process at all locations and management development programmes to upgrade skills of managers. Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff.

We compete in a dynamic and evolving industry in which value and differentiation are defined at each turn by the

Company's most precious asset: its human capital. We believe that continuing to invest in the skills and career development of our employees is a primary driver of client value.

Your Company takes the pride in the Commitment, Competence and dedication shown by its employees in all areas of business. Various HR initiatives are taken to align the HR Policies to the growing requirements of the business.

### ACKNOWLEDGEMENTS

Your Directors wish to thank the Bankers, Regulatory Authorities, Stakeholders including Financial Institutions and other business associates for their continued support and faith reposed in the Company.

Your Directors also wish to place on record their appreciation for the contribution made by employees at all levels as without their hard work, solidarity and support, your Company's achievements would not have been made possible.

For and on behalf of the Board  
For **Dion Global Solutions Limited**

Place : New Delhi  
Date : August 02, 2011

Sd/-  
**Ralph James Horne**  
Global CEO & Managing Director

Sd/-  
**Maninder Singh Grewal**  
Director

# Management's Discussion and Analysis

## FORWARD-LOOKING STATEMENTS

This report contains forward-looking statements which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'projects', 'estimates' or other words of similar meaning. All Statements that address expectations or projections about the future, including, but not limited to, statements about the company's strategy for growth, product development, market position, expenditure and financial results are forward looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee these assumptions and expectations are accurate or will be realised. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company's assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

## ECONOMY AND INDUSTRY OVERVIEW

Year 2010-11 has been a year of reforms and testing new regulatory controls. Based on learning from the recent economic downturn, regulatory bodies across the globe have been re-looking into their policies and control parameters. Banks and financial institutions have been revamping their risk measures and have been re-designing their business models to comply with new regulations emphasized.

Though the policy makers are trying their best to ensure stringent controls, global economy still continues to suffer from various turmoil including European sovereign debt crisis. These are considered to be the after-shocks of the crisis that shook the World. As banks and financial institutions still struggle to regain their pre-crisis status, emphasis on technology reforms, though growing, is still low. According to a recent study by Ernst & Young, recession adversely impacted technology spending by companies across all sectors, and banking, financial services and insurance (BFSI), in particular, in FY10. Companies decided to reduce expenditure on technology to cut costs.

However, in FY 11 it is expected that recovery will strengthen in US which is the largest market for Financial Technology products worldwide. The financial services industry is also expected to emerge from the economic downturn as many firms are shifting from cost reduction to a cautious growth agenda. The IT function will play a critical role in firms' efforts to grow and innovate while fulfilling emerging regulatory requirements.

According to Securities Technology Monitor, with markets like Malaysia and Indonesia opening up, the introduction of smart order routing in India and the launches and planned launches of a myriad of new trading venues throughout the region, electronic trading will undoubtedly grow throughout 2011.

Technology plays a significant role as a major operative and competitive requirement for financial institutions, says a recent report from Celent. The report also says, for the securities industry, IT spending in North America is the largest market, followed closely by Europe and a more distant third by the Asia-Pacific region. Spending for middle office systems will also grow significantly in 2011, as buy side firms improve their trade and post-trade systems, especially for

derivatives, and invest in OTC trade capture, affirmation and risk management. Many financial institutions are running systems that are too obsolete, too slow, and inflexible. Slowly but surely, many financial services firms that rely on technologies that are nearly 30 years old are realizing the competitive advantage of modernizing their core systems and byzantine legacy systems.

## A. INDUSTRY STRUCTURE AND DEVELOPMENTS

According to Celent, it is estimated that global IT spending by financial services institutions will reach US\$363.8 billion in 2011. This represents an increase of 3.7% over 2010. In 2010, total IT spending in North America was US\$33 billion, a 4% decrease over 2009. Barring any unexpected economic anomalies or events, 2011 is expected to see a return to positive growth, with a 6.4% increase over 2010 to reach US\$35 billion. In Europe, IT spends totaled US\$24 billion in 2010, an increase of 3% over 2009. Driven by economic recovery expectations, IT spending in Europe would increase by 3.6% in 2011. It is estimated that total European securities IT spending will be US\$24.8 billion in 2011. In Asia-Pacific, IT spending by the securities industry totaled US\$14 billion in 2010, a 9.0% increase over 2009. Spending is expected to grow to US\$15 billion in 2011, an accelerated growth rate of 8.5% over 2010 as global firms expand their presence in Asia in line with recovery expectations. The combined IT spending of Latin America & Africa is estimated at US\$21.2 billion in 2011 and is expected to reach US\$23 billion in 2013.

India is expected to witness maximum growth in retail banking technology space in the next few years. According to Ovum, China and India holds the position for fastest growth in APAC region. According to Knapik, ever increasing regulatory requirements will also drive investment into technologies that reduce costs, such as data management, business intelligence and analytics. Spending on various middle-office components, such as risk management, anti-fraud, compliance or performance management, based on these technologies, will experience growth of 51 percent from 2010 to 2015.

## B. OPPORTUNITIES AND THREATS

### Opportunities:

**New Markets:** Using India as a base The Company is pursuing growth in mature markets like the U.S. and Europe – both of which represent higher margin opportunities. Organically, the Company is developing its presence in emerging markets, such as Latin America and Africa, whilst additionally improving the capabilities in existing markets such as India and Australia.

With global distribution platform having customers in more than 60 countries extending from North to Latin America, Europe, Middle East and Africa, India and Asia Pacific, the Company is well placed to enhance its market base and become a leading global products company providing solutions to the financial services marketplace.

**New Products:** Dion today offers a comprehensive suite of financial technology products catering to varied customer segments – Stock broking, Asset Management, Banking and Insurance. The products bouquet has been created both organically and by way of acquisitions. The company strategy is to launch at least a couple of new products every year, so that it will be able to utilize the existing distribution capability to deliver the entire suite and thereby drive improvements in margins. This shall be further strengthened

by developing products internally that are aimed at high growth market niches.

**Strong Distribution:** One of the key strategies of the business is the emphasis on cross selling multiple solutions through its existing distribution channels, utilizing the local relationships built in various markets. The Company believes that this competency in distribution will lend growth momentum to the business. This will be made viable by our Products & Strategy Group, which acts as the bridge between product centers and global distribution network (enabling the network to sell internationally).

**Threats:** The challenge in complying with international requirements poses a threat to faster acquisition and faster turnaround. Market competition from local players especially in Asia and risk of further economic downturn could adversely impact Company's performance.

Your Company's performance and growth is dependent on the health of the Indian as well as global economy. The economy could be adversely affected by various factors such as geo-political or regulatory action, including adverse changes in liberalization policies, social disturbances, terrorist attacks and other acts of violence or war, natural calamities, interest rates, commodity and energy prices and various other factors. Any slowdown in the economy of geographies where we operate may impact your Company's business and financial performance and the price of the Shares. The Company regularly keeps track of the emerging global scenario so as to realign its business strategy as may be called for.

The Indian software products industry faces several more challenges as well. Many SMBs in India are still not IT aware, and represent a diverse and fragmented group, which makes selling to them difficult. Adoption of SaaS in this market has also remained low-key, with companies viewing the

recurring 'fee factor' as 'fear factor.'

Despite the recent gains made by India's software product developers, the fact is, companies really need to focus on and build up their strengths to leverage the Internet domain. According to analysts, Indian software product organizations still need to raise the bar when it comes to product usability testing, product messaging and delivery and customer responsiveness.

In a globally integrated economy, there is increasing demand for the cross border mission critical broking solutions provided by the Company. In addition, the STP solutions provided are attractive to the BFSI market with participants continually striving for improved customer service, process improvement and increased profit margins.

The global distribution channels being established position the Company for growth driven from existing products and services but also from new products and services be they developed by the Company in India, sourced through acquisition or the distribution of products from third party vendors.

### C. Segment-wise performance

#### i) Primary Segment – Business Segments:

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organization structure as well as the differential risks and returns of these segments.

Segment revenue and results figures include the respective amounts identifiable to each of the segments and also amounts allocated on a reasonable basis. Other unallocable expenditure includes expenses incurred on common services provided to the segments which are not directly identifiable to the individual segments as well as expenses incurred at a corporate level which relate to the Company as a whole. The business segment has been considered as the primary segment

(₹ in lacs)

#### Information about primary Business segments

Particulars	Financial Business		Software Product/Services		Unallocated		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
<b>(i) Segment Revenue</b>								
External Revenue	55.06	128.47	12,888.07	9,055.27	241.71	1,268.03	13,184.84	10,451.77
Inter-Segmental Revenue	-	-	-	-	-	-	-	-
Total Revenue	55.06	128.47	12,888.07	9,055.27	241.71	1,268.03	13,184.84	10,451.77
<b>(ii) Segment Results</b>								
Total Segment Results	14.26	94.93	659.86	(966.63)	-	-	674.12	(871.70)
Unallocated Expenses (net)	-	-	-	-	216.71	-	216.71	-
Unallocated Interest expenses	-	-	-	-	(2,256.77)	(1,592.26)	(2,256.77)	(1,592.26)
Income Taxes (Current and Deferred Tax)	-	-	-	(8.59)	(124.40)	-	(124.40)	(8.59)
Profit after tax	14.26	94.93	659.86	(975.22)	(2,164.46)	(1,592.26)	(1,490.34)	(2,472.55)
<b>(iii) Segment Assets</b>								
Unallocated Corporate Assets	48.60	283.50	25,005.67	16,404.55	-	-	25,054.27	16,688.06
Total Assets	48.60	283.50	25,005.67	16,404.55	6,114.41	5,667.38	31,168.68	22,355.44
<b>(iv) Segment Liabilities</b>								
Unallocated Corporate Liabilities	-	-	22,896.79	10,817.80	-	-	22,896.79	10,817.80
Total Liabilities	-	-	22,896.79	10,817.79	6,119.78	10,189.21	29,016.57	21,007.01
<b>(v) Capital Expenditure</b>								
Unallocated Capital expenditure	-	-	3,812.07	655.04	-	-	3,812.07	655.04
Total Capital expenditure	-	-	3,812.07	655.04	-	-	3,812.07	655.04
<b>(vi) Depreciation / Amortisation</b>								
Unallocated Depreciation amount	-	14.91	852.81	702.36	-	-	852.81	717.27
Total Depreciation	-	14.91	852.81	702.36	25.00	10.75	877.81	728.02
<b>(vii) Non Cash Expenditure other than Depreciation</b>								
Unallocated Non cash expenditure	-	-	196.95	122.88	-	-	196.95	122.88
Total Non cash expenditure	-	-	196.95	122.88	-	-	196.95	122.88

ii) **Secondary Segment – Geographical Segments:**

Revenue from geographical segment is based on location of its customers and total carrying amount of assets and total cost incurred during the period to acquire fixed assets is based on geographical locations of the assets.

(₹ in lacs)

Particulars	2011	2010
<b>Segment Revenue:</b>		
Within India	3,406.76	3,070.37
Within Australia	5,490.04	4,139.30
Others	4,288.04	3,242.10
<b>Total</b>	<b>13,184.84</b>	<b>10,451.77</b>
<b>Total Segment Assets:</b>		
Within India	22,363.81	19,091.76
Within Australia	5,307.84	1,637.22
Others	3,497.03	1,626.46
<b>Total</b>	<b>31,168.68</b>	<b>22,355.44</b>
<b>Cost incurred for acquiring segment assets during the year:</b>		
Within India	189.95	273.32
Within Australia	3622.12	381.73
Others	-	-
<b>Total</b>	<b>3,812.07</b>	<b>655.04</b>

**Notes:**

- Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organisation structure as well as the differential risks and returns of these segments.
- The segment wise revenue and results relate to the respective amounts directly identifiable to each of the segments

**D. Outlook**

Dion is at its inflection point and is poised to take a leadership position in the global financial products & solutions space. The macroeconomic outlook is very positive, with Global IT spending by financial institutions on the rise and estimated to reach close to US\$ 400 billion in 2013. The APAC region, occupying a 25% share, is the fastest growing market and also Dion's traditional market, which bodes well for the Company.

Technology spend on financial services is expected to increase significantly. Governmental & Regulatory oversight of financial markets and stringent compliance has meant an increased spending on front/back office capital market technology products.

Post the financial crisis, there has been a lot of importance laid on risk management and reporting. This has significantly increased sales and the demand for Dion's solutions in risk management, compliance, cross border trading and clearing and settlement.

The Company is seeing a discernable transition from bespoke development to products. Business cycles are becoming shorter and cross-border trading into emerging markets has increased. These are interesting trends for the Company like Dion that provides global delivery of globally relevant products. In addition there is significant growth in the outsourcing of strategic applications to third party solutions, with organizations being extremely cost consciousness, emphasizing the

need for efficiency and focusing on their core business activities.

The leadership team of the Company is very experienced and capable having driven strategic investments and responsible for more than 20 M&A transactions over the past 15 years. Our growth will be driven by a single-minded pursuit of global excellence in products & solutions aimed at the financial services space. The company is confident and believes that growth momentum will accelerate the business around the globe with existing offerings and addition of new products and penetrating into new markets through further acquisitions.

During the FY10, the Company has positioned itself as a separate entity in terms of brand perception, growth path and strategy. Dion is now a global platform for delivering financial services products & solutions globally to the Financial Services marketplace. With relative stabilization in financial market and industrial growth across the globe, the company has successfully leveraged development capability within India to build new products which has successfully supported our strong customer additions over the years. Our strategy of taking the inorganic route has also helped address newer markets such as Europe. The company's plan for expansion into European and North American markets offers higher margin sales opportunities.

**E. Risks and Concerns**

The Company remains dependent on human capital and the challenges associated with maintaining this capital in a global market place demanding of skilled IT resources. This is highlighted as the employment market recovers from the Global Financial Crisis and provides increasing opportunities for the Company's highly skilled resources. The Company is focused on maintaining robust recruitment and employee retention processes to ensure this risk is effectively managed.

Competition from solution providers in lower cost countries is being countered by the Company utilizing its lower cost centralized development centre resources in India. This strategy ensures the Company is well positioned to combat this competition by providing cost effective functionally rich solutions for mature and emerging markets.

**F. Internal Control Systems**

The Company is equipped with adequate internal control systems for its business processes, which determine the efficiency of its operations, strengthens financial reporting and ensures compliance with applicable laws and regulations.

The internal control systems are supplemented by extensive audits conducted by internal auditors. Moreover, regular internal audit and checks ensure that responsibilities are executed effectively across the organization. The Audit Committee of the Board of Director reviews the adequacy and effectiveness of the internal control systems and also suggest improvements for strengthening the same.

The company has diligently worked on the QMS initiative during the year and is now a ISO 9001:2000 certified Company.

## G. Financial Overview of the Company

### Profit and Loss Account Review:

#### Revenue Analysis

During the year, income from operations stood at ₹ 12,887 Lacs compared to ₹ 9,054 Lacs in the previous year, an increase by 42%. The acquisition of AEOIU Ltd contributed 11% and organic growth contributed 31%. The Company mainly derived revenues from sale of IPR licenses, annual maintenance charges and project based services including software implementation and customization.

#### Other Income

During the year, other income stood at ₹ 296 Lacs as against ₹ 1,397 Lacs previous year. The decrease is mainly due to decrease in foreign exchange gain as Australian dollar became stronger.

During the year, the operating and other expenses were at ₹ 11,389 Lacs as compared to ₹ 10,501 Lacs in previous year, an increase of 9.7% largely on account of consolidation of AEOIU Ltd. Cost for existing business has been managed judiciously which has significantly contributed to turn the company profitable at operating level.

#### Profit Analysis

During the year, Profit before interest, depreciation, non operating income & expenses and tax stood at ₹ 1,648 Lacs as compared to loss of ₹ 1,110 Lacs in previous year. The turn around is mainly due to 42% growth in revenue with only 10% increase in cost of operations. However at Profit Before Tax level we have incurred a loss of ₹ 1,366 Lacs as compared to loss of ₹ 2,464 Lacs previous year. Loss at PBT level is mainly due to high debt cost as the debt equity ratio is very high.

#### Balance Sheet Review:

##### Shareholder's Equity

Your Company's authorized share capital is ₹ 7,450 Lacs. Equity Share Capital is ₹ 5,950 Lacs (745 Lacs equity shares of ₹ 10/- each) and Preference Share Capital is ₹ 1,500 Lacs (150 Lacs preference shares of ₹ 10/- each). During the year under review the authorized share capital of the company has been restructured from ₹ 7,450 Lacs Equity Capital to ₹ 5,950 Lacs equity capital and ₹ 1,500 Lacs Preference Capital. During the year there has been no change in paid up capital of the company.

##### Reserves & Surplus

During the year, your Company's total reserves and surplus increased from ₹ 4,144 Lacs to ₹ 5,657 Lacs mainly due to Translation Reserve arising due on consolidation of our overseas subsidiaries.

Accumulated losses increased from ₹ 7,182 Lacs to ₹ 8,847 Lacs mainly due to loss for the year ₹ 1,664 Lacs.

##### Shareholders' Fund

Total shareholder funds stood at ₹ 10,044 Lacs as against ₹ 8,531 Lacs Last Year.

### Minority Interest

Minority Interest of ₹ 955 Lacs this year is on account of consolidation of AEOIU Ltd which was acquired during the year under review.

### Loan Funds

As on 31st March, 2011, the total loan funds in our books stood at ₹ 22,928 Lacs. The said loan is used for funding our acquisitions in past and current years and accumulated losses.

### Fixed Assets

The Company has been investing for developing right product mix through strategic acquisitions. During the year we have invested in AEOIU Ltd in UK for their operational risk products.

As on March 31 (₹ in Lacs)	2010-11	2009-10
Leasehold Improvements	60.38	67.03
Plant and Machinery	39.83	64.86
Furniture and Fixtures	44.70	47.30
Vehicles	79.12	100.97
Land	120.93	120.93
Computer Peripherals	248.93	219.08
Computer Networking & Equipments	81.51	88.76
Office Equipments	92.89	101.71
Purchased Softwares	244.76	201.63
Internally Developed Software	46.52	84.78
Goodwill on Consolidation	12959.03	9758.42
<b>Net Block</b>	<b>14018.60</b>	<b>10855.48</b>
Capital work-in-progress	17936.94	692.90
<b>Total Fixed Assets</b>	<b>15812.54</b>	<b>11548.38</b>

### Investment

Investment stood at ₹ 5,518 Lacs as against ₹ 5,532 Lacs. During the year ₹ 13 Lacs mutual fund investments were redeemed and income booked under other income.

### Current Assets, Loans & Advances

During the year, your Company's total current assets, loans and advances were at ₹ 9,837 Lacs as compared to ₹ 5,275 Lacs in the previous year. The increase is mainly due to increase in cash balance, debtors and loans & advances. Sundry Debtors balance was ₹ 5,614 Lacs as against ₹ 2,101 Lacs. The increase is mainly due to consolidation of AEOIU Ltd into our consolidated accounts. The debtor balance is considered good and realizable and is net off provision for doubtful debts to the tune of ₹ 362 Lacs. Loans and advances (net of provision) amounted to ₹ 2,094 Lacs as against ₹ 1,065 Lacs in the previous year. The Increase was mainly due to loans and advances to subsidiary companies.

### Current liabilities and provisions

During the year, your Company's current liabilities stood at ₹ 4,650 Lacs compared to ₹ 8,647 Lacs. The decrease is mainly due Book overdraft of ₹ 5,861 appearing last year was converted to debt funds. During the year, Provisions were at ₹ 1,437 Lacs as compared to ₹ 1,015 Last year.

## H. Operational Overview of the Company:

The Company was again successful with gaining new customers in India and internationally thus enhancing the profile of the Company to be a major international supplier of software solutions to the BFSI. Major new customers include Mitsubishi Securities (HK), JB Were (NZ), Mirae Asset Securities (HK), Nomura Securities (Indonesia) Religare Securities (Australia) and Keynote Capital (India)

In addition, existing long term customers continued to demonstrate faith in the Company by renewing license agreements, such as Macquarie Bank (Australia).

The Company continued its global expansions plans by acquiring 44% stake in AEIOU Ltd, parent company of Chase Coopers Ltd thereby accessing Operational Risk and Treasury Products for distribution through Dion Channels. It has further enhanced Dion's Presence in UK and Europe Market.

During the year we expanded Dion's Distribution Channels to Africa by entering into partnership arrangement with a Large IT company in Africa to drive sales in Nigeria, Kenya, Ghana and other African countries. We are already witnessing good traction for ORM and Treasury Solution.

The centralization of the development function in India has allowed the Company to enhance its product functionality at significantly lower costs than were experienced when the development

work was undertaken offshore. Key product enhancements include NOVA retail functionality for Hong Kong, end-to-end CFD processing and front office applications for the Australia market.

## I. Human Resources

At Dion, we aim at becoming the 'employer of choice' for which we have continuously strived to create robust policies and processes and engendered two way communication flow. We nurture an invigorating positive work culture by smart hiring integrated with learning environment and inspirational leadership. It is critical for us to have 'engaged' employees and for us at DGSL, engagement is, broadly, a factor of three 'S': why do employees 'Stay' in our company, what do they 'Say' and how do they 'Serve' the customer while at work. Hence, we invest in our intellectual resources and consciously put efforts to build the best-in-class talent pool who shares our commitment and values. We have adopted various best practices from the globe which keeps them going. We empower our people by providing them a platform which gives them the opportunity to invent and reinvent things in their very own way. As we endeavour to create a virtuous cycle of superior rewards and recognition practices, fun@workplace, robust performance management system and transparent and fair application of rules and procedures, the life of each DGSL employee becomes enriched.

## Report on Corporate Governance

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to observe the highest level of ethics in all its dealings to ensure the efficient conduct of the affairs of the Company to achieve its goal of maximizing value for all its stakeholders. The Company believes that sound Corporate Governance is critical to enhance and retain investor trust.

The Company always strive to ensure compliance with regulatory requirements both in letter and spirit besides being responsive to the aspirations of our stakeholders. The Company recognizes that Governance is a conscious and continuous process across the Organization, which enables the Company to adopt best practices to retain and enhance the trust of all our stakeholders.

A transparent, ethical, and robust governance framework helps enhance efficiency, which is an important catalyst in driving business growth across parameters and boosts Investors confidence in the Business entity.

The Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aimed at a high level of business ethics, effective supervision and enhancement of value for all stakeholders.

A report on the implementation of the Code of Corporate Governance as per Clause 49 of the Listing Agreement is given below:

### II. BOARD OF DIRECTORS

#### A. BOARD'S COMPOSITION AND CATEGORY:

The Composition of Board of Directors of the Company is in conformity with the requirements of Clause 49 of the Listing Agreement and has an optimum combination of Executive and Non-Executive Directors. Currently, the Board of the Company consists of Ten (10) Directors, one of whom is Global CEO & Managing Director and remaining nine (9) are Non-Executive Directors out of which One (1) is Promoter Director. The Non-Executive Directors comprises of Five (5) Independent Directors and four (4) Non-Independent Directors.

The details relating to Composition & Category of Directors, Directorships held by them in other Companies and their membership and chairmanship on various Committees of Board of other Companies, as on March 31, 2011 is as follows:

Name of the Director	Category	No. of other Directorships held in other companies*	No. of Memberships/ Chairmanships in various other Board Committees**	
			Member	Chairman
Mr. Malvinder Mohan Singh – Chairman	Promoter Director / Non-Executive Director	8	3	Nil
Mr. Shivinder Mohan Singh <sup>^</sup>	Promoter Director / Non-Executive Director	N.A.	N.A.	N.A.
Mr. Sunil Godhwani	Non - Executive Director	13	6	Nil
Mr. Harpal Singh <sup>^</sup>	Non-Executive Director	N.A.	N.A.	N.A.
Mr. Shachindra Nath <sup>§</sup>	Non-Executive Director	12	3	2
Mr. Ralph James Horne – Global CEO & Managing Director <sup>®</sup>	Executive Director	Nil	Nil	Nil
Mr. Maninder Singh Grewal <sup>#</sup>	Non-Executive Director	2	2	Nil
Mr. Pradeep Ratilal Raniga <sup>§</sup>	Independent Director	Nil	Nil	Nil
Mr. Vikram Sahgal	Independent Director	2	Nil	Nil
Mr. Padam Bahl	Independent Director	9	3	5
Dr. Preetinder Singh Joshi	Independent Director	14	6	3
Mr. R. K. Shetty <sup>§</sup>	Independent Director	1	Nil	1
Mr. J W Balani <sup>^</sup>	Independent Director	N.A.	N.A.	N.A.
Dr. Sunita Naidoo <sup>^</sup>	Independent Director	N.A.	N.A.	N.A.

<sup>^</sup>Resigned from the office of Director of the Company with effect from October 15, 2010

<sup>§</sup>Appointed as Directors of the Company with effect from October 15, 2010

<sup>®</sup>Appointed as Director within the meaning of Section 269 read with Section 2(26) of the Companies Act, 1956 with effect from October 15, 2010 and designated as Global CEO & Managing Director.



<sup>#</sup>Resigned as Managing Director but continue as Director with effect from October 15, 2010.

<sup>\*</sup>Private Limited Companies, Foreign Companies, Alternate Directorships and Companies under Section 25 of the Companies Act, 1956 are excluded for the above purpose.

<sup>\*\*</sup>The Committee considered for the above purpose are those prescribed in the Listing Agreement i.e. Audit Committee and Shareholders / Investors Grievance Committee.

None of the Directors on the Board is a Member of more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the Listing Agreement) across all the Companies in which he is a Director. Necessary disclosures regarding Committee positions in other Public Companies as on March 31, 2011 have been made by the Directors.

The Independence of a Director is determined by the criteria stipulated under the Clause 49 of the Listing Agreement.

## B. BOARD MEETINGS & ATTENDANCE

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material informations are incorporated in the agenda papers for facilitating meaningful and focused discussions at the meeting. In case of exigencies or urgencies, resolutions are passed by Circulation as well.

During the financial year 2010-11, Seven (7) Board Meetings were held: May 04, 2010, August 13, 2010, August 21, 2010, September 22, 2010, October 15, 2010, November 09, 2010 and February 04, 2011. The intervening period between the Board Meetings were within the maximum time gap prescribed under Companies Act, 1956 and Clause 49 of the Listing Agreement.

The last Annual General Meeting was held on December 21, 2010.

Details of attendance of Directors at Board Meetings and Annual General Meeting held during the financial year 2010-11 are as under:

Name of the Director	No. of Board Meetings Attended	Whether Attended last AGM
Mr. Malvinder Mohan Singh – Chairman	Nil	No
Mr. Shivinder Mohan Singh <sup>^</sup>	3	-
Mr. Harpal Singh <sup>^</sup>	4	-
Mr. Sunil Godhwani	3	No
Mr. Shachindra Nath <sup>§</sup>	Nil	No
Mr. Ralph James Horne – Global CEO & Managing Director <sup>®</sup>	2	Yes
Mr. Maninder Singh Grewal <sup>#</sup>	7	Yes
Mr. Pradeep Ratilal Raniga <sup>§</sup>	1	No
Mr. Vikram Sahgal	4	No
Mr. Padam Bahl	7	No
Dr. Preetinder Singh Joshi	2	Yes
Mr. R. K. Shetty <sup>§</sup>	2	No
Mr. J.W. Balani <sup>^</sup>	Nil	No
Dr. Sunita Naidoo <sup>^</sup>	Nil	No

<sup>^</sup>Resigned from the office of Director of the Company with effect from October 15, 2010

<sup>§</sup>Appointed as Directors of the Company with effect from October 15, 2010

<sup>®</sup>Appointed as Director within the meaning of Section 269 read with Section 2(26) of the Companies Act, 1956 with effect from October 15, 2010 and designated as Global CEO & Managing Director.

<sup>#</sup>Resigned as Managing Director but continue as Director with effect from October 15, 2010.

During the year, all the relevant informations required to be placed before the Board of Directors as per Clause 49 of the Listing Agreement were considered and taken on record / approved by the Board. Further, the Board periodically reviews Compliance Reports in respect of laws and regulations applicable to the Company.

**C. SHAREHOLDING OF NON-EXECUTIVE DIRECTORS**

The shareholding of Non-Executive Directors in the Equity Shares of the Company as on March 31, 2011 is as follows:

S. No.	Name	Number of Equity Shares Held
1.	Mr. Malvinder Mohan Singh	531180
2.	Mr. Sunil Godhwani	Nil
3.	Mr. Shachindra Nath	Nil
4.	Mr. Maninder Singh Grewal	528369
5.	Mr. Pradeep Ratilal Raniga	Nil
6.	Mr. Vikram Sahgal	Nil
7.	Mr. Padam Bahl	Nil
8.	Dr. P. S. Joshi	Nil
9.	Mr. R K Shetty	Nil
	<b>TOTAL</b>	<b>1,059,549</b>

**SHAREHOLDING OF EXECUTIVE DIRECTOR**

The shareholding of Executive Director in the Equity Shares of the Company as on March 31, 2011 is as follows:

S. No.	Name	Number of Equity Shares Held
1.	Mr. Ralph James Horne	Nil

**III. COMMITTEES OF THE BOARD**

During the year under review, our Board has five (5) Board level Committees – Audit Committee, Shareholders' / Investors' Grievance Committee, Remuneration Committee, Compensation Committee and Restructuring Committee. Post March 31, 2011, the Remuneration Committee and the Compensation Committee has been consolidated into one Committee i.e. Remuneration / Compensation Committee.

All decisions pertaining to the constitution of Board Committees, appointment(s) of members and fixation of terms of service for members of the Committees are taken by the Board of Directors.

Details of the role and composition of Board Committees constituted as per requirements of Clause 49 of the Listing Agreement, including number of meetings held during the financial year and attendance thereat are provided below:

**(1) AUDIT COMMITTEE****(a) Composition**

The Composition of the Audit Committee of the Board as at March 31, 2011 was as under:

Sl. No.	Name	Designation
1.	Mr. Padam Bahl, Non-Executive & Independent Director	Chairman <sup>§</sup>
2.	Mr. Malvinder Mohan Singh, Non-Executive Director	Member
3.	Mr. Vikram Sahgal, Non-Executive & Independent Director	Member
4.	Dr. P. S. Joshi, Non-Executive & Independent Director	Chairman <sup>^</sup>

<sup>§</sup>Ceased to be the Chairman of the Committee with effect from October 15, 2010 but continue to be Member of the Committee.

<sup>^</sup>Appointed as Member & Chairman of the Committee with effect from October 15, 2010.

The composition of the Committee meets the requirements of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement.

The Company Secretary of the Company acts as the Secretary of the Committee.

All the members of the Committee possess financial and accounting knowledge.

**(b) Terms of Reference**

Primarily, the Audit Committee is responsible for:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

Further, the Committee also discharges such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company.

**(c) Meetings and attendance during the year**

During the financial year 2010-11, Four (4) meetings of the Audit Committee were held: May 04, 2010, August 13, 2010, November 09, 2010 and February 04, 2011.

The attendance of Members at the meetings of the Audit Committee held during the year was as follows:

Name of the Member	No. of Meetings Attended
Mr. Padam Bahl	4
Mr. Malvinder Mohan Singh	-
Mr. Vikram Sahgal	3
Dr. P. S. Joshi	2

Chief Finance Officer, Financial Controller and representatives of the Internal Auditors normally attend the Audit Committee meetings by invitation.

**(2) REMUNERATION/COMPENSATION COMMITTEE**

During the financial year 2010-11, the Company has two separate Committees i.e. Remuneration Committee and Compensation Committee. However, the Board at its meeting held on May 12, 2011 consolidated both the Committees into one Committee i.e. Remuneration / Compensation Committee.

**(a) Composition**

The Composition of the Remuneration / Compensation Committee of the Board is as under:

Sl. No.	Name	Position
1.	Mr. Padam Bahl, Non-Executive & Independent Director	Chairman
2.	Mr. Ralph James Horne – Global CEO & Managing Director	Member
3.	Dr. P S Joshi, Non-Executive & Independent Director	Member
4.	Mr. Vikram Sahgal, Non-Executive & Independent Director	Member
5.	Mr. Shachindra Nath, Non-Executive & Non-Independent Director	Member

The Company Secretary of the Company acts as the Secretary of the Committee.

**(b) Terms of Reference**

The broad terms of reference of the Remuneration/Compensation Committee amongst the others are as under:

1. Recommend for fixation and periodic revision of compensation of the Managing Director and Executive Directors to the Board for approval;
2. Administration and superintendence of Dion Global Employee Stock Option Scheme 2011; and
3. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Committee.

**(c) Meetings and attendance during the year**

During the financial Year 2010-11, no meeting was held for Remuneration Committee. However, two meetings of Compensation Committee on March 23, 2011 and March 29, 2011 were held during the financial year 2010-11.

The attendance of Members at the meetings of the Compensation Committee held during the financial year 2010-11 was as follows:

Name of the Member	No. of Meetings Attended
Mr. Padam Bahl	2
Mr. Shachindra Nath	2
Mr. Ralph James Horne	0
Mr. Vikram Sahgal	1
Mr. Pradeep Ratilal Raniga	1

Since the consolidation of Remuneration and Compensation Committee into Remuneration / Compensation Committee were approved by the Board of Directors in their meeting held on May 12, 2011, no meeting of Remuneration/Compensation Committee was held during the year under review.

**(d) Remuneration Policy**

The remuneration of Executive / Non-Executive Directors is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards.

**(e) Remuneration of Executive Directors**

Remuneration of Executive Directors is decided by the Board based on recommendation of Remuneration / Compensation Committee within the ceiling fixed by the shareholders and permissible under the Companies Act, 1956. Remuneration paid to the Executive Director for the year ended March 31, 2011 was as follows:

(₹ in Million)

Name of the Director	Salary & Allowances	Commission payable	Perquisites	Retiral Benefits	Total	Stock Options Granted	Service Contract	
							Tenure	Notice Period
Mr. Maninder Singh Grewal*	1.57	Nil	0.52	0.18	2.27	N.A.	15.09.2012	Three Months
Mr. Ralph James Horne**	Nil	Nil	Nil	Nil	Nil	438,500#	From October 15, 2010 to October 14, 2013	N.A.

\* Resigned as Managing Director with effect from October 15, 2010 but continues to be the Director of the Company.

\*\* Appointed as Global CEO & Managing Director of the Company with effect from October 15, 2010 at Nil Remuneration.

#As per the Dion Global Employee Stock Option Scheme 2011, 438,500 Stock Options have been granted at the price of ₹ 45/- per share. Presently, no Stock Options have been Vested.

**(f) Remuneration of Non-Executive Directors**

Non-Executive Directors including Independent Directors do not have any pecuniary material relationships or transactions with the Company. However, Independent Directors were paid only the sitting fees for attending the meetings of the Board of Directors within the limits as prescribed under the Companies Act, 1956.

**(3) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE****(a) Composition**

The composition of Shareholders' / Investors' Grievance Committee of the Board as at March 31, 2011 was as under:-

Sl. No.	Name	Position
1.	Mr. Sunil Godhwani, Non-Executive and Non Independent Director	Chairman
2.	Mr. Maninder Singh Grewal, Non-Executive Director	Member
3.	Mr. Padam Bahl, Non-Executive and Independent Director	Member

The Company Secretary of the Company acts as the Secretary to the Committee.

**(b) Terms of Reference**

The Committee oversees and reviews all matters connected with securities of the Company. The Committee also looks into redressal of Shareholders'/Investors' complaints / queries related to transfer / transmission / consolidation / splitting of shares, non-receipt of Balance Sheet, complaints forwarded by Stock Exchanges / SEBI, issue of duplicate share certificates against lost / misplaced / torn / mutilated share certificates, etc. The Committee oversees performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of investor services.

**(c) Meetings and attendance during the year**

During the year ended March 31, 2011, Eighteen (18) meetings of the Shareholders' / Investors' Grievance Committee were held: April 15, 2010, May 04, 2010, May 27, 2010, June 15, 2010, June 30, 2010, July 15, 2010, July 30, 2010, August 13, 2010, September 03, 2010, September 08, 2010, November 15, 2010, November 30, 2010, December 15, 2010, January 5, 2011, January 31, 2011, February 17, 2011, March 07, 2011 and March 31, 2011.

The attendance of members at the meeting of the Committee held during the year was as follows:

Name of the Member	No. of Meetings Attended
Mr. Sunil Godhwani	4
Mr. Maninder Singh Grewal	17
Mr. Padam Bahl	16

The details of Investors Complaints received and resolved during the financial year 2010-11 is as under:

No. of Investor Complaints received from April 1, 2010 to March 31, 2011	No. of Investor Complaints resolved from April 1, 2010 to March 31, 2011	No. of Investor Complaints pending at the end of March 31, 2011
68	68	NIL

Mr. Tarun Rastogi, AVP & Company Secretary is the Compliance Officer of the Company.

**IV. GENERAL BODY MEETINGS****(a) Annual General Meetings**

Detail is of the Annual General Meetings held during the last three years are as follows:

Year	Date	Day	Time	Venue	Special Resolution(s) passed
2007-08	22.12.2008	Monday	1.30 PM	Shah Auditorium, 2, Raj Niwas Marg, Delhi -110054	No
2008-09	16.09.2009	Wednesday	12.30 PM	Kamani Auditorium, No. 1, Copernicus Marg, New Delhi-110001	Re-appointment of Mr. Maninder Singh Grewal as Managing Director of the Company
2009-10	21.12.2010	Tuesday	11.30 A M	PHD Chamber of Commerce & Industry, PHD House, 4/2 Siri Institutional Area, August Kranti Marg, New Delhi-110016	<ul style="list-style-type: none"> <li>• Appointment of Mr. Ralph James Horne as Managing Director of the Company</li> <li>• Change of Name of the Company</li> </ul>

The above Special Resolutions were passed with requisite majority.

No special resolution was put through Postal Ballot at the last Annual General Meeting.

**(b) Extra-ordinary General Meeting**

During the period under review, no Extra- ordinary General Meeting was held.

**(c) Postal Ballot**

During the financial year 2010-11, the Company passed the following resolutions through Postal Ballot process:

1. Reclassification of the Authorized Share Capital and the alteration of Capital Clause of the Memorandum of Association of the Company;
2. Alteration of Articles of Association of the Company;
3. Dion Global Employee Stock Option Scheme 2011; and
4. Dion Global Employee Stock Option Scheme 2011 – Subsidiary Companies

A detailed procedure followed by the Company for conducting the Postal Ballot process is provided hereunder:

**Person conducting the postal ballot exercise**

Mr. Maninder Singh Grewal, Director and Mr. Tarun Rastogi, AVP & Company Secretary of the Company were appointed as persons responsible for conducting the postal ballot process in a fair and transparent manner. Mr. Sanjay Grover, Company Secretary in Whole-time Practice was appointed as Scrutinizer for the Postal Ballot process. Mr. Sanjay Grover conducted the process and submitted his report to the Chairman.

**Procedure followed**

1. The Company issued the Postal Ballot Notice dated February 04, 2011, for the above-mentioned resolutions. The draft resolutions together with the explanatory statement and the Postal Ballot forms and self-addressed postage pre-paid envelope were sent to the Members under certificate of posting;
2. Members were advised to read carefully the instructions printed on the Postal Ballot form and return the duly completed form in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before close of working hours on March 17, 2011;
3. After due scrutiny of all the Postal Ballot forms received upto the close of working hours on March 17, 2011, Mr. Sanjay Grover submitted his report on March 18, 2011;
4. The results of the Postal Ballot were declared on March 18, 2011. The date of declaration of the results of the postal ballot was taken as date of passing of the resolutions;
5. The results of the postal ballot were published in the newspapers and also placed at the website of the Company.

**Details of Voting Pattern**

After scrutinizing all the postal ballot forms received, the scrutinizer reported as under:

Particulars	No. of Postal Ballot Forms	No. of Shares	Paid-up Value of the Shares (₹)	% of paid-up capital
Total Postal Ballot Forms received	174	33151863	331518630	75574
Less: Invalid Postal Ballot Forms	15	1116	11160	0.003
<b>Net valid Postal Ballot Forms</b>	159	<b>33150747</b>	331507470	<b>75.571</b>
Details of Postal Ballot Forms for Resolution No 1: (Reclassification of the Authorized Share Capital and the alteration of Capital Clause of the Memorandum of Association of the Company)				
Votes cast in Favour	152	33150242	331502420	75.570
Votes cast Against	7	505	5050	0.001
<b>Total Votes cast</b>	159	<b>33150747</b>	331507470	<b>75571</b>
Details of Postal Ballot Forms for Resolution No. 2: (Alteration of Articles of Association of the Company)				
Votes cast in Favour	152	33150183	331501830	75570
Votes cast Against	7	564	5640	0.001
<b>Total Votes cast</b>	159	<b>33150747</b>	331507470	<b>75.571</b>

Particulars	No. of Postal Ballot Forms	No. of Shares	Paid-up Value of the Shares (₹)	% of paid-up capital
Details of Postal Ballot Forms for Resolution No 3: (Dion Global Employee Stock Option Scheme 2011)				
Votes cast in Favour	151	33150182	331501820	75.570
Votes cast Against	8	565	5650	0.001
<b>Total Votes cast</b>	159	33150747	331507470	75.571
Details of Postal Ballot Forms for Resolution No 4: (Dion Global Employee Stock Option Scheme 2011 – Subsidiary Companies)				
Votes cast in Favour	147	33149863	331498630	75.569
Votes cast Against	12	884	8840	0.002
<b>Total Votes cast</b>	159	33150747	331507470	75.571

## V. DISCLOSURES

### (i) Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large

The Company has not entered into any transaction of material nature with promoters, the Directors or the management, their subsidiaries or relatives etc. that may have any potential conflict with the interest of the Company.

Transactions with related parties are disclosed appropriately in the Annual Report.

### (ii) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years

The Company has complied with all the requirements of the Listing Agreement of the Stock Exchange as well as regulations and guidelines issued by SEBI. Hence, neither any penalty nor any stricture has been imposed by SEBI, Stock Exchange or any other Statutory Authority on any matter relating to capital markets during the last three years.

### (iii) Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company confirms that it has complied with all mandatory requirements to Clause 49 of the Listing Agreement.

The status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement are as detailed hereunder:

(a) **Board** - There is no fixed tenure for Independent Directors.

(b) **Remuneration / Compensation Committee** - The Company has set up Remuneration / Compensation Committee to recommend / review overall compensation policy, service agreements and other employment conditions of Executive Director(s). The Chairman of the Remuneration / Compensation Committee is an Independent Director.

(c) **Shareholders' Rights** - The quarterly financial results are published in the newspapers as mentioned under the heading "Means of Communication" and also displayed on the website of the Company. The results are not separately circulated to the shareholders.

(d) **Audit qualifications** - There are no audit qualifications in the Company's financial statements for the year under reference.

(iv) **Disclosure of Accounting Treatment** - The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

(v) **Subsidiary Companies:** As per extant Clause 49, a 'Material non-listed Indian subsidiary' is an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

During the year, the Company does not have any material non-listed Indian subsidiary.

(vi) **Management:** Detailed report on Management Discussion and Analysis (MD & A) forms part of the Directors' Report.

## VI. MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc. to the Bombay Stock Exchange Limited ("BSE"), where the equity shares of the Company are listed. Such information is also simultaneously displayed immediately on the Company's website i.e. [www.dionglobal.com](http://www.dionglobal.com). The financial results-quarterly, half yearly and annual results and other statutory information are communicated to the shareholders by way of advertisement in an English newspaper and in a vernacular language newspaper viz. The Pioneer (English) and Veer Arjun (Hindi).

Official press releases are displayed on Company's website i.e. [www.dionglobal.com](http://www.dionglobal.com). Copies of the said disclosures and correspondences are also filed with the BSE.

The Company has designated an e-mail ID called [investorgrievances@dionglobal.com](mailto:investorgrievances@dionglobal.com) exclusively for redressal of shareholders' complaints / grievances. For any query, please write to us at the above e-mail Id.

## VII. GENERAL SHAREHOLDERS INFORMATION

### (i) Annual General Meeting

Date : September 20, 2011  
 Time : 11 A.M.  
 Venue : PHD Chamber of Commerce & Industry, PHD House, 4/2,  
 Siri Institutional Area, August Kranti Marg, New Delhi - 110016

### (ii) Directors

In terms of the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. Malvinder Mohan Singh, Dr. P. S. Joshi and Mr. Padam Bahl will retire by rotation at the ensuing Annual General Meeting and being eligible, offers themselves for re-appointment. The brief profile of the above named Directors seeking re-appointment is given below:

#### Mr. Malvinder Mohan Singh

##### Profile

Mr. Malvinder Mohan Singh, aged 38 years, is one of the promoter of our Company, graduated in Economics from St. Stephen's College, Delhi University and holds a master's degree in Business Administration from the Fuqua School of Business, Duke University, U.S.A. Mr. Malvinder Mohan Singh is Group Chairman of Fortis Healthcare, a leading healthcare player in India and the Asia Pacific and was former Chairman, CEO and Managing Director of Ranbaxy Laboratories Limited. Mr. Malvinder Mohan Singh is spearheading the creation of the first integrated pan Asian healthcare delivery model.

Mr. Malvinder Mohan Singh has significant business interests in the healthcare, financial services and insurance sectors. Mr. Malvinder Mohan Singh has interests in the financial services and insurance sectors through Religare Enterprises Limited, India's fastest growing, integrated financial services company with over 10,000 employees and a presence in 12 countries across Asia, Africa, Middle East, Europe and the Americas. He remains committed to building upon these businesses, using a strategic combination of organic growth and strategic acquisitions, to ensure a strong presence in the global arena.

He was the member of the Young Global Leaders Initiative of the World Economic Forum, in the first batch starting 2005, for a period of six years. He is a member of the Board of Visitors at the Fuqua School of Business (Duke University, USA) and the Board of the Indian Council for Research on International Economic Relations (ICRIER).

Mr. Malvinder Mohan Singh holds 531180 (1.21 % of the Paid up Share Capital) Equity Shares of the Company as on date.

#### Directorships in other Companies

##### ▶ Indian Public Companies

- Fortis Healthcare (India) Limited
- Escorts Heart Institute And Research Centre Ltd
- Oscar Investments Limited
- Super Religare Laboratories Limited
- Fortis Healthcare Holdings Limited
- Shimal Research Laboratories Ltd.
- Fortis Clinical Research Limited
- Religare Voyages Limited

##### ▶ Indian Private Companies

- RHC Holding Private Limited
- Malav Holdings Private Limited



- Luxury Farms Private Limited
- Chetak Pharmaceuticals Private Limited
- A-1 Book Company Private Limited
- Vistas Realtors Private Limited
- Vistas Complexes Private Limited
- RHC Finance Private Limited
- Maple Leaf Buildcon Private Limited

#### » Foreign Companies

- Fortis Healthcare International Pte. Limited
- Fortis Global Healthcare (Mauritius) Limited
- Fortis Asia Healthcare Pte. Ltd.
- Dental Corporation Holdings Limited
- RHC Holding Pte. Ltd.
- Fortis Healthcare Global Pte Ltd.
- Fortis Healthcare India Holdings Pte. Ltd
- Fortis Healthcare Singapore Pte. Ltd.
- The Lanka Hospitals Corporation PLC

#### Committee Memberships

##### I. Oscar Investments Limited

Member – Audit Committee

Member – Shareholders' /Investors' Grievance and Share Transfer Committee

Member – Nomination Committee

##### II. Fortis Healthcare (India) Limited

Member - Audit, Risk and Controls Committee

Member – Human Resources and Remuneration Committee

Chairman - Management Committee

Chairman – Committee under Clause 41 of the Listing Agreement

#### Dr. P. S. Joshi

##### Profile

Dr. P. S. Joshi, an eminent Cardiologist, holds an M.B.B.S. degree from Medical College, Amritsar and M.D. degree in Cardiology & General Medicine from Maulana Azad Medical College, Delhi. Dr. Joshi was awarded membership of Royal College of Physicians, UK in 1978. He is a Fellow American College of Cardiology, Fellow Royal College of Physicians (Edinburgh) and Fellow Cardiological Society of India. He has over 40 years of experience in medical profession in India and abroad. During his career in Clinical Medicine and Cardiology, he has held many positions of responsibility including Directorship and Head, Department of Medicine & Cardiology Divisions of Escorts Medical Centre (1981-84), Birla Centre for Medical Research, New Delhi (1984-85) and Maharaj Sawan Singh Charitable Hospital, Beas (1985 – till date).

Dr. P. S. Joshi does not hold any Equity Shares of the Company as on date.

#### Directorships in other Companies

##### » Indian Public Companies

- Fortis Healthcare (India) Limited
- Escorts Hospital And Research Centre Limited
- Escorts Heart And Super Speciality Hospital Limited
- Fortis Hospotel Limited
- Escorts Heart Centre Limited
- International Hospital Limited
- Escorts Heart Institute And Research Centre Limited
- Escorts Heart And Super Speciality Institute Limited
- Super Religare Laboratories Limited
- Oscar Investments Limited
- Religare Technologies Limited
- ANR Securities Limited
- Fortis Hospital Management Limited
- SRL Diagnostics Private Limited

- ▶ **Indian Private Companies**
  - A-1 Book Company Private Limited
  - Hospitalia Information Systems Private Limited

#### **Committee Memberships**

##### **I. Fortis Healthcare (India) Limited**

Chairman – Shareholders' /Investors' Grievance Committee

Chairman –Human Resources and Remuneration Committee

Member – Audit, Risk and Controls Committee

##### **II. Escorts Heart And Super Speciality Hospital Limited**

Member - Audit Committee

Member - Remuneration Committee

##### **III. Escorts Hospital And Research Centre Limited**

Member – Audit Committee

Member –Remuneration Committee

##### **IV. Fortis Hospotel Limited**

Chairman –Remuneration Committee

Member –Audit Committee

##### **V. International Hospital Limited**

Member – Audit Committee

##### **VI. Oscar Investments Limited**

Chairman – Audit Committee

Chairman – Shareholders' /Investors' Grievance Committee and Share Transfer Committee

Chairman – Nomination Committee

Member – Risk Management Committee

Chairman – Remuneration Committee

##### **VII. Religare Technologies Limited**

Member – Remuneration Committee

##### **VIII.Super Religare Laboratories Limited**

Member – Audit Committee

Member – Remuneration / Compensation Committee

Member – IPO Committee

Member – Investment & Borrowing Committee

##### **IX. SRL Diagnostics Private Limited**

Member – Remuneration Committee

#### **Mr. Padam Bahl**

##### **Profile**

Mr. Padam Bahl aged 59 years, is an Independent Director in our Company. Mr. Bahl holds a Bachelor's degree in Commerce from the Kurukshetra University and a Bachelor's degree in Law from Guru Nanak Dev University, Amritsar. He is a fellow member of the Institute of Chartered Accountants of India. He has also received a Diploma in Information System Audit from SSI, Amritsar.

Mr. Bahl has been practicing as a Chartered Accountant and an income tax advisor since 1979 and has more than 30 years of work experience. He was the Chairman of the Northern India Regional Council, Institute of Chartered Accountants of India, Amritsar Chapter for the year 1998-99 and was a member of the Income Tax Advisory Committee, Amritsar Chapter during the years 2002-03 and 2003-04.

Mr. Padam Bahl does not hold any Equity Shares of the Company as on date.

##### **Directorships in other Companies**

- ▶ **Indian Public Companies**
  - Religare Securities Limited
  - Religare Enterprises Limited
  - Religare Finvest Limited
  - Religare Insurance Broking Limited
  - Religare Commodities Limited

- Religare Venture Capital Limited
- Religare Arts Initiative Limited
- Religare Technologies Limited
- Religare Capital Markets Limited

► **Indian Private Companies**

- Verne Developers Private Limited

**Committee Memberships**

**I. Religare Enterprises Limited**

Chairman – Audit Committee

Chairman – Compensation / Remuneration / Nomination Committee

Chairman – Shareholders' and Investors' Grievance Committee

Member – Share Allotment Committee

Member – Committee under Clause 41 of the Listing Agreement

**II. Religare Finvest Limited**

Chairman – Audit Committee

**III. Religare Securities Limited**

Chairman – Audit Committee

Chairman – Remuneration / Compensation Committee

**IV. Religare Insurance Broking Limited**

Chairman - Remuneration Committee

**V. Religare Arts Initiative Limited**

Chairman - Remuneration Committee

Member – Audit Committee

**VI. Religare Capital Markets Limited**

Member-Remuneration / Compensation Committee

Member-Audit Committee

**VII. Religare Technologies Limited**

Member – Remuneration Committee

Member – Audit Committee

**VIII. Religare Venture Capital Limited**

Chairman-Audit Committee

Chairman-Remuneration Committee

(iii) **Financial Calendar (Tentative)**

The financial year covers the period starting from 1st April and ending on 31st March.

**Adoption of Quarterly Results**

**For the Quarter ended**

June 30, 2011

September 30, 2011

December 31, 2011

March 31, 2012

**On or Before**

August 14, 2011 (Subject to Limited Review)

November 14, 2011 (Subject to Limited Review)

February 14, 2012 (Subject to Limited Review)

May 15, 2012 (Subject to Limited Review)

(iv) **Book Closure Period**

September 12, 2011 to September 20, 2011

(v) **Dividend payment date**

No dividend has been recommended for the financial year 2010-11.

(vi) **Listing**

Equity Shares of the Company are currently listed at the Bombay Stock Exchange Limited (BSE). Your Company has paid listing fee for the financial year 2010 – 2011 to the BSE.

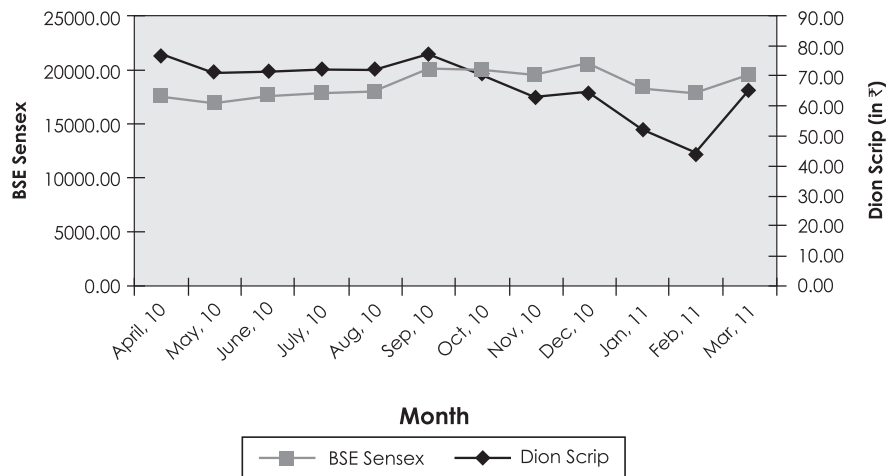
(vii) **Scrip Code** : 526927

**Scrip ID** : The Scrip ID of the Company at trading platform of BSE is "DION"

## (viii) Market Price Data: Bombay Stock Exchange

Month	High	Low
April '10	89.95	75.00
May '10	80.00	69.05
June '10	76.00	71.00
July '10	77.90	71.00
Aug '10	79.65	70.00
Sep '10	78.00	72.05
Oct '10	95.00	69.95
Nov '10	79.80	60.00
Dec '10	67.50	56.00
Jan '11	64.90	50.00
Feb '11	56.80	38.05
Mar '11	69.45	36.00

**Comparative Chart of Dion Global Solutions Limited Scrip with BSE Sensex**



## (ix) Registrar and Transfer Agent

M/s Karvy Computershare Private Limited  
 Plot No. 17 to 24, Vittal Rao Nagar, Madhapur, Hyderabad - 500081  
 Phone: 040 - 44655000, Fax: 040 - 23420814  
 Email: einward.ris@karvy.com

## (x) Share Transfer System

The Company's shares, being in compulsory Demat list, are transferable through the depository system. However, shares in the physical form are processed by the Registrar & Transfer Agent and approved by the Shareholders' /Investors' Grievance Committee. The share transfer process is reviewed by the said Committee.

The Company obtains half-yearly certificate of compliance related to share transfer formalities from a Company Secretary in Practice as required under Clause 47(c) of the Listing Agreement with Stock Exchange and files a copy of the Certificate with the Stock Exchange on or before the due date.

## (xi) Shareholding Pattern as on March 31, 2011

Category	No. of Shares held	Percentage of Shareholding (%)
Promoters and Promoter Group	28032462	63.90
Mutual Funds / UTI	Nil	0.00
Banks / Financial Institutions	Nil	0.00
FII's	2568000	5.85
Bodies Corporate	8040480	18.33
NRIs	454059	1.04
HUF / Trust	241104	0.55
Directors	528369	1.20
General Public	4002103	9.13
<b>Total</b>	<b>43866577</b>	<b>100.00</b>

## (xii) Distribution of Shareholding as on March 31, 2011:

Categories	No. of Shareholders	Percentage	No. of Shares held	Percentage
1-5000	19675	99.29	3107811	7.08
5001-10000	45	0.23	307760	0.70
10001-20000	26	0.13	347706	0.79
20001-30000	14	0.07	339276	0.77
30001-40000	8	0.04	275403	0.63
40001-50000	4	0.02	180178	0.41
50001-100000	15	0.08	996186	2.27
100001 and above	28	0.14	38312257	87.34
<b>Total</b>	<b>19815</b>	<b>100.00</b>	<b>43866577</b>	<b>100.00</b>

## (xiii) Dematerialization of shares and Liquidity

The Company's Equity Shares are in compulsorily demat segment and are available for trading in dematerialized form. To facilitate trading in demat form, there are two depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has entered into agreements with both of these depositories. Shareholders can open account with any of the Depository Participant registered with any of these two depositories. As on March 31, 2011, 43,012,474 Equity Shares (98.05% of the total number of shares) of the Company were held in dematerialized form.

The ISIN No. of the Company is INE991C01026 (with NSDL and CDSL)

## (xiv) Outstanding GDRs / ADRs / Warrants / ESOPs and Convertible instruments, conversion date and likely impact on equity

**Dion Global Employee Stock option Scheme 2011 (DGSL Scheme)**

With the objective of rewarding the key Employees for building up the value of the Company and for providing to the Employees a sense of ownership and participation in the Company and also to provide them with an opportunity to share in the gains of its business, the Company has implemented the DGSL Scheme for the Employees / Directors of the Company including the Employees/Directors of its Subsidiary Company(ies).

ESOS scheme	Outstanding Options	Remarks
DGSL Scheme	2315291	The Shareholders of the Company had approved the DGSL Scheme on March 18, 2011. Accordingly, 2315291 Stock Options were granted on March 23, 2011.
Particulars		Details
No. of Options as at beginning of the relevant financial year		Nil
Options granted		2315291
Exercise Period		Within a period of 4 years from the date of Vesting (being within 9 years, the maximum period for Exercise prescribed under the Scheme).
Exercise price of options		₹ 45/-
Total options vested (includes options exercised)		Nil

Particulars	Details			
Options exercised	Nil			
Total number of Equity Shares arising as a result of full exercise of options already granted	2315291			
Options forfeited/ lapsed/ cancelled	Nil			
Variations in terms of options	Nil			
Money realised by exercise of options (in ₹)	Nil			
Options outstanding (in force)	2315291			
Person wise details of options granted to				
i) Directors and Key Managerial Personnel	Name of employee	No. of options		
		Granted	Exercised	Outstanding
	Mr. Ralph James Horne - Global CEO & MD	438,500	-	438,500
	Mr. Pradeep Ratilal Raniga - Director	275,637	-	275,637
ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Name of employee	Total options granted-2315291		
		No. of options Granted	Percentage (%)	
	Joe Nash	298,606	12.90	
	Colin Camp	275,637	11.91	
	Rudi Pecker	275,637	11.91	
	Keith Bold	275,637	11.91	
iii) Identified employees who are granted options, during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant	Nil			
	Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard			
Vesting schedule	33% on expiry of 12 months from grant date 33% on expiry of 24 months from grant date 34% on expiry of 36 months from grant date			
Difference, if any, between employee compensation cost calculated using the intrinsic value of stock options and employee compensation cost calculated on the basis of fair value of stock options	For the year ended March 31, 2011, such difference was ₹ 1.47 million			
Impact on the profits of our Company and on the EPS arising due to difference in the accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)	For the year ended March 31, 2011, the loss of the Company will be excess by ₹ 1.47 million.  There was no impact on the EPS for the year ended March 31, 2011.			

Particulars	Details
Weighted average exercise price and weighted average fair value of options whose exercise price either equals or exceeds or is less than market price of the stock	Weighted average exercise price: ₹ 45 Weighted average fair value of options: i) Year I - ₹ 40.77 ii) Year II - ₹ 43.13 iii) Year III - ₹ 45.11
Method and significant assumptions used to estimate the fair value of options granted during the year:	
Method used	Black Scholes Option Pricing Method
Risk free interest rate	i) Year I - 7.99% ii) Year II - 7.96% iii) Year III - 7.94%
Expected Life	i) Year I - 5 Years ii) Year II - 6 Years iii) Year III - 7 Years
Expected Volatility	72.55%
Expected Dividends	Nil
Price of underlying shares in market at the time of Option grant	₹ 44.90

Other than the Stock Options granted as mentioned above, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares.

**(xv) Plant Locations**

Not Applicable

**(xvi) Code of Conduct**

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management of the Company and the same has been posted on the website of the Company i.e. [www.dionglobal.com](http://www.dionglobal.com).

All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct for the financial year ended March 31, 2011.

A declaration to this effect duly signed by Managing Director is annexed and forms part of this report

**(xvii) Address for Correspondence with the Company:**

**For Securities held in Physical form**

M/s Karvy Computershare Private Limited  
Plot No. 17 to 24, Vittal Rao Nagar,  
Madhapur, Hyderabad - 500081.  
Phone: 040 - 44655000  
Fax: 040 - 23420814  
E-mail: [einward.ris@karvy.com](mailto:einward.ris@karvy.com)

**For Securities held in Demat Form**

To the Investors' Depository Participant(s) and / or M/s Karvy Computershare Private Limited

**Any Query on Annual Report**

Mr. Tarun Rastogi  
AVP & Company Secretary  
GYS Global, Plot No. A-3 to A-5,  
Sector - 125, Noida - 201301  
E-mail : [investorgrievances@dionglobal.in](mailto:investorgrievances@dionglobal.in)

## Certificate & Declaration

### CEO / CFO CERTIFICATION

We, Ralph James Horne, Global CEO & Managing Director and Manish Sharma, Chief Finance Officer, of Dion Global Solutions Limited, hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2011 and that to the best of our knowledge and belief:
- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that –
- there has not been any significant changes in internal control over financial reporting during the year under reference;
  - there has not been any significant changes in accounting policies during the year under review except as mentioned below:

#### Depreciation

The rates of Depreciation have been increased in comparison to the previous year on all the additions made during the year.

- and
- there has not been any instances during the year of significant fraud of which we had become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : New Delhi  
Date : August 2, 2011

Sd/-  
**Ralph James Horne**  
Global CEO & Managing Director

Sd/-  
**Manish Sharma**  
Chief Finance Officer

### DECLARATION BY CEO & MANAGING DIRECTOR

This is to certify that the Company has laid down a Code of Conduct ("**the Code**") for all Board Members and Senior Management Personnel of the Company and a copy of the Code has been placed on the Company's website [www.dionglobal.com](http://www.dionglobal.com).

It is further certified that the Directors and Senior Management Personnel have affirmed their compliance with the Code for the year ended March 31, 2011.

Place : Melbourne  
Date : July 26, 2011

Sd/-  
**Ralph James Horne**  
Global CEO & Managing Director

### CERTIFICATE ON CORPORATE GOVERNANCE

To  
The Members,  
Dion Global Solutions Limited

I have examined the compliance of conditions of Corporate Governance by Dion Global Solutions Limited ("**the Company**") for the year ended 31st March, 2011 in terms of requirements of Clause 49 of the Listing Agreement of the said Company with Bombay Stock Exchange Limited.

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with, in all material respect, the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency and effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi  
Date : July 20, 2011

For **RB & Associates**  
**Company Secretaries in Practice**  
Sd/-  
**Rachna Batra**  
Proprietor  
FCS No. 5747, C.P. No. 8233



## Auditors' Report

To

The Shareholders:

We have audited the attached Balance Sheet of **DION GLOBAL SOLUTIONS LIMITED (Formerly RELIGARE TECHNOVA LIMITED)** as at 31st March, 2011 and also the annexed Profit and Loss Account and the Cash Flow Statement for the year ended on that date. 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.

1. 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 (as amended) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956 (the Act) we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
3. 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 it appears from our examination of those books.
- iii. The Balance Sheet and 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 and Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section 3(C) of Section 211 of the Act.
- v. Based on representations made by all the Directors of the Company to the Board and the information and explanations as made available to us by the Company, none of the Directors of the Company prima-facie have any disqualifications as referred to in clause (g) of sub-section (1) of Section 274 of the Act.
- 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 notes thereon give the information required by the Act 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 the affairs of the Company as at 31st March, 2011,
  - b) in the case of the Profit and Loss Account, of the Loss for the year ended on that date,  
and
  - c) in the case of Cash Flow Statement of the cash flows for the year ended on that date.

**For R.V.SHAH & CO.,**  
Chartered Accountants  
ICAI Registration No.109765W

**Sd/-**  
**(R.V.SHAH)**

Place : New Delhi  
Date : August 2, 2011

Proprietor  
Membership No.016097

## Annexure to Auditors' Report

**ANNEXURE REFERRED TO IN PARAGRAPH 2 OF OUR AUDITOR'S REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31st March, 2011 OF DION GLOBAL SOLUTIONS LIMITED (Formerly RELIGARE TECHNOVA LIMITED).**

On the basis of such checks as we considered appropriate and in terms of the information and Explanation given to us, we state that:

- i. a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- b) As explained to us, the fixed assets have been physically verified by the management in accordance with a phased programme of verification, which is in our opinion, is reasonable, considering the size and the nature of its business. No material discrepancies were noticed on such verifications.
- c) The Company has not disposed off any substantial part of its fixed assets so as to affect its going concern.
- ii. a) The Company used to trade in Shares and Securities, the balance of which is closing stock. The Stock has been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) The Company is maintaining proper records of physical stock of securities.
- iii. a) The Company has granted unsecured loan to a company covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year -end balance of such loan aggregates to ₹ 55 Lacs.
- b) In our opinion, the rate of interest and other terms and conditions of such loan are not prima facie prejudicial to the interest of the Company.
- c) In respect of the aforesaid loan, the party is repaying the principal amounts as stipulated and is also regular in payment of interest, as applicable.
- d) In respect of the aforesaid loan granted, there is no overdue amount more than Rupees One Lac.
- e) The Company has taken loans from four companies during the year. At the end of the financial year, the outstanding balance of such loans was ₹ 18,486 Lacs and the maximum amount

involved during the year was ₹ 37,996 Lacs.

- f) The rate of interest and other terms and conditions of such loans, in our opinion, prima facie are not prejudicial to the interest of the Company.
- g) The payments of principal amount and interest during the year have been regular as stipulated where applicable.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid control systems.
- v. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act that need to be entered in the register maintained under Section 301 of the Act have been so entered.
- b) Where the transactions (excluding loans reported under paragraph (iii) above) are in excess of ₹ 5,00,000 in respect of any party during the year, the transactions have been made at prices which are, prima facie, reasonable having regard to the prevailing market prices at the relevant time.
- vi. The Company has not accepted any deposits from the public.
- vii. In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities applicable to it.
- b) At the end of the financial year there were no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty and Cess, which have not been deposited on account of any dispute.

- ix. The Company has accumulated losses at the end of the financial year exceeding fifty percent of its net worth. The Company has incurred cash losses during the financial year and in the immediately preceding financial year.
- x. According to the records produced, the Company has not defaulted in repayment of its dues to any financial institution or bank or debenture holders during the year.
- xi. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xii. In our opinion, and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts as to dealings or trading in shares, securities, debentures and other investments and have been held by the Company in its own name, except to the extent of the exemption, if any, granted under Section 49 of the Act.
- xiii. In our opinion, and according to the information and explanations given to us, the terms and conditions of the guarantees given by the Company for loans taken by others from banks or financial institutions during the year are not prejudicial to the interest of the Company.
- xiv. According to the records of the Company, the Company has not obtained any term loans during the year.
- xv. On the basis of review of utilization of funds on an overall basis, in our opinion, the funds raised on short term basis have not been used for long term investment.
- xvi. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Act.
- xvii. The Company has not raised any money by public issues during the year.
- xviii. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the Company nor have we been informed by the management of any such instance being noticed or reported during the year.
- xix. Clauses (viii), (xiii) and (xix) of the aforesaid Order are not applicable to the Company.

**For R.V.SHAH & CO.,**  
Chartered Accountants  
ICAI Registration No.109765W

**Sd/-**  
**(R.V.SHAH)**

Place : New Delhi  
Date : August 2, 2011

Proprietor  
Membership No.016097

## Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	438,665,770	438,665,770
Reserves and Surplus	B	405,625,940	405,625,940
		<u>844,291,710</u>	<u>844,291,710</u>
<b>Loan Funds</b>			
Secured Loans	C	454,502,031	6,964,006
Unsecured Loans	D	1,414,600,000	1,019,800,000
<b>TOTAL</b>		<u>2,713,393,741</u>	<u>1,871,055,716</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	E	250,265,123	236,568,700
Less : Depreciation/Amortization		<u>164,778,832</u>	<u>141,926,515</u>
Net Block		85,486,291	94,642,185
Capital Work in Progress (including advances)		<u>2,144,090</u>	-
		<u>87,630,381</u>	<u>94,642,185</u>
<b>Investments</b>	F	1,687,718,656	1,689,039,879
<b>Current Assets, Loans and Advances</b>			
Stock in Trade	G	4,860,112	4,771,131
Sundry Debtors	H	191,362,722	115,119,463
Cash and Bank Balances	I	145,282,760	146,705,808
Other Current Assets	J	3,424,491	4,714,330
Loans and Advances	K	83,811,912	85,554,783
		<u>428,741,997</u>	<u>356,865,515</u>
<b>Less : Current Liabilities and Provisions</b>			
Liabilities	L	151,582,462	718,497,590
Provisions	M	7,959,276	7,967,097
		<u>159,541,738</u>	<u>726,464,687</u>
<b>Net Current Assets</b>		269,200,259	(369,599,172)
<b>Profit &amp; Loss Account</b>		668,844,445	456,972,824
<b>TOTAL</b>		<u>2,713,393,741</u>	<u>1,871,055,716</u>
<b>Notes on Accounts</b>	S		

As per our attached report of even date

On behalf of the Board of Directors

For R. V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No. 109765W

Sd/-  
Ralph James Horne  
Global CEO & Managing Director  
DIN : 03297973

Sd/-  
Maninder Singh Grewal  
Director  
DIN : 00648031

Sd/-  
(R. V. SHAH)  
Proprietor  
Membership No. 016097

Sd/-  
Tarun Rastogi  
Company Secretary

Place : New Delhi  
Date : August 2, 2011

## Profit and Loss Account for the year Ended March 31, 2011

	Schedule	Year Ended March 31, 2011 ₹	Year Ended March 31, 2010 ₹
<b>INCOME</b>			
Income from Operations	N	306,672,633	232,423,909
Other Income	O	35,691,400	175,025,055
Increase / (Decrease) in Stock - Shares & Securities		88,981	58,553
<b>TOTAL</b>		<b>342,453,014</b>	<b>407,507,517</b>
<b>EXPENDITURE</b>			
Personnel Expenses	P	216,267,652	172,622,796
Operating, Administrative and Other Expenses	Q	114,983,607	98,402,356
Interest and Finance Charges	R	197,204,183	160,519,023
Depreciation/Impairment of Assets		25,869,193	64,874,462
<b>TOTAL</b>		<b>554,324,635</b>	<b>496,418,637</b>
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>(211,871,621)</b>	<b>(88,911,120)</b>
- Current Tax		-	2,207,687
- MAT Credit		-	(2,207,687)
- Taxes for earlier years		-	1,440,000
<b>PROFIT / (LOSS) AFTER TAX</b>		<b>(211,871,621)</b>	<b>(90,351,120)</b>
Balance brought forward		(456,972,824)	(397,178,842)
Arising on Merger		-	30,557,138
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>(668,844,445)</b>	<b>(456,972,824)</b>
Basic and Diluted Earnings per Equity Share of ₹ 10/- each (Refer Note 2 (I) of Schedule 'S')		<b>(4.83)</b>	<b>(2.06)</b>
<b>Notes on Accounts</b>	S		

As per our attached report of even date

On behalf of the Board of Directors

For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.109765W

Sd/-  
**Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

Sd/-  
**Maninder Singh Grewal**  
Director  
DIN : 00648031

Sd/-  
**(R. V. SHAH)**  
Proprietor  
Membership No. 016097

Sd/-  
**Tarun Rastogi**  
Company Secretary

Place : New Delhi  
Date : August 2, 2011

## Cash Flow Statement annexed to and forming part of Balance Sheet as at March 31, 2011

(₹ in Lacs)

	March 31, 2011	March 31, 2010
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	(2,118.72)	(889.11)
<b>Adjustments for:</b>		
<b>+Non fund items / losses</b>		
Depreciation	258.69	648.74
Profit / (Loss) on Sale of Fixed Assets	1.26	15.32
Provision for Gratuity and Leave Encashment	(0.08)	19.46
Provision for Doubtful Debts and Bad Debts	144.52	89.63
Provision for Doubtful Advances	36.00	-
<b>-Non trading incomes/expenses</b>		
Interest Income	(0.37)	(387.10)
Interest & Finance Charges	1,953.75	1,593.94
Dividend income received from Investment activities	(1.88)	(1.59)
Profit on Sale of Mutual Fund units	(3.40)	-
ESOP/Balances Written Back	10.18	(5.16)
<b>Operating Profit before working capital changes</b>	<b>279.95</b>	<b>1,084.13</b>
Adjustments for changes in Working Capital:		
(Increase) / Decrease in Stock in Trade	(0.89)	(0.59)
(Increase) / Decrease in Sundry Debtors	(906.95)	(116.56)
(Increase) / Decrease in other Current Assets	12.90	(587.33)
(Increase) / Decrease in Loans and Advances	17.43	(329.43)
Increase / (Decrease) in Current Liabilities (other than Interest Payable)	60.04	6,115.05
Increase / (Decrease) in Provisions (other than gratuity and leave encashment)	(1.00)	(1.00)
<b>Cash Generated from Operating Activities</b>	<b>(538.52)</b>	<b>6,164.28</b>
Tax Paid	-	(14.40)
<b>Net Cash from Operating Activities (A)</b>	<b>(538.52)</b>	<b>6,149.88</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets	(189.95)	(279.26)
Sale of fixed Assets	21.56	6.41
Investments in Subsidiaries	13.21	(5.00)
Advances for Purchase of Fixed Assets	(21.44)	66.64
Purchase of Current Investments	(1.88)	(0.32)
Loan (to) / Reimbursement from Subsidiary	-	(4,920.98)
Loan (to) / Reimbursement from Associate	(55.00)	-
Interest Received	0.37	387.10
Sale of Current Investments	15.09	10.00
Dividend income received from investment activities	1.88	1.59
<b>Net Cash from Investing Activities (B)</b>	<b>(216.16)</b>	<b>(4,733.82)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue Share Equity Share Capital	-	-
Receipts / (Repayment) of Secured Loans (net)	(1,386.53)	(21.03)
Receipts / (Repayment) of Unsecured Loans (net)	3,948.00	(286.97)
Interest Paid	(1,821.01)	(1,528.11)
<b>Net Cash from Financing Activities (C)</b>	<b>740.46</b>	<b>(1,836.10)</b>
<b>Net Increase in cash and cash equivalents (A+B+C)</b>	<b>(14.22)</b>	<b>(420.04)</b>
<b>Cash and Cash equivalents as at the beginning of the Year</b>	<b>1,467.06</b>	<b>84.01</b>
<b>Adjustments on Merger</b>	<b>-</b>	<b>1,803.09</b>
<b>Cash and Cash equivalents as at the Year Ended 31st March, 2011</b>	<b>1,452.83</b>	<b>1,467.06</b>
Cash and cash equivalents comprise of :-		
-Cash and cheques in hand	0.70	0.79
-Balance with scheduled banks	1,452.13	1,466.27
<b>Total</b>	<b>1,452.83</b>	<b>1,467.06</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Fixed Deposits with Scheduled Banks include ₹ 1373.00 lacs (Previous year ₹ 1326.00 lacs) under lien in favour of banks as margin deposit for the guarantee issued on behalf of the Company and ₹ 3.25 lacs (Previous year ₹ 3.25 lacs) with various state VAT/Sales Tax authorities.
- Figures in bracket indicate cash outgo.
- Previous Year Figures have been regrouped/recasted to make the same comparable with those of current year.

As per our attached report of even date

**For R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.109765W

**Sd/-**  
**(R. V. SHAH)**  
Proprietor  
Membership No. 016097

Place : New Delhi  
Date : August 2, 2011

On behalf of the Board of Directors

**Sd/-**  
**Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

**Sd/-**  
**Tarun Rastogi**  
Company Secretary

**Sd/-**  
**Maninder Singh Grewal**  
Director  
DIN : 00648031

## Schedules forming part of the Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'A' : SHARE CAPITAL</b>		
<b>Authorised</b>		
5,95,00,000 (Previous year 7,45,00,000) Equity Shares of ₹ 10/- each	595,000,000	745,000,000
1,50,00,000 (Previous year NIL) Preference Shares of ₹ 10/- each	150,000,000	-
	<u>745,000,000</u>	<u>745,000,000</u>
<b>Issued, Subscribed and Paid-up</b>		
3,23,17,850 (Previous year 3,23,17,850 (As Reduced)) Equity Shares of ₹ 10/- each fully paid up	323,178,500	323,178,500
*1,15,48,727 (Previous year 1,15,48,727) Equity Shares of ₹ 10/- each	115,487,270	115,487,270
	<u>438,665,770</u>	<u>438,665,770</u>
*Shares issued pursuant to a Scheme of Arrangement (as sanctioned by The Hon'ble High Court of Delhi vide its Order dated July 28, 2010) without payment being received in cash and includes 82,23,684 Equity Shares issued to Religare Technova Investment Shares Trust (sole beneficiary of which is Dion Global Solutions Limited)		
<b>SCHEDULE 'B' : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	7,500,000	229,177
Add: Transferred as per Scheme of Arrangement	-	7,500,000
Less: Adjustment as per Scheme of Arrangement	-	(229,177)
	<u>7,500,000</u>	<u>7,500,000</u>
<b>Amalgamation Reserve Account</b>		
Balance as per last Balance Sheet	130,000,000	-
Add: Transferred as per Scheme of Arrangement	-	130,000,000
	<u>130,000,000</u>	<u>130,000,000</u>
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	268,125,940	61,880,547
Add: Transferred as per Scheme of Arrangement	-	206,245,393
	<u>268,125,940</u>	<u>268,125,940</u>
	<u>405,625,940</u>	<u>405,625,940</u>
<b>SCHEDULE 'C' : SECURED LOANS</b>		
Finance Lease (Secured by hypothecation of assets taken on finance lease)	4,502,031	6,964,006
Corporate Loan (Short Term) (Secured by hypothecation of present and future movable assets of the company by way of floating first charge on such hypothecated assets)	450,000,000	-
	<u>454,502,031</u>	<u>6,964,006</u>
<b>SCHEDULE 'D' : UNSECURED LOANS</b>		
Inter Corporate Deposits	1,414,600,000	1,019,800,000
	<u>1,414,600,000</u>	<u>1,019,800,000</u>

## Schedules forming part of the Balance Sheet as at March 31, 2011

### SCHEDULE "E" : FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	AS AT 01.04.2010 ₹	ADDITIONS ₹	DELETIONS ₹	AS AT 31.03.2011 ₹	AS AT 01.04.2010 ₹	FOR THE PERIOD ₹	DELETIONS ₹	AS AT 31.03.2011 ₹	AS AT 31.03.2010 ₹
<b>Tangible Assets</b>									
Leasehold Improvements	14,143,722	-	421,000	13,722,722	7,440,399	2,785,708	374,728	3,871,343	6,703,323
Furniture and Fixtures	19,847,603	33,908	155,820	19,725,691	17,138,994	1,125,065	56,891	1,518,523	2,708,609
Vehicles	12,686,839	177,269	3,304,866	9,559,242	2,589,517	1,063,007	2,005,380	7,912,099	10,097,321
Land	12,093,180	-	-	12,093,180	-	-	-	12,093,180	12,093,180
Computers & Peripherals	20,167,455	3,832,394	582,967	23,416,882	10,510,920	3,200,767	318,450	10,023,645	9,656,535
Computer Networking & Equipments	17,926,709	1,569,314	6,450	19,489,573	9,050,918	2,290,501	2,727	8,150,881	8,875,791
Office Equipments	20,012,498	654,128	414,625	20,252,001	10,612,220	890,918	74,396	8,823,260	9,400,278
Assets under Finance Lease									
- Plant & Machinery	10,000,000	-	-	10,000,000	3,534,247	2,500,000	-	3,965,753	6,465,753
<b>Intangible Assets</b>									
Purchased Softwares	34,134,754	12,727,595	412,457	46,449,892	13,971,355	8,186,777	184,304	24,476,064	20,163,399
Internally Developed Softwares (Refer note below)	75,555,939	-	-	75,555,939	67,077,946	3,826,450	-	4,651,543	8,477,994
<b>Total</b>	<b>236,568,700</b>	<b>18,994,608</b>	<b>5,298,185</b>	<b>250,265,123</b>	<b>141,926,515</b>	<b>25,869,193</b>	<b>3,016,876</b>	<b>85,486,291</b>	<b>94,642,185</b>
2010	212,733,092	27,331,506	3,495,898	236,568,700	94,176,062	49,668,072	1,917,619	94,642,185	30,385,128
Capital Work in Progress including Capital Advance paid during the year is ₹ 21,44,090 (2010 : ₹ 27,06,393)								2,144,090	15,206,393
Impairment Loss								-	15,206,393
								87,630,381	94,642,185

Note : The Company has regrouped assets during the year.



## Schedules forming part of the Balance Sheet as at March 31, 2011

	As at March 31, 2011		As at March 31, 2010	
	Nos	₹	Nos	₹
<b>SCHEDULE 'F' : INVESTMENTS (AT COST/BOOK VALUE)</b>				
<b>LONG TERM - NON TRADE</b>				
<b>I Equity Shares :</b>				
(F.V. ₹ 10/- each fully paid up unless- -otherwise stated)				
<b>Unquoted</b>				
<b>In Subsidiaries :</b>				
Regius Overseas Holding Company Ltd.				
Equity shares of AUD 1/- each	8,765,001	337,435,531	8,765,001	337,435,531
0% Optionally Convertible Redeemable Preference Shares of AUD 1/- each	18,573,805	798,400,557	18,573,805	798,400,557
Oliverays Innovations Ltd.	50,000	3	50,000	3
	(a)	<u>1,135,836,091</u>		<u>1,135,836,091</u>
<b>Others</b>				
Bharat Margarine Ltd.	3,229,500	54,901,500	3,229,500	54,901,500
Reliance Bulk Drugs and Formulations Ltd.	400,000	6,800,000	400,000	6,800,000
Shree Vaishnavi Dyeing Ltd.	420,000	220,000	420,000	220,000
Inter-Connected Stock Exchange of India Ltd. (F.V. ₹ 1/- each)	62,164	15,541,000	62,164	15,541,000
Religare Technologies Ltd.	50,000	500,000	50,000	500,000
Cochin Stock Exchange (F.V. of ₹ 50/- each)	10,365	518,250	10,365	518,250
		<u>78,480,750</u>		<u>78,480,750</u>
Provision for Diminution in the Value of Investments		<u>22,606,500</u>		<u>22,606,500</u>
	(b)	<u>55,874,250</u>		<u>55,874,250</u>
	(a)+(b)	<u>1,191,710,341</u>		<u>1,191,710,341</u>
<b>II INTEREST IN BENEFICIARY TRUST</b>				
Religare Technova Investment Shares Trust		<u>496,008,315</u>		<u>496,008,315</u>
		<u>496,008,315</u>		<u>496,008,315</u>
<b>CURRENT INVESTMENT - NON TRADE</b>				
<b>Unquoted</b>				
Canbank Mutual Fund Units :				
NLFG Canara Robeco Liquid Fund - Growth	-	-	19,504	257,651
NFSG Canara Robeco Floating Rate Short Term Growth Fund	-	-	81,905	1,000,000
Religare Ultra Short Term Fund-Institutional Daily Dividend	-	-	6,347	63,572
		<u>-</u>		<u>1,321,223</u>
<b>Total</b>		<u>1,687,718,656</u>		<u>1,689,039,879</u>
Market Value of Quoted Investments		-		-
Book Value of Quoted Investments		-		-
Book Value of Unquoted Investments (Net of provision)		<u>1,687,718,656</u>		<u>1,689,039,879</u>

## Schedules forming part of the Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'G' : STOCK IN TRADE</b>		
Shares & Securities	4,860,112	4,771,131
	<u>4,860,112</u>	<u>4,771,131</u>
<b>SCHEDULE 'H' : SUNDRY DEBTORS</b>		
(Unsecured and considered good unless stated otherwise)		
- Debts outstanding for a period exceeding six months		
- Considered good	49,607,339	10,767,254
- Considered doubtful	10,109,148	6,548,839
- Other debts		
- Considered good	138,751,440	102,136,434
- Unbilled Revenue	3,003,943	2,215,775
Less: Provision for doubtful debts	10,109,148	6,548,839
	<u>191,362,722</u>	<u>115,119,463</u>
<b>SCHEDULE 'I' : CASH AND BANK BALANCES</b>		
Cash in Hand	69,554	78,770
Balances With Scheduled Banks		
- Fixed Deposit Accounts	138,914,079	135,976,194
(Refer Note 2 (b) of Schedule 'S' )		
- Current Accounts	6,299,127	10,650,844
	<u>145,282,760</u>	<u>146,705,808</u>
<b>SCHEDULE 'J' : OTHER CURRENT ASSETS</b>		
Unsecured - considered good		
Interest accrued but not due on fixed deposits with banks	1,932,629	1,592,022
Prepaid expenses	1,491,862	3,122,308
	<u>3,424,491</u>	<u>4,714,330</u>
<b>SCHEDULE 'K' : LOANS AND ADVANCES</b>		
Unsecured - considered good :		
Advances recoverable in cash or in kind or for value to be received	-	7,347,413
Advance Payment of Taxes / Tax Deducted at Source (Net of Provisions)	53,771,685	47,454,992
Balance with Service, Excise, CST & VAT Authorities	6,145,182	7,133,830
Staff Loans / Advances	2,779,421	2,249,517
Security Deposits	13,016,174	5,913,914
Advance paid to vendors	2,566,009	11,855,117
Inter Corporate Loan	5,500,000	-
Interest receivable on loan	33,441	-
Unsecured - considered doubtful :		
Advances recoverable in cash or in kind or for value to be received	3,000,000	3,000,000
Security Deposit	600,000	600,000
Less: Provision for doubtful advances and Security Deposit	3,600,000	-
	<u>83,811,912</u>	<u>85,554,783</u>

## Schedules forming part of the Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'L' : LIABILITIES</b>		
Sundry Creditors (Refer Note 2 (p) of Schedule 'S')		
- Due to Micro and Small Enterprises	-	-
- Due to Others (Net)	19,643,731	23,319,869
Advance Against Sale of Shares	-	840,000
Book Overdraft with Bank	-	586,191,201
Security Deposits	1,235,029	1,235,029
Interest accrued but not due	45,532,796	32,258,879
Other Liabilities	62,555,159	58,797,603
Advances from Customers	8,211,317	3,584,146
Unearned Revenue	14,404,430	12,270,863
	<u>151,582,462</u>	<u>718,497,590</u>
<b>SCHEDULE 'M' : PROVISIONS</b>		
Provision for Gratuity	6,444,711	6,550,034
Provision for Leave Encashment	1,514,565	1,417,063
	<u>7,959,276</u>	<u>7,967,097</u>

## Schedules forming part of the Profit and Loss Account for the year ended March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'N' : INCOME FROM OPERATIONS</b>		
Software Development	229,468,780	158,525,012
License Fees	45,691,481	37,800,714
Service charges	19,109,529	35,002,023
Subscription / Data Content Feed	12,402,843	1,096,160
	<u>306,672,633</u>	<u>232,423,909</u>
<b>SCHEDULE 'O' : OTHER INCOME</b>		
Dividend Income	187,676	159,053
Income from Mutual Funds	340,394	-
Bad Debts Recovered	5,506,266	8,045,000
Interest Income :		
- Banks (TDS ₹ 6,95,502)	7,893,406	11,471,304
- Corporate Loans	37,151	38,710,347
- Staff Loan	79,323	236,129
Miscellaneous Income	10,837,498	2,309,247
Reversal of Provisions	-	100,000
Balances Written Back	1,017,572	4,285,520
Exchange Fluctuation (Net)	9,792,114	109,708,455
	<u>35,691,400</u>	<u>175,025,055</u>
<b>SCHEDULE 'P' : PERSONNEL EXPENSES</b>		
Salaries, Bonus and Allowances	205,874,955	163,896,984
Employer's Contribution to Welfare Funds	4,590,750	2,364,030
Gratuity	83,879	2,602,064
Leave Encashment	739,648	235,178
Staff Welfare and Training Expenses	1,707,644	1,111,752
Insurance	3,270,776	2,412,788
	<u>216,267,652</u>	<u>172,622,796</u>

## Schedules forming part of the Profit and Loss Account for the year ended March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'Q' : OPERATING , ADMINISTRATIVE AND OTHER EXPENSES</b>		
Rent, Rates and Taxes	26,993,848	29,852,682
Customer Support Expenses	-	918,693
Membership, Subscription and Empanelment Fees	3,737,807	2,031,993
IT Service Charges	-	5,000,000
Database Maintenance Expenses	114,674	1,193,109
Repairs and Maintenance		
- Buildings	276,469	1,434,197
- Plant and Machinery	954,887	1,717,204
- Others	6,044,450	1,655,855
Electricity & Water Expenses	3,751,733	998,377
Travelling and Conveyance	19,729,536	15,442,455
Printing and stationery	1,363,058	1,136,486
Advertisement and Sales Promotion	4,077,566	2,583,870
Insurance	630,254	377,373
Legal and Professional Charges	13,493,232	14,208,011
Loss on Sale of Fixed Assets	125,575	1,532,242
Auditors' Remuneration		
- Audit	120,000	110,000
- Tax Audit	40,000	40,000
- Certification	60,000	45,250
- Others	16,654	4,000
Postage & Telephones	5,776,107	6,310,126
Donations	10,000	-
Provision for Doubtful Debts and Bad Debts	14,451,931	8,962,639
Provision for Doubtful Advances	3,600,000	-
Miscellaneous & Other Operating expenses	9,615,826	2,847,794
	<u>114,983,607</u>	<u>98,402,356</u>
<b>SCHEDULE 'R' : INTEREST AND FINANCE CHARGES</b>		
Interest :		
- Public Deposits	-	1,045,147
- Corporate Loans	195,375,367	158,348,957
- Others	932,811	112,858
Bank Charges	896,005	1,012,061
	<u>197,204,183</u>	<u>160,519,023</u>

## Schedule Annexed to and forming part of the Balance Sheet as at March 31, 2011 and Profit and Loss account for the year ended March 31, 2011

### SCHEDULE 'S': SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the applicable Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

##### b) USE OF ESTIMATES

The presentation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

##### c) REVENUE RECOGNITION

1. Revenue from fixed price service contracts is recognized in proportion to the degree of completion of service by reference to and based on milestones/acts performed as specified in the contracts and in case of time and material service contracts, it is recognized on the basis of hours completed and material used.
2. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license.
3. Subscription revenue from data base products is recognized proportionately over the period of subscription.
4. Revenue from annual maintenance contracts is recognized proportionately over the period in which services are rendered.
5. Revenue from Software Consultancy and Support Services is recognized based on proportionate completion method as per specific agreements with the customers.

6. Dividend Income is accounted for as income when the right to receive dividend is established.
7. Interest and other dues are accounted on accrual basis.
8. Revenue excludes Value added tax/sales tax and service tax.
9. Revenue in excess of billings on service contracts is recorded as unbilled receivables and is included in trade accounts receivable. Billings in excess of revenue that is recognized on service contracts are recorded as deferred revenue until the above revenue recognition criteria are met and are included in current liabilities.

##### d) FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation. Cost includes duties, taxes and other expenses incidental to development / acquisition and installation. In respect of internally developed software, costs include development costs directly attributable to the design and development of software.

##### e) BORROWING COSTS

Borrowing costs incurred for the acquisition of qualifying assets are recognized as part of cost of such assets when it is considered probable that they will result in future economic benefits to the Company. While other borrowing costs are expensed in the period in which they are incurred.

##### f) STOCK IN TRADE

Stock in trades are valued at lower of Cost or Realizable Value.

##### g) INTANGIBLE ASSETS

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at their acquisition cost.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

##### h) DEPRECIATION/AMORTIZATION

Depreciation on fixed assets (other than Intangible) is provided on straight line method as per the following rates:

Class of Assets	Put to use up to March 31st 2010	Put to use after March 31st 2010	
	Depreciation Rate (%)	Depreciation Rate (%)	Estimated Useful Life of the assets
Office Equipments	4.75	20 / 33.33	5 / 3 years
Vehicles	9.5	9.5	10.5 years
Computer Networking & Equipments	16.21	20 / 25	5 / 4 years
Computer & Peripherals	16.21	33.33	3 years
Furniture & Fixtures	6.33	10	10 years

Leasehold improvements are amortized over the lease period or 6 years whichever is earlier. In respect of assets acquired / sold during the year, depreciation is charged on pro-rata basis.

Intangible assets are amortized over a period of three to six years on a straight-line basis, commencing from the date the asset is available to the company for its use.

Fixed assets individually costing up to ₹ 5,000 are depreciated at the rate of 100% on purchase.

#### i) FOREIGN CURRENCY TRANSACTIONS

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rate. Exchange differences resulting from the settlement of such transactions and from the restatement of such monetary assets and liabilities are recognized in the Profit and Loss Account.

#### j) INVESTMENTS

Long-term investments are valued at cost. Cost includes incidental charges incurred towards acquisition of such investments. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than temporary in nature. Current investments are valued at lower of cost and fair value.

#### k) STOCK BASED COMPENSATION

The Stock Options granted by the Company are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999 and the guidance note on Accounting for Stock Options issued by the Institute of Chartered Accountants of India, whereby the intrinsic value of the Options are recognized as deferred employee compensation. The deferred employee compensation is charged to Profit and Loss Account on a straight line basis over the vesting period of Options.

#### l) EMPLOYEE BENEFITS

1. Provident fund is a defined contribution scheme and the contributions as required by the statute are charged to profit and loss account as incurred.
2. Gratuity liability is a defined obligation and is wholly unfunded. The company accounts for liability for future gratuity benefits based on an actuarial valuation.
3. The employees of the company are entitled to compensated absences and leave encashment as per the policy of the company, the liability in respect of which is provided, based on an actuarial valuation.
4. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions and are recognized immediately in the profit and loss account as income or expenses.
5. The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by an employee is recognized

during the period when the employee renders the services.

#### m) TAXES ON INCOME

Current tax is determined on the basis of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, except for unabsorbed depreciation and carry forward of losses under the tax laws where deferred tax assets are recognized only to the extent that there is virtual certainty, supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### n) PROVISIONS AND CONTINGENT LIABILITIES

A Provision is recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty is treated as contingent and to the extent not provided for are disclosed by way of notes to the accounts.

#### o) IMPAIRMENT OF ASSETS

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds the recoverable amount. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

#### p) ACCOUNTING FOR LEASES

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired under leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis.

## 2. NOTES TO ACCOUNTS

### a) CONTINGENT LIABILITIES

- i. M/s Jyoti Portfolios Limited (JPL) has filed a suit (being CS no.783/09) before the Senior Civil Judge, South District, New Delhi against RTGSL, which has now been merged with Dion Global Solutions Limited (DION). JPL has alleged that in pursuant to purchase order of software namely "IPO Anywhere" to RTGSL, for price of ₹ 2.5 Lacs followed by part payment of sum of ₹ 1.25 Lacs, RTGSL did not install and activate the same at the agreed time. M/s Jyoti Portfolio has prayed for refund of advance sum paid of ₹ 1.25 Lacs along with interest at the rate 18% amounting to ₹ 0.34 Lac. The matter is currently pending.
- ii. Deal Depot Equities (DDE), has filed a summary suit in the High Court of Bombay (Original Civil Jurisdiction) (summary suit no. 612 of 2010) against RTGSL, which has now been merged with DION. DDE has alleged that in pursuant to purchase order of software namely "Trade Anywhere" to RTGSL, the same was followed by part payment of sum of ₹ 6.75 Lacs RTGSL did not install and activate the same. DDE has prayed for refund of advance sum paid of ₹ 6.75 Lacs along with interest at the rate 6%. The matter is currently pending.
- iii. The Company has a Contingent Liability of a total sum of ₹ 51.64 lacs (Previous Year ₹ 51.64 lacs) for matters related to Interest Tax.
- iv. Unimetal Ispat Limited had filed a suit (being M.S. No. 13/1997) against DION, before the Civil Judge (Senior Division) at Alipore, raising an aggregate claim of ₹ 11 Lacs, in which a decree was granted by the Civil Judge (Senior Division) at Alipore. DION has filed an appeal in this matter in the High Court of Kolkata. The matter is currently pending.
- v. Mr. Shantaram Laxman Chauhan has filed a criminal case (No. 47/1995) against the Branch Manager, "Empire Finance Co. Limited" (which subsequently merged with DION) and another before the Court of the Judicial Magistrate First Class at Lashkar, Pune. The complainant has alleged that he has been cheated of ₹ 1 Lac by the accused with common intention and in conspiracy. The matter is currently pending.  
Future cash outflow(s) in respect of above are determinable only on receipt of judgments/decisions pending with various authorities.
- vi. There is bank guarantee in the form of letter of credit total amounting ₹ 1362 Lacs for facilitating working capital to its subsidiary company named Dion Global Solutions Pty Ltd.
- vii. The Company had filed appeal before Commissioner of Income Tax (Appeals) ["CIT(Appeals)"] - XIII, New Delhi for the assessment year 2004-05 on December 23, 2009 against the order of Assistant Commissioner of Income Tax - Circle-11(1), New Delhi passed on October 9, 2009

under section 143(3)/section 147 of the Income Tax Act, 1961 ("the Act") wherein business losses of the Company for the subject Assessment year have been reduced by ₹ 29.38 Lacs. The captioned proceedings are still pending before the CIT(Appeals) for disposal.

- viii. The Income Tax Assessment of the Company for the assessment year 2008-09 has been completed by the Assistant Commissioner of Income Tax, Circle-15 (1), New Delhi under section 143(3) of the Act. Consequential to certain disallowances made in the assessment order, a demand of ₹ 125.39 Lacs has been raised on the Company. The Assessing Officer ('AO') has also initiated penalty proceedings under Section 271(1) (c) of the Act against the Company.  
The Company has filed an appeal with Commissioner of Income Tax (Appeals), XVIII New Delhi against the said assessment order. In reply to the notice for initiation of penalty proceedings, the Company has filed a letter with the AO requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT (Appeals).
- ix. The Company has received orders dated 30 Mar-11 passed by Assessing Officer, TDS Ward 51 (2) u/s 201(1)/201(1A) of the Act for financial years 2007-08 and 2008-09, wherein demand amounting to ₹ 1.87 Lac and ₹ 3.59 Lac was raised on the Company on account of TDS not deducted/TDS deducted but not paid by the Company. The said demand was primarily on account of mismatch in the online database of tax department with the returns/ challans filed by the Company.  
The Company has preferred an appeal against the same to CIT (Appeals)-XXX and the same is pending for disposal.
- x. The Income Tax assessment of Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) for the assessment year 2007-08 was completed by the Assistant Commissioner of Income Tax-2(1), Mumbai under section 143(3) of the Act vide order dated December 29, 2009. Consequential to certain disallowances made during the assessment, the AO has raised a demand of ₹ 85.34 Lacs on the Company. The AO has also initiated penalty proceedings under section 271(1) (c) of the Act against the Company.  
The Company has filed an appeal with Commissioner of Income Tax (Appeals)-IV, Mumbai against the said order. The Company has also filed a rectification application u/s 154 of the Act before the AO to rectify the mistakes apparent from the order. After giving effect of the application, the impugned demand will be reduced to ₹ 45.40 Lacs. In reply to initiation of penalty proceedings, the Company has filed a letter with the department requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT (Appeals).
- xi. Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) has received a show cause notice from Commissioner of Service Tax, Div-II, Gr. XII, Bangalore for the period March 1, 2006 to May 15, 2008 alleging non-



payment of service tax of ₹ 354.54 Lacs. The company is in the process of filing a suitable reply against the said notice.

- xii. Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) has received a demand of ₹ 75.21 Lacs from Assistant Commissioner of Commercial Taxes, (Recovery-22), Bangalore for nonpayment of VAT/CST liability for the months of February 06, March 06, April 06 and December 06 vide order dated March 10, 2011. The company has preferred an appeal before Joint Commissioner of Commercial Taxes (Appeal-2), Bangalore against the said order.
- b) Fixed Deposits with Scheduled Banks include ₹ 11.00 lacs (Previous year ₹ 11.00 lacs) under lien in favor of banks as margin deposit for the guarantee issued on behalf of the Company referred to in 2 (a)(iii) above, fixed deposits of ₹ 1362 lacs (Previous year ₹ 1315 lacs) are under lien referred to in 2 (a) (vi) above and ₹ 3.25 lacs (Previous year ₹ 3.25 lacs) with various state VAT/Sales Tax authorities.
- c) Remuneration under Section 198 of the Companies Act 1956 (included under Schedule 'P'):

Details of Remuneration paid / payable to Mr. M.S.Grewal as Managing Director during the financial year 2010-11 is as below:

(₹ In lacs)

Particulars	2011	2010
Salary & Allowances	15.70	30.47
Perquisites	5.24	10.30
Contribution to PF & other funds	1.26	2.40
Provision for gratuity	0.51	1.01
<b>Total</b>	<b>22.71</b>	<b>44.18</b>

*Note : Mr. M.S. Grewal resigned as Managing Director with effect from October 15, 2010 but continue as Director of the Company.*

- d) The Company shares certain costs/ service charges with other companies in the group. These costs have been allocated between the companies on the basis mutually agreed upon, which has been relied upon by the auditors.
- e) Finance Leases:

The company had taken Computer Server under a finance lease. The Minimum Lease Payment (MLP) and Present Value (PV) are as follows

(Amount in ₹)

Particulars	2011		2010	
	Minimum Lease Payment	PV of the Minimum Lease Payment	Minimum Lease Payment	PV of the Minimum Lease Payment
Up to 1 Year	33,05,836	28,82,665	33,05,836	24,61,974
1 to 3 Years	49,58,754	45,03,744	49,58,754	45,03,744

- f) Operating Leases (Refer Schedule Q): (Amount in ₹)

Particulars	2011	2010
Rent [Including minimum lease payments: Nil (2010: Nil)]	2,67,87,662	2,82,25,161
The Company has entered into operating lease arrangements for office and residential premises. The lease periods range from 12 months to 5 years with options of renewal for further periods with increased rent. The operating leases are cancelable by the lessor or lessee with a notice period of up to 3 months.		

- g) The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act 1961 of India. Accordingly, keeping in view uncertainty of taxable income in the future, provision for deferred tax assets/ liabilities have not been recognized in the accounts.

- h) Auditor's Remuneration\*: (Amount in ₹)

Particulars	2011	2010
Audit fees	1,20,000	1,10,000
Tax Audit Fees	40,000	40,000
Certification	60,000	45,250
Others	16,654	4,000

\* Excluding Service Tax

i) **Stock Based Compensation:**

The Company instituted the Employee Stock Option Scheme titled "Dion Global Employee Stock Option Scheme 2011" with effect from March 23, 2011 duly approved by the Shareholders of the Company by means of Postal Ballot on March 18, 2011. Details of Stock Options granted under the Scheme are as under:

Grant Date	Number of Stock Options granted	Exercise Price	Vesting Period
March 23, 2011	23,15,291	₹ 45	33% on expiry of 12 Months from Grant Date 33% on expiry of 24 Months from Grant Date 34% on expiry of 36 Months from Grant Date

Each Option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 10/- each.

Particulars of options granted and lapsed under the scheme are as below:

Options Outstanding as at the start of the year	-
Options granted during the year	23,15,291
Options exercised during the year	-
Options Lapsed during the Year	-
Options outstanding as at the year end	23,15,291

j) **Segment Reporting:**1. **Primary Segment – Business Segments:**

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organization structure as well as the differential risks and returns of these segments.

Segment revenue and results figures include the respective amounts identifiable to each of the segments and also amounts allocated on a reasonable basis. Other unallocable expenditure includes expenses incurred on common services provided to the segments which are not directly identifiable to the individual segments as well as expenses incurred at a corporate level which relate to the Company as a whole. The business segment has been considered as the primary segment.

**Information about primary Business segments****(₹ in lacs)**

Particulars	Financial Business		Software Product/ Services		Unallocated		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
(i) Segment Revenue								
External Revenue	55.06	128.47	3,067.62	2,325.54	301.85	1621.07	3,424.53	4,075.08
Inter-Segmental Revenue	-	-	-	-	-	-	-	-
Total Revenue	55.06	128.47	3,067.62	2,325.54	301.85	1621.07	3,424.53	4,075.08
(ii) Segment Results								
Total Segment Results	14.26	94.93	(446.75)	608.21	(1,686.23)	(1592.26)	(2,118.72)	(889.11)
Unallocated Expenses (net)	-	-	-	-	-	-	-	-
Unallocated Interest expenses	-	-	-	-	-	-	-	-
Income Taxes (Current and Deferred Tax)	-	-	-	(14.40)	-	-	-	(14.40)
Profit after tax	14.26	94.93	(446.75)	593.81	(1,686.23)	(1592.26)	(2,118.72)	(903.51)
(iii) Segment Assets	48.60	283.50	4,537.75	4,096.23	-	-	4,586.35	4,379.73
Unallocated Corporate Assets	-	-	-	-	17,454.56	17,025.74	17,454.56	17,025.74
Total Assets	48.60	283.50	4,537.75	4,096.23	17,454.56	17,025.74	22,040.91	21,405.48
(iv) Segment Liabilities	-	-	2,826.51	1,050.30	-	-	2,826.51	1,050.30
Unallocated Corporate Liabilities	-	-	-	-	17,459.92	16,481.99	17,459.92	16,481.99
Total Liabilities	-	-	2,826.51	1,050.30	17,459.92	16,481.99	20,286.44	17,532.29
(v) Capital Expenditure	-	-	189.95	273.32	-	-	189.95	273.32
Unallocated Capital expenditure	-	-	-	-	-	-	-	-
Total Capital expenditure	-	-	189.95	273.32	-	-	189.95	273.32
(vi) Depreciation / Amortisation	-	14.91	233.69	623.09	-	-	233.69	638.00
Unallocated Depreciation amount	-	-	-	-	25.00	10.75	25.00	10.75
Total Depreciation	-	14.91	233.69	623.09	25.00	10.75	258.69	648.74
(vii) Non Cash Expenditure other than Depreciation	-	-	145.78	104.95	-	-	145.78	104.95
Unallocated Non cash expenditure	-	-	-	-	-	-	-	-
Total Non cash expenditure	-	-	145.78	104.95	-	-	145.78	104.95

## 2. Secondary Segment – Geographical Segments:

Revenue from geographical segment is based on location of its customers and total carrying amount of assets and total cost incurred during the period to acquire fixed assets is based on geographical locations of the assets.

(₹ in lacs)

Particulars	2011	2010
<b>Segment Revenue:</b>		
Within India	2,292.42	3,298.66
Outside India	1,132.11	776.41
<b>Total</b>	<b>3,424.53</b>	<b>4,075.08</b>
<b>Total Segment Assets:</b>		
Within India	22,040.91	21,405.48
Outside India	Nil	Nil
<b>Total</b>	<b>22,040.91</b>	<b>21,405.48</b>
<b>Cost incurred for acquiring segment assets during the year:</b>		
Within India	189.95	273.32
Outside India	Nil	Nil
<b>Total</b>	<b>189.95</b>	<b>273.32</b>

### k) Related Party Disclosures as required by Accounting Standard 18:

Nature of Relationship	Name of the Party
i) Subsidiary Companies	1 OliveRays Innovations Ltd. 2 Regius Overseas Holding Co. Ltd.
ii) Step Down Subsidiaries	1 Dion Global Solutions Pty. Ltd. 2 Dion Global Solutions (Australia) Pty Ltd. 3 Dion Global Solutions (Developments) Pty Ltd. 4 Dion Global Solutions (Asia Pacific) Pty Ltd. 5 Dion Global Solutions (NZ) Ltd. 6 Dion Global Solutions (HK) Ltd. 7 Dion Global Solutions (UK) Ltd. 8 Dion Global Solutions (MY) Sdn. Bhd. 9 Dion Global Solutions (Singapore) Pte. Ltd 10 Dion Global Solutions Vietnam Company Ltd.
iii) Individuals owning, directly or indirectly, an interest in voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual	1 Mr. Malvinder Mohan Singh 2 Mr. Shivinder Mohan Singh
iv) Key management personnel and relatives of such personnel	1 Mr.Ralph James Horne 2 Mr.Abhay Kumar Sinha
v) Enterprises over which any person described in (iii) or (iv) is able to exercise significant influence with whom transactions have taken place	1 Religare Technologies Ltd. 2 Luxury Farms Private Ltd. 3 RHC Holding Pvt. Ltd. 4 Oscar Investments Ltd. 5 Religare Enterprises Ltd. 6 Religare Finvest Ltd. 7 Religare Commodities Ltd. 8 REL Infrafacilities Ltd. 9 Religare Securities Ltd. 10 Religare Capital Markets Ltd. 11 Religare Arts Initiative Ltd. 12 Religare Insurance Broking Ltd. 13 Aegon Religare Life Insurance Company Ltd. 14 Religare Macquarie Wealth Management Ltd. 15 Religare Capital Markets Pty Ltd. 16 Religare Travels (India) Ltd. 17 Religare Wellness Ltd. 18 Super Religare Laboratories Ltd. 19 Religare Finance Ltd. 20 Religare Asset Management Company Ltd. 21 Religare Bullion Ltd. 22 Religare Infotech Pvt.Ltd.

Following Transaction have taken place during the year:-

(₹ in Lacs)

Nature of Transaction	Subsidiary Companies		Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
<b>Inter Corporate Deposits Received</b>										
Oscar Investments Ltd.	-	-	-	-	-	-	10,375.00	3,500.00	10,375.00	3,500.00
Luxury Farms Private Ltd.	-	-	-	-	-	-	430.00	1,795.00	430.00	1,795.00
RHC Holding Pvt. Ltd.	-	-	-	-	-	-	47,910.00	48,410.00	47,910.00	48,410.00
Religare Finvest Ltd.	-	-	-	-	-	-	64,360.00	53,809.00	64,360.00	53,809.00
<b>Total</b>	-	-	-	-	-	-	123,075.00	107,514.00	123,075.00	107,514.00
<b>Inter Corporate Deposits Repaid</b>										
Oscar Investments Ltd.	-	-	-	-	-	-	13,792.00	-	13,792.00	-
Luxury Farms Private Ltd.	-	-	-	-	-	-	435.00	827.00	435.00	827.00
RHC Holding Pvt. Ltd.	-	-	-	-	-	-	47,875.00	58,548.51	47,875.00	58,548.51
Religare Finvest Ltd.	-	-	-	-	-	-	52,550.00	48,249.50	52,550.00	48,249.50
<b>Total</b>	-	-	-	-	-	-	114,652.00	107,625.01	114,652.00	107,625.01
<b>Interest Paid</b>										
Oscar Investments Ltd.	-	-	-	-	-	-	374.36	0.77	374.36	0.77
Luxury Farms Private Ltd.	-	-	-	-	-	-	101.81	66.77	101.81	66.77
RHC Holding Pvt. Ltd.	-	-	-	-	-	-	491.64	836.84	491.64	836.84
Religare Finvest Ltd.	-	-	-	-	-	-	968.18	649.58	968.18	649.58
<b>Total</b>	-	-	-	-	-	-	1,935.99	1,553.97	1,935.99	1,553.97
<b>Finance/Equity Contribution</b>										
<b>Equity Contribution</b>										
Reguis Overseas Holding Company Ltd	-	9,984.39	-	-	-	-	-	-	-	9,984.39
Religare Technologies Ltd.	-	-	-	-	-	-	-	5.00	-	5.00
<b>Total</b>	-	9,984.39	-	-	-	-	-	5.00	-	9,989.39
<b>Inter Corporate Deposits Given</b>										
Religare Infotech Private Limited	-	-	-	-	-	-	55.00	-	55.00	-
<b>Total</b>	-	-	-	-	-	-	55.00	-	55.00	-
<b>Sales &amp; Services to other companies</b>										
Religare Securities Ltd.	-	-	-	-	-	-	199.84	142.92	199.84	142.92
Aegon Religare Life Insurance Co. Ltd	-	-	-	-	-	-	-	4.96	-	4.96
Religare Finvest Ltd.	-	-	-	-	-	-	33.87	59.76	33.87	59.76
Religare Insurance Broking Ltd.	-	-	-	-	-	-	36.46	69.04	36.46	69.04
Religare Enterprises Ltd.	-	-	-	-	-	-	215.47	153.44	215.47	153.44
Religare Commodities Ltd.	-	-	-	-	-	-	175.76	21.49	175.76	21.49
Religare Technologies Ltd.	-	-	-	-	-	-	212.16	350.02	212.16	350.02
Rel Infrafacilities Limited	-	-	-	-	-	-	4.08	5.66	4.08	5.66
Religare Arts Initiative Ltd.	-	-	-	-	-	-	6.86	0.63	6.86	0.63
Religare Capital Market Ltd.	-	-	-	-	-	-	4.77	0.03	4.77	0.03
Religare Macquarie Wealth Management Ltd.	-	-	-	-	-	-	7.84	1.88	7.84	1.88
Religare Capital Markets Plc	-	-	-	-	-	-	2.96	4.90	2.96	4.90
Super Religare Laboratories Ltd.	-	-	-	-	-	-	-	0.46	-	0.46
Religare Finance Limited	-	-	-	-	-	-	22.12	-	22.12	-
Religare Asset Management Company Limited	-	-	-	-	-	-	0.44	-	0.44	-
Religare Bullion Limited	-	-	-	-	-	-	4.11	-	4.11	-
Religare Infotech Private Limited	-	-	-	-	-	-	120.74	-	120.74	-
Dion Global Solutions (Vietnam) Ltd.	-	15.93	-	-	-	-	-	-	-	15.93
Dion Global Solutions (HK) Ltd.	-	43.00	-	-	-	-	-	-	-	43.00
Dion Global Solutions (Aus) Ltd.	-	629.02	-	-	-	-	-	-	-	629.02
Dion Global Solutions (UK) Ltd.	1,100.21	90.44	-	-	-	-	-	-	1,100.21	90.44
<b>Total</b>	1,100.21	778.40	-	-	-	-	1,047.48	815.17	2,147.69	1,593.57
<b>Interest Income</b>										
Religare Infotech Private Limited	-	-	-	-	-	-	0.37	-	0.37	-
<b>Total</b>	-	-	-	-	-	-	0.37	-	0.37	-

Nature of Transaction	Subsidiary Companies		Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
<b>Sales &amp; Services by other companies</b>										
Religare Technologies Ltd.	-	-	-	-	-	-	67.56	94.72	67.56	94.72
Religare Finvest Ltd.	-	-	-	-	-	-	-	7.15	-	7.15
Religare Travels (India) Ltd.	-	-	-	-	-	-	76.43	113.42	76.43	113.42
Religare Realty Ltd.	-	-	-	-	-	-	-	6.07	-	6.07
<b>Total</b>	-	-	-	-	-	-	143.99	221.36	143.99	221.36
<b>Sale of Fixed Assets</b>										
Religare Finvest Ltd.	-	-	-	-	-	-	-	6.41	-	6.41
Religare Enterprises Ltd.	-	-	-	-	-	-	5.93	-	5.93	-
Religare Infotech Private Limited	-	-	-	-	-	-	5.81	-	5.81	-
<b>Total</b>	-	-	-	-	-	-	5.81	6.41	5.81	6.41
<b>Purchase/Advance for Purchase of Fixed Assets</b>										
Religare Securities Ltd.	-	-	-	-	-	-	15.88	-	15.88	-
Religare Enterprises Ltd.	-	-	-	-	-	-	0.13	-	0.13	-
Religare Technologies Ltd.	-	-	-	-	-	-	13.28	-	13.28	-
Religare Finvest Ltd.	-	-	-	-	-	-	0.39	-	0.39	-
<b>Total</b>	-	-	-	-	-	-	29.56	-	29.56	-
<b>Remuneration to Key Managerial Personnel</b>										
Maninder Singh Grewal	-	-	-	-	22.71	44.18	-	-	22.71	44.18
Abhay Kumar Sinha	-	-	-	-	45.51	-	-	-	45.51	-
Sanjay Padode	-	-	-	-	-	74.50	-	-	-	74.50
<b>Total</b>	-	-	-	-	68.22	118.68	-	-	68.22	118.68
<b>Current Account Transactions</b>										
Religare Capital Market Ltd.	-	-	-	-	-	-	0.78	-	0.78	-
Dion Global Solutions (Australia) Pty Ltd.	111.54	-	-	-	-	-	-	-	111.54	-
Oliverays Innovations Private Ltd.	-	19.15	-	-	-	-	3.23	-	3.23	19.15
Religare Insurance Broking Ltd.	-	-	-	-	-	-	0.09	-	0.09	-
Dion Global Solutions (UK) Ltd.	-	13.81	-	-	-	-	-	-	-	13.81
Religare Technologies Ltd.	-	-	-	-	-	-	136.01	588.59	136.01	588.59
Religare Infotech Private Limited	-	-	-	-	-	-	22.93	-	22.93	-
Religare Macquarie Wealth Management Ltd.	-	-	-	-	-	-	0.26	-	0.26	-
Religare Commodities Ltd.	-	-	-	-	-	-	0.13	1.64	0.13	1.64
Religare Enterprises Ltd.	-	-	-	-	-	-	40.25	81.44	40.25	81.44
Religare Wellness Ltd.	-	-	-	-	-	-	-	1.61	-	1.61
Religare Finvest Ltd.	-	-	-	-	-	-	28.80	2.60	28.80	2.60
Religare Securities Ltd.	-	-	-	-	-	-	9.44	2.61	9.44	2.61
<b>Total</b>	111.54	32.95	-	-	-	-	241.92	678.50	353.46	711.45
<b>Outstanding Balance Payable/ Receivable as on 31-3-11</b>										
<b>Receivable</b>										
<b>Other Receivable</b>										
Religare Technologies Ltd.	-	-	-	-	-	-	-	465.54	-	465.54
Religare Enterprises Ltd.	-	-	-	-	-	-	70.45	19.44	70.45	19.44
Religare Arts Initiative Ltd.	-	-	-	-	-	-	0.63	0.60	0.63	0.60
Religare Asset Management Co Ltd.	-	-	-	-	-	-	0.21	-	0.21	-
Religare Capital Markets Plc	-	-	-	-	-	-	-	3.76	-	3.76
Religare Macquarie Wealth Management Ltd.	-	-	-	-	-	-	1.22	0.90	1.22	0.90
Super Religare Laboratories Ltd.	-	-	-	-	-	-	-	0.46	-	0.46
Religare Commodities Ltd	-	-	-	-	-	-	159.41	4.29	159.41	4.29
Religare Finvest Ltd.	-	-	-	-	-	-	-	10.44	-	10.44
RELIGARE BULLION LIMITED	-	-	-	-	-	-	4.11	-	4.11	-
RELIGARE CAPITAL MARKETS LTD	-	-	-	-	-	-	2.36	-	2.36	-

Nature of Transaction	Subsidiary Companies		Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
Religare Finance Ltd	-	-	-	-	-	-	9.35	-	9.35	-
RELIGARE INFOTECH PRIVATE LIMITED	-	-	-	-	-	-	149.48	-	149.48	-
RHC HOLDING PRIVATE LIMITED	-	-	-	-	-	-	4.10	-	4.10	-
Religare Insurance Broking Ltd.	-	-	-	-	-	-	20.41	28.13	20.41	28.13
Religare Securities Ltd.	-	-	-	-	-	-	12.26	143.16	12.26	143.16
Dion Global Solutions (Australia) Pty Ltd.	111.54	-	-	-	-	-	-	-	111.54	-
Dion Global Solutions (HK) Ltd.	-	43.00	-	-	-	-	-	-	-	43.00
Dion Global Solutions (Aus) Ltd.	-	233.70	-	-	-	-	-	-	-	233.70
Dion Global Solutions (UK) Ltd.	1,100.21	48.64	-	-	-	-	-	-	1,100.21	48.64
<b>Total</b>	<b>1,211.75</b>	<b>325.35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>433.98</b>	<b>676.72</b>	<b>1,645.73</b>	<b>1,002.07</b>
<b>Interest Receivables</b>										
Religare Infotech Private Limited	-	-	-	-	-	-	0.33	-	0.33	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0.33</b>	<b>-</b>	<b>0.33</b>	<b>-</b>
<b>Payable</b>										
<b>Inter Corporate Deposits Payable</b>										
Oscar Investments Ltd.	-	-	-	-	-	-	83.00	3,500.00	83.00	3,500.00
Luxury Farms Private Ltd.	-	-	-	-	-	-	963.00	968.00	963.00	968.00
RHC Holding Pvt. Ltd.	-	-	-	-	-	-	35.00	-	35.00	-
Religare Finvest Ltd.	-	-	-	-	-	-	17,405.00	5,595.00	17,405.00	5,595.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,486.00</b>	<b>10,063.00</b>	<b>18,486.00</b>	<b>10,063.00</b>
<b>Inter Corporate Deposits Receivable</b>										
Religare Infotech Private Limited	-	-	-	-	-	-	55.00	-	55.00	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55.00</b>	<b>-</b>	<b>55.00</b>	<b>-</b>
<b>Interest Payable</b>										
Oscar Investments Ltd.	-	-	-	-	-	-	2.15	0.69	2.15	0.69
Luxury Farms Private Ltd.	-	-	-	-	-	-	24.91	8.14	24.91	8.14
RHC Holding Pvt. Ltd.	-	-	-	-	-	-	50.81	146.88	50.81	146.88
Religare Finvest Ltd.	-	-	-	-	-	-	391.29	164.48	391.29	164.48
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>469.16</b>	<b>320.19</b>	<b>469.16</b>	<b>320.19</b>
<b>Other Payable</b>										
Religare Finvest Ltd.	-	-	-	-	-	-	2.82	-	2.82	-
Religare Capital Markets Plc	-	-	-	-	-	-	0.81	-	0.81	-
Religare Enterprises Ltd.	-	-	-	-	-	-	-	33.03	-	33.03
REL Infracilities Limited	-	-	-	-	-	-	1.05	0.83	1.05	0.83
Religare Wellness Ltd.	-	-	-	-	-	-	1.61	1.61	1.61	1.61
Religare Macquarie Wealth Management Limited	-	-	-	-	-	-	0.90	-	0.90	-
Religare Technologies Ltd.	-	-	-	-	-	-	171.78	-	171.78	-
Religare Travels (India) Ltd.	-	-	-	-	-	-	1.53	3.92	1.53	3.92
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>180.49</b>	<b>39.40</b>	<b>180.49</b>	<b>39.40</b>

l) For the purpose of calculation of Basic and Diluted Earnings per Share the following amounts are considered:

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Net Profit/Loss after tax (₹)	(21,18,71,621)	(9,03,51,120)
<b>Weighted average number of equity share</b>		
For Basic EPS (No.)	<b>4,38,66,577</b>	4,38,66,577
For Diluted EPS (No.)	<b>4,39,23,666</b>	4,38,66,577
Nominal Value of shares (₹)	<b>10</b>	10
<b>Earnings per share (EPS)</b>		
Basic (₹)	<b>(4.83)</b>	(2.06)
Diluted (₹)	<b>(4.83)</b>	(2.06)

m) Disclosures relating to actuarial valuation of Gratuity Liability: (Amount in ₹)

	Gratuity	
	2010-11	2009-10
<b>I Assumptions as at 31st March, 2011</b>		
Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Discount Rate	8% p.a.	8% p.a.
Expected Rate of return on plan assets	N.A.	N.A.
Expected Average Remaining Service	16	16
<b>II Changes in present value of obligations</b>		
Present Value of Obligation at April 1, 2010	20,94,727	4,913,328
Interest Cost	1,67,578	393,166
Current Service Cost	26,54,190	2,459,417
Liabilities assumed on transferred employees	41,76,806	-
Benefits Paid	1,89,202	232,000
Actuarial (Gain) /Loss on Obligation	(24,59,388)	(983,877)
Present Value of Obligation at March 31, 2011	64,44,711	6,550,034
<b>III Changes in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at April 1, 2010	N.A.	1,315,359
Expected Return of Plan Assets	-	105,229
Benefits paid	-	232,000
Actuarial Gain / (Loss) on Plan Assets	-	-
Fair Value of Plan Assets at March 31, 2011	N.A.	1,188,588
<b>IV Amounts to be recognized in the Balance Sheet</b>		
Present Value of Obligation at March 31, 2011	64,44,711	6,550,034
Fair Value of Plan Assets at March 31, 2011		
Amount recd/receivable on transfer of employees	41,76,806	-
Un-funded Liability at March 31,2011	22,67,905	6,550,034
Un recognized Actuarial Gain /(Loss)	-	-
Net (Asset)/Liability recognized in the Balance Sheet	22,67,905	6,550,034
<b>V Expense recognized in the statement of Profit &amp; Loss A/c</b>		
Interest Cost	1,67,578	393,166
Current Service Cost	26,54,190	2,459,417
Expected Return on Plan Assets	-	105,229
Net Actuarial (Gain) /Loss recognized for the period	(24,59,388)	(145,290)
Expense recognized in the statement of Profit & Loss A/c	3,62,380	2,602,064

n) **Foreign Exchange Earnings and Expenditure:** (Amount in ₹)

Particulars	2011	2010
Software Development	113,210,599	66,098,373
License Sale	-	14,938,221
Interest on Inter Corporate Deposit	-	38,710,346
Miscellaneous Income	10,359,285	1,500,255
<b>Total</b>	<b>123,569,884</b>	<b>121,247,195</b>

Expenditure incurred in foreign currency (accrual basis) (Amount in ₹)

Particulars	2011	2010
Traveling Expense	12,650,934	5,397,344
Others	23,68,374	16,64,126
<b>Total</b>	<b>15,019,308</b>	<b>7,061,470</b>

- o) Other Information with regards to other matters specified in clauses 3,4,4A,4C and 4D of Part II of Schedule VI to the Companies Act, 1956 are either nil or not applicable to the Company for the year ended March 31, 2011.
- p) There are no transactions during the year with Micro, Small and Medium Enterprises during the year and as such there is no balance outstanding as at March 31, 2011.
- q) As per the policy, considering the current economic and market conditions, the Company has tested its assets for impairment. Based on its internal evaluation of recoverable value of its assets as against the carrying value of assets as on the balance sheet date, the internally generated softwares were impaired to the extent of ₹ 52,111,104 during previous years. Accordingly, necessary provision is there in the books of accounts.
- r) Figures of the Previous Year have been regrouped, rearranged and reclassified to conform to the current year classification.

**Signatories to Schedules A to S forming  
Part of the financial statement**

On behalf of the Board of Directors

As per our attached report of even date

**For R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.109765W

**Sd/-  
Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

**Sd/-  
Maninder Singh Grewal**  
Director  
DIN : 00648031

**Sd/-  
(R. V. SHAH)**  
Proprietor  
Membership No. 016097

**Sd/-  
Tarun Rastogi**  
Company Secretary

Place : New Delhi  
Date : August 2, 2011



**BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE  
(AS PER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956)**

<b>I Registration Details</b>		State Code
Registration No.	58032	55
Balance Sheet Date	31-Mar-11	
<b>II Capital Raised during the year (Amount in ₹ Thousands)</b>		
Public Issue	-	Right Issue
Bonus Issue	-	Private Placement
<b>III Position of Mobilisation and Deployment of Funds (Amount in ₹ Thousands)</b>		
Total Liabilities	2,872,935	Total Assets
		2,872,935
<b>Sources of Funds</b>		
Paid-up Capital	438,666	Reserve and Surplus
Secured Loans	454,502	Unsecured Loans
Other Liabilities	-	
<b>Application of Funds</b>		
Net Fixed Assets	87,630	Investments
Net Current Assets	269,200	Misc. Expenditure
Accumulated Losses	668,844	
<b>IV Performance of Company (Amount in ₹ Thousands)</b>		
Turnover	342,453	Total Expenditure
+ - Profit/Loss Before Tax	- 211,872	+ - Profit/Loss After Tax
Earning per share in ₹	(4.83)	Dividend @ %
		NIL
<b>V Generic Names of Three Principal Products/Services of Company (as per monetary terms)</b>		
Item Code No. (ITC Code)	N.A.	
Product Description	Software Product Development/Sale, Maintenance & Other Related Services	

On behalf of the Board of Directors

**Sd/-**  
**Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

**Sd/-**  
**Maninder Singh Grewal**  
Director  
DIN : 00648031

Place : New Delhi  
Date : August 2, 2011

**Sd/-**  
**Tarun Rastogi**  
Company Secretary

## Auditors' Report

To

The Board of Directors of Dion Global Solutions Limited

1. We have audited the attached Consolidated Balance Sheet of Dion Global Solutions Limited (Formerly Religare Technova Limited) (the 'Company') and its subsidiaries (together 'the Group') as at March 31, 2011, the Consolidated Profit and Loss account for the year ended on that date annexed thereto, and the Consolidated Cash Flow Statement for the year ended on that date, which we have signed under reference to this report. These consolidated 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 consolidated financial statements based on our audit.
2. 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 consolidated financial statements prepared, 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.
3. We did not audit the financial statements of subsidiaries, whose financial statements reflect total assets of ₹ 21,560.36 Lacs as at March 31, 2011 and total revenues of ₹ 10,861.38 Lacs and net cash outflows of ₹ 300.35 Lacs for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.
4. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.
5. Based on our audit and on the consideration of reports of other auditors on separate financial statements and on other financial information of the components, in our opinion and to the best of our information and according to the explanations given to us, the attached 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 the Group as at March 31, 2011;
  - (b) in the case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Group for the year ended on that date; and
  - (c) in the case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

**For R.V.SHAH & CO.,**  
Chartered Accountants  
ICAI Registration No.109765W

**Sd/-**  
**(R.V.SHAH)**

Place : New Delhi  
Date : August 2, 2011

Proprietor  
Membership No.016097

## Consolidated Balance Sheet as at March 31, 2011

	Schedule	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Share Capital	A	438,665,770	438,665,770
Reserves and Surplus	B	565,763,194	414,462,437
		<u>1,004,428,964</u>	<u>853,128,207</u>
<b>Minority Interest</b>		95,555,433	-
<b>Loan Funds</b>			
Secured Loans	C	575,883,551	114,617,266
Unsecured Loans	D	1,716,935,548	1,019,800,000
Deferred Tax Liability (Net)		1,577	40,108
<b>TOTAL</b>		<u>3,392,805,073</u>	<u>1,987,585,581</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	E	1,840,111,936	1,345,770,602
Less : Depreciation/Amortization		258,858,389	190,932,554
Net Block		<u>1,581,253,547</u>	<u>1,154,838,048</u>
<b>Investments</b>	F	551,882,565	553,203,788
<b>Current Assets, Loans and Advances</b>			
Stock in Trade	G	4,860,112	4,771,131
Sundry Debtors	H	561,489,209	235,551,339
Cash and Bank Balances	I	204,539,194	175,927,944
Other Current Assets	J	3,424,491	4,714,330
Loans and Advances	K	209,418,806	106,537,179
		<u>983,731,812</u>	<u>527,501,923</u>
<b>Less : Current Liabilities and Provisions</b>			
Liabilities	L	465,073,764	864,731,037
Provisions	M	143,762,289	101,512,284
		<u>608,836,053</u>	<u>966,243,321</u>
<b>Net Current Assets</b>		374,895,759	(438,741,399)
<b>Profit &amp; Loss Account</b>		884,773,202	718,285,144
<b>TOTAL</b>		<u>3,392,805,073</u>	<u>1,987,585,581</u>
<b>Notes on Accounts</b>	S		

As per our attached report of even date

On behalf of the Board of Directors

For **R. V. SHAH & CO.**  
Chartered Accountants  
ICAI Registration No.109765W

Sd/-  
**Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

Sd/-  
**Maninder Singh Grewal**  
Director  
DIN : 00648031

Sd/-  
**(R. V. SHAH)**  
Proprietor  
Membership No. 016097

Sd/-  
**Tarun Rastogi**  
Company Secretary

Place : New Delhi  
Date : August 2, 2011

## Consolidated Profit and Loss Account for the year ended March 31, 2011

	Schedule	Year Ended March 31, 2011 ₹	Year Ended March 31, 2010 ₹
<b>INCOME</b>			
Income from Operations	N	1,288,717,967	905,396,044
Other Income	O	29,677,332	139,722,200
Increase / (Decrease) in Stock - Shares & Securities		88,981	58,553
<b>TOTAL</b>		<b>1,318,484,280</b>	<b>1,045,176,797</b>
<b>EXPENDITURE</b>			
Personnel Expenses	P	734,643,822	710,776,991
Operating, Administrative and Other Expenses	Q	404,337,493	339,342,022
Interest and Finance Charges	R	228,315,023	168,651,144
Depreciation/Impairment of Assets		87,781,280	72,802,021
<b>TOTAL</b>		<b>1,455,077,618</b>	<b>1,291,572,178</b>
<b>PROFIT / (LOSS) BEFORE TAX AND MINORITY INTEREST</b>		<b>(136,593,338)</b>	<b>(246,395,380)</b>
- Current Tax		12,478,724	1,637,349
- MAT Credit		-	(2,207,687)
- Deferred Tax		(38,531)	(10,296)
- Taxes for earlier years		-	1,440,000
<b>PROFIT / (LOSS) AFTER TAX BEFORE MINORITY INTEREST</b>		<b>(149,033,531)</b>	<b>(247,254,747)</b>
Less : Minority Interest		17,454,526	-
<b>PROFIT / (LOSS) AFTER TAX AND MINORITY INTEREST</b>		<b>(166,488,057)</b>	<b>(247,254,747)</b>
Balance brought forward		(718,285,144)	(660,674,796)
Issue of Bonus Shares		-	400,000
Arising on Merger		-	190,044,399
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<b>(884,773,202)</b>	<b>(718,285,144)</b>
Basic and Diluted Earnings per Equity Share of ₹ 10/- each (Refer Note 2 (i) of Schedule 'S')		<b>(3.40)</b>	<b>(5.64)</b>
<b>Notes on Accounts</b>	S		

As per our attached report of even date

On behalf of the Board of Directors

For R. V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No.109765W

Sd/-  
Ralph James Horne  
Global CEO & Managing Director  
DIN : 03297973

Sd/-  
Maninder Singh Grewal  
Director  
DIN : 00648031

Sd/-  
(R. V. SHAH)  
Proprietor  
Membership No. 016097

Sd/-  
Tarun Rastogi  
Company Secretary

Place : New Delhi  
Date : August 2, 2011

## Cash Flow Statement annexed to and forming part of Consolidated Balance Sheet as at March 31, 2011

(₹ in Lacs)

	March 31, 2011	March 31, 2010
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	(1,365.93)	(2,463.95)
<b>Adjustments for:</b>		
<b>-Non fund items / losses</b>		
Depreciation	889.22	873.32
Profit / (Loss) on Sale of Fixed Assets	1.26	15.32
Provision for Gratuity and Leave Encashment	(0.08)	19.46
Interest & Finance Charges	2,104.13	2,014.42
Provision for Doubtful Debts and Bad Debts	144.52	89.63
Provision for Doubtful Advances	36.00	-
<b>-Non trading incomes</b>		
Interest Income	(117.33)	(389.43)
Unrealised Exchange Loss/(Gain)	(252.79)	-
Dividend income received from Investment activities	(1.88)	(1.60)
Profit on Sale of Mutual Fund units	(3.40)	-
ESOP/Balances Written Back	10.18	(5.16)
<b>Operating Profit before working capital changes</b>	<b>1,443.90</b>	<b>152.02</b>
<b>Adjustments for changes in Working Capital:</b>		
(Increase) / Decrease in Stock in Trade	(0.89)	(0.59)
(Increase) / Decrease in Sundry Debtors	(2,967.98)	(331.05)
(Increase) / Decrease in other Current Assets	(35.26)	(437.52)
(Increase) / Decrease in Loans and Advances	17.43	(328.38)
Increase / (Decrease) in Current Liabilities (other than Interest Payable)	415.73	3,987.67
Increase / (Decrease) in Provisions (other than gratuity and leave encashment)	158.23	(4.35)
<b>Cash Generated from Operating Activities</b>	<b>(968.84)</b>	<b>3,037.81</b>
Tax Paid	124.79	(8.57)
<b>Net Cash from Operating Activities (A)</b>	<b>(844.05)</b>	<b>3,029.25</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed Assets (including Capital Work in Process)	(1,383.94)	(661.10)
Sale of fixed Assets	21.56	6.41
Investments in Subsidiaries/Associates	(4,391.07)	-
Inter Corporate Deposit received	-	(2,186.42)
Advances for Purchase of Fixed Assets	(21.44)	66.64
Purchase of Current Investments	(1.88)	(5.32)
Loan (to) / Reimbursement from Subsidiary	-	(4,920.98)
Loan (to) / Reimbursement from Associate	(55.00)	-
Interest Received	0.37	389.43
Sale of Current Investments	15.09	10.00
Dividend income received from investment activities	(89.24)	1.60
<b>Net Cash from Investing Activities (B)</b>	<b>(5,905.55)</b>	<b>(7,299.76)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Issue Share Equity Share Capital	2,222.84	-
Increase / (Decrease) in Reserves & Surplus	1,685.21	447.65
Receipts / (Repayment) of Secured Loans (net)	(1,386.53)	(21.03)
Receipts / (Repayment) of Unsecured Loans (net)	6,348.58	4,988.04
Interest Paid	(1,834.38)	(1,539.93)
<b>Net Cash from Financing Activities (C)</b>	<b>7,035.72</b>	<b>3,874.74</b>
<b>Net Increase in cash and cash equivalents (A+B+C)</b>	<b>286.12</b>	<b>(395.77)</b>
<b>Cash and Cash equivalents as at the beginning of the Year</b>	<b>1,759.27</b>	<b>2,257.58</b>
<b>Adjustments on Merger</b>	<b>-</b>	<b>(102.53)</b>
<b>Cash and Cash equivalents as at the Year Ended 31st March, 2011</b>	<b>2,045.39</b>	<b>1,759.28</b>
Cash and cash equivalents comprise of :-		
-Cash and cheques in hand	0.69	0.79
-Balance with Banks in Fixed Deposits Account	2,044.70	1,758.49
<b>Total</b>	<b>2,045.39</b>	<b>1,759.28</b>

**Notes:**

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Fixed Deposits with Scheduled Banks include ₹ 1373.00 lacs (Previous year ₹ 1326.00 lacs) under lien in favour of banks as margin deposit for the guarantee issued on behalf of the Company and ₹ 3.25 lacs (Previous year ₹ 3.25 lacs) with various state VAT/Sales Tax authorities.
- Figures in bracket indicate cash outgo.
- Previous year figures have been regrouped/recasted to make the same comparable with those of current year.

As per our attached report of even date

On behalf of the Board of Directors

For R. V. SHAH & CO.  
Chartered Accountants  
ICAI Registration No.109765W

Sd/-  
Ralph James Horne  
Global CEO & Managing Director  
DIN : 03297973

Sd/-  
Maninder Singh Grewal  
Director  
DIN : 00648031

Sd/-  
(R. V. SHAH)  
Proprietor  
Membership No. 016097  
Place : New Delhi  
Date : August 2, 2011

Sd/-  
Tarun Rastogi  
Company Secretary

## Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'A' : SHARE CAPITAL</b>		
<b>Authorised</b>		
5,95,00,000 (Previous year 7,45,00,000) Equity Shares of ₹ 10/- each	595,000,000	745,000,000
1,50,00,000 (Previous year NIL) Preference Shares of ₹ 10/- each	150,000,000	-
	<u>745,000,000</u>	<u>745,000,000</u>
<b>Issued, Subscribed and Paid-up</b>		
3,23,17,850 (Previous year 3,23,17,850 (As Reduced)) Equity Shares of ₹ 10/- each fully paid up	323,178,500	323,178,500
*1,15,48,727 (Previous year 1,15,48,727) Equity Shares of ₹ 10/- each	115,487,270	115,487,270
	<u>438,665,770</u>	<u>438,665,770</u>
* Shares issued pursuant to a Scheme of Arrangement (as sanctioned by The Hon'ble High Court of Delhi vide its order dated July 28, 2010) without payment being received in cash and includes 82,23,684 Equity Shares issued to Religare Technova Investment Shares Trust (sole beneficiary of which is Dion Global Solutions Limited)		
<b>SCHEDULE 'B' : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
Balance as per last Balance Sheet	16,176,378	743,906
Add: Transferred as per Scheme of Arrangement	(2,245,665)	15,432,472
	<u>13,930,713</u>	<u>16,176,378</u>
<b>Amalgamation Reserve Account</b>		
Balance as per last Balance Sheet	130,000,000	34,437,000
Add: Transferred as per Scheme of Arrangement	-	95,563,000
	<u>130,000,000</u>	<u>130,000,000</u>
<b>Securities Premium Account</b>		
Balance as per last Balance Sheet	268,125,940	61,880,547
Add: Transferred as per Scheme of Arrangement	-	206,245,393
	<u>268,125,940</u>	<u>268,125,940</u>
<b>Translation Reserve</b>		
	153,706,541	160,119
	<u>565,763,194</u>	<u>414,462,437</u>
<b>SCHEDULE 'C' : SECURED LOANS</b>		
<b>Multiple Advance Facility</b>		
(Secured by Standby Letter of Credit from HSBC Bank (India) Ltd.)	121,381,520	107,653,260
<b>Finance Lease</b>		
(Secured by hypothecation of assets taken on finance lease)	4,502,031	6,964,006
<b>Corporate Loan (Short Term)</b>		
(Secured by hypothecation of present and future movable assets of the company by way of floating first charge on such hypothecated assets)	450,000,000	-
	<u>575,883,551</u>	<u>114,617,266</u>
<b>SCHEDULE 'D' : UNSECURED LOANS</b>		
Inter Corporate Deposits	1,716,935,548	1,019,800,000
	<u>1,716,935,548</u>	<u>1,019,800,000</u>

## Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

### SCHEDULE "E" : FIXED ASSETS

PARTICULARS	GROSS BLOCK						DEPRECIATION						NET BLOCK	
	AS AT 01.04.2010 ₹	Additions ₹	Exchange Difference ₹	Deletions/ Adjustments ₹	AS AT 31.03.2011 ₹	AS AT 01.04.2010 ₹	FOR THE PERIOD ₹	Exchange Difference ₹	Deletions/ Adjustments ₹	AS AT 31.03.2011 ₹	AS AT 31.03.2011 ₹	AS AT 31.03.2010 ₹	AS AT 31.03.2010 ₹	
<b>Tangible Assets</b>														
Leasehold Improvements	14,143,722	2,305,575	-	421,000	16,028,297	7,440,399	2,922,258	11,500	383,458	9,990,699	6,037,598	6,703,323	6,703,323	
Plant and Machinery	10,042,633	-	-	-	10,042,633	3,556,718	2,502,804	-	-	6,059,522	3,983,111	6,485,915	6,485,915	
Furniture and Fixtures	23,505,449	2,201,624	458,685	191,674	25,974,084	18,775,079	2,500,670	321,261	92,652	21,504,358	4,469,726	4,730,370	4,730,370	
Vehicles	12,686,839	177,269	-	3,304,866	9,559,242	2,589,517	1,063,007	-	2,005,380	1,647,144	7,912,098	10,097,322	10,097,322	
Land	12,093,180	-	-	-	12,093,180	-	-	-	-	-	12,093,180	12,093,180	12,093,180	
Computers & Peripherals	48,372,958	12,227,810	3,529,625	10,735,235	53,395,158	26,465,031	9,764,709	2,530,251	10,258,081	28,501,910	24,893,248	21,907,928	21,907,928	
Computer Networking & Equipments	17,926,709	1,569,314	-	6,450	19,489,573	9,050,918	2,290,501	-	2,727	11,338,692	8,150,881	8,875,791	8,875,791	
Office Equipments	21,633,988	702,170	202,904	488,201	22,050,861	11,462,751	1,304,322	141,066	146,618	12,761,521	9,289,340	10,171,238	10,171,238	
<b>Intangible Assets</b>														
Purchased Softwares	34,134,754	12,727,595	-	412,457	46,449,892	13,971,355	8,186,777	-	184,304	21,973,828	24,476,063	20,163,399	20,163,399	
Internally Developed Softwares	75,555,939	-	-	-	75,555,939	67,077,946	3,826,450	-	-	70,904,396	4,651,543	8,477,994	8,477,994	
Goodwill on consolidation	975,842,031	198,254,958	121,806,184	-	1,295,903,173	-	-	-	-	-	1,295,903,173	975,842,031	975,842,031	
<b>Total</b>	<b>1,245,938,205</b>	<b>230,166,315</b>	<b>125,997,398</b>	<b>15,559,883</b>	<b>1,586,542,032</b>	<b>160,389,712</b>	<b>34,361,498</b>	<b>3,004,078</b>	<b>13,073,220</b>	<b>184,682,070</b>	<b>1,401,859,962</b>	<b>1,085,548,493</b>	<b>1,085,548,493</b>	
Capital Work in Progress	99,832,397	151,040,225	17,903,675	15,206,393	253,569,904	30,542,842	53,419,782	6,454,725	16,241,030	74,176,319	179,393,585	69,289,555	69,289,555	
<b>Total</b>	<b>1,345,770,602</b>	<b>381,206,540</b>	<b>143,901,073</b>	<b>30,766,276</b>	<b>1,840,111,936</b>	<b>190,932,554</b>	<b>87,781,280</b>	<b>9,458,803</b>	<b>29,314,251</b>	<b>258,858,389</b>	<b>1,581,253,547</b>	<b>1,154,838,048</b>	<b>1,154,838,048</b>	
2010	1,277,357,045	242,984,257	11,740,794	186,311,494	1,345,770,602	108,346,512	72,968,017	2,043,567	(7,574,458)	190,932,554	1,154,838,048	1,102,474,133	1,102,474,133	

Note : The Company has regrouped assets during the year.

## Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011		As at March 31, 2010	
	Nos	₹	Nos	₹
<b>SCHEDULE 'F': INVESTMENTS (AT COST/BOOK VALUE)</b>				
<b>LONG TERM - NON TRADE</b>				
<b>I Equity Shares - Unquoted</b>				
(F.V. ₹ 10/- each fully paid up unless- -otherwise stated)				
Bharat Margarine Ltd.	3,229,500	54,901,500	3,229,500	54,901,500
Reliance Bulk Drugs and Formulations Ltd.	400,000	6,800,000	400,000	6,800,000
Shree Vaishnavi Dyeing Ltd.	420,000	220,000	420,000	220,000
Inter-Connected Stock Exchange of India Ltd. (F.V. ₹ 1/- each)	62,164	15,541,000	62,164	15,541,000
Religare Technologies Ltd.	50,000	500,000	50,000	500,000
Cochin Stock Exchange (F.V. ₹ 50/- each)	10,365	518,250	10,365	518,250
		<u>78,480,750</u>		<u>78,480,750</u>
Provision for Diminution in the Value of Investments		<u>22,606,500</u>		<u>22,606,500</u>
		<u>55,874,250</u>		<u>55,874,250</u>
<b>II INTEREST IN BENEFICIARY TRUST</b>				
Religare Technova Investment Shares Trust		<u>496,008,315</u>		<u>496,008,315</u>
		<u>496,008,315</u>		<u>496,008,315</u>
<b>CURRENT INVESTMENT - NON TRADE</b>				
<b>Unquoted</b>				
<b>Canbank Mutual Fund Units :</b>				
NLFG Canara Robeco Liquid Fund - Growth		-	19,504	257,651
NFSG Canara Robeco Floating Rate Short Term Growth Fund		-	81,905	1,000,000
Religare Ultra Short Term Fund-Institutional Daily Dividend		-	6,347	63,572
		-		<u>1,321,223</u>
<b>Total</b>		<u>551,882,565</u>		<u>553,203,788</u>
Book Value of Quoted Investments		-		-
Book Value of Unquoted Investments (Net of provision)		<u>551,882,565</u>		<u>553,203,788</u>



## Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'G' : STOCK IN TRADE</b>		
Shares & Securities	4,860,112	4,771,131
	<u>4,860,112</u>	<u>4,771,131</u>
<b>SCHEDULE 'H' : SUNDRY DEBTORS</b>		
(Unsecured and considered good unless stated otherwise)		
- Debts outstanding for a period exceeding six months		
- Considered good	49,607,339	30,199,721
- Considered doubtful	10,109,148	13,549,318
- Other debts		
- Considered good	518,675,596	210,141,363
- Unbilled Revenue	19,369,250	4,330,394
Less: Provision for doubtful debts	36,272,124	22,669,457
	<u>561,489,209</u>	<u>235,551,339</u>
<b>SCHEDULE 'I' : CASH AND BANK BALANCES</b>		
Cash in Hand	69,554	78,770
Balances With Scheduled Banks		
- Fixed Deposit Accounts	138,914,079	135,976,194
(Refer Note 2 ('b) of Schedule 'S')		
- Current Accounts	65,555,561	39,872,980
	<u>204,539,194</u>	<u>175,927,944</u>
<b>SCHEDULE 'J' : OTHER CURRENT ASSETS</b>		
Interest accrued but not due on fixed deposits with banks	1,932,629	1,592,022
Other Current Assets	1,491,862	3,122,308
	<u>3,424,491</u>	<u>4,714,330</u>
<b>SCHEDULE 'K' : LOANS AND ADVANCES</b>		
Unsecured - considered good :		
Advances recoverable in cash or in kind or for value to be received	-	7,347,413
Prepaid Expenses	29,037,579	23,371,894
Advance Payment of Taxes / Tax Deducted at Source (Net of Provisions)	55,592,966	49,268,852
Balance with Service, Excise, CST & VAT Authorities	6,145,182	7,133,830
Inter Corporate Deposit-Others	94,748,034	-
Staff Loans / Advances	2,779,421	2,249,517
Security Deposits	13,016,174	5,913,914
Advance paid to vendors	2,566,009	7,651,759
Inter Corporate loan	5,500,000	-
Interest receivable on loan	33,441	-
Unsecured - considered doubtful :		
Advances recoverable in cash or in kind or for value to be received	3,000,000	3,000,000
Security Deposits	600,000	600,000
Less: Provision for doubtful advances and Security Deposit	3,600,000	-
	<u>209,418,806</u>	<u>106,537,179</u>

## Schedules forming part of the Consolidated Balance Sheet as at March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'L' : LIABILITIES</b>		
Sundry Creditors-Others (Net)	42,515,580	17,336,117
Advance Against Sale of Shares	-	840,000
Book Overdraft with Bank	-	586,191,201
Security Deposits	1,235,029	1,235,029
Interest accrued but not due	45,532,796	32,258,879
Other Liabilities	218,635,804	170,905,531
Advances from Customers	8,211,317	3,584,146
Unearned Revenue	148,943,238	52,380,134
	<u>465,073,764</u>	<u>864,731,037</u>
<b>SCHEDULE 'M' : PROVISIONS</b>		
Provision for Taxation (Net)	47,092,701	11,798,615
Provision for Gratuity	6,444,711	6,550,034
Provision for Leave Encashment	90,224,877	83,163,635
	<u>143,762,289</u>	<u>101,512,284</u>

## Schedules forming part of the Consolidated Profit and Loss Account for the year ended March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'N' : INCOME FROM OPERATIONS</b>		
Software Development	610,018,965	529,689,116
Software License Fees	647,105,858	336,583,777
Service Charges	19,190,301	38,026,991
Subscription / Data Content Feed	12,402,843	1,096,160
	<u>1,288,717,967</u>	<u>905,396,044</u>
<b>SCHEDULE 'O' : OTHER INCOME</b>		
Dividend Income	187,676	159,053
Profit from Sale of Mutual Funds	340,394	-
Bad Debts Recovered	5,506,266	8,045,000
Interest Income :		
- Banks	8,359,708	11,641,200
- Corporate Loans	3,895,798	2,391,229
- Staff Loan	79,323	236,129
- Others	20,268	62,438
Miscellaneous Income	478,213	3,093,176
Reversal of Provisions	-	100,000
Balances Written Back	1,017,572	4,285,520
Exchange Fluctuation	9,792,114	109,708,455
	<u>29,677,332</u>	<u>139,722,200</u>
<b>SCHEDULE 'P' : PERSONNEL EXPENSES</b>		
Salaries, Bonus and Allowances	690,030,770	672,670,929
Employer's Contribution to Welfare Funds	4,590,750	2,364,030
Gratuity	83,879	2,602,064
Leave Encashment	739,648	235,178
Staff Welfare and Training Expenses	32,320,462	27,433,784
Insurance	6,878,313	5,471,006
	<u>734,643,822</u>	<u>710,776,991</u>

## Schedules forming part of the Consolidated Profit and Loss Account for the year ended March 31, 2011

	As at March 31, 2011 ₹	As at March 31, 2010 ₹
<b>SCHEDULE 'Q' : OPERATING , ADMINISTRATIVE AND OTHER EXPENSES</b>		
Rent, Rates and Taxes	69,134,609	60,655,888
Software Charges	31,696,851	3,919,010
Service Charges	24,255,163	27,736,502
Membership, Subscription and Empanelment Fees	5,582,619	2,459,361
IT Service Charges	-	5,030,445
Database Maintenance Expenses	114,674	1,193,109
Repairs and Maintenance		
- Buildings	3,283,654	6,449,781
- Plant and Machinery	954,887	1,717,204
- Others	10,739,231	4,645,724
General expenses	3,484,269	3,249,639
Electricity & Water Expenses	5,768,598	3,175,663
Travelling and Conveyance	97,620,357	75,344,167
Printing and stationery	2,220,093	2,381,297
Advertisement and Sales Promotion	11,438,043	5,852,062
Insurance	8,892,768	7,695,299
Legal and Professional Charges	45,093,330	39,046,514
Loss on Sale of Fixed Assets	125,575	1,532,242
Auditors' Remuneration (Including for other auditors)		
- Audit	4,004,371	3,878,180
- Tax Audit	40,000	40,000
- Certification	60,000	45,250
- Others	16,654	4,000
Postage & Telephones	28,228,796	18,880,480
Donations	10,000	14,530,666
Provision for Doubtful Debts and Bad Debts	19,569,320	10,755,762
Provision for Doubtful Advances	3,600,000	-
Exchange Fluctuation	17,660,142	36,275,983
Miscellaneous & Other Operating expenses	10,743,489	2,847,794
	<u>404,337,493</u>	<u>339,342,022</u>
<b>SCHEDULE 'R' : INTEREST AND FINANCE CHARGES</b>		
Interest :		
- Public Deposits	-	1,045,147
- Corporate Loans	209,279,814	156,848,702
- Others	16,396,806	8,144,136
Bank Charges	2,638,403	2,613,159
	<u>228,315,023</u>	<u>168,651,144</u>

## Schedule Annexed to and forming part of the Consolidated Accounts for the year ended March 31, 2011

### SCHEDULE 'S': SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### 1. SIGNIFICANT ACCOUNTING POLICIES

##### a) BASIS OF ACCOUNTING

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting to comply in all material aspects with the applicable accounting principles in India, the applicable Accounting Standards notified under section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

##### b) PRINCIPLES OF CONSOLIDATION

A. The consolidated financial statements relate to Dion Global Solutions Limited ('the Company'), its subsidiary entities and its step down subsidiaries ('the Group'). The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary enterprises are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after as far as possible eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses in accordance with Accounting Standard 21 - Consolidated Financial Statements.
- ii) The excess of cost of the Company's investments in the subsidiary company over the available portion of equity on the date of investment is recognized in the consolidated financial statements as Goodwill. The excess of Company's share in equity and reserves of the subsidiary company over the cost of acquisition is treated as Capital Reserve.
- iii) The share of Minority Interest in the net profit of subsidiaries for the year is identified and adjusted against the income of the group to arrive at the net income attributable to the Company.
- iv) The share of Minority Interest in net assets of subsidiaries is identified and presented in the consolidated financial Statements separate from liabilities and the equity of the Company.
- v) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the manner as the Company's separate financial statements. However, in case of depreciation it was not practicable to use uniform accounting policies in case of foreign subsidiaries as mentioned in note no. 1 (i).

B. Investments other than in subsidiaries have been accounted as per Accounting Standard 13 on "Accounting for Investments".

C. The subsidiary / associate enterprises considered in the consolidated financial statements:

Subsidiaries / Associates of Dion Global Solutions Limited	Interest as on March 31, 2011	Interest as on March 31, 2010	Country of Incorporation
Regius Overseas Holding Co. Ltd. (ROHCL)	100%	100%	Mauritius
OlveRays Innovations Ltd	100%	100%	India
Dion Global Solutions Pty Ltd. (DGSPL) (Name changed from Religare Technova Global Solutions Pty Ltd. to Dion Global Solutions Pty. Ltd. w.e.f. February 07, 2011)	100%	100%	Australia
Dion Global Solutions (Australia) Pty Ltd.* (Name changed from Religare Technova Global Solutions (Australia) Pty Ltd. to Dion Global Solutions (Australia) Pty. Ltd. w.e.f. February 03, 2011)	100%	100%	Australia
Dion Global Solutions (Asia Pacific) Pty Ltd.* (Name changed from Religare Technova Global Solutions (Asia Pacific) Pty Ltd. to Dion Global Solutions (Asia Pacific) Pty. Ltd. w.e.f. February 03, 2011)	100%	100%	Australia
Dion Global Solutions (Developments) Pty Ltd.* (Name changed from Religare Technova Global Solutions (Developments) Pty Ltd. to Dion Global Solutions (Developments) Pty. Ltd. w.e.f. February 03, 2011)	100%	100%	Australia
Dion Global Solutions (NZ) Ltd.* (Name changed from Religare Technova Global Solutions (NZ) Ltd. to Dion Global Solutions (NZ) Ltd. w.e.f. January 25, 2011)	100%	100%	New Zealand
Dion Global Solutions (HK) Ltd.* (Name changed from Religare Technova Global Solutions (HK) Ltd. to Dion Global Solutions (HK) Ltd. w.e.f. February 18, 2011)	100%	100%	Hong Kong
Dion Global Solutions (MY) Sdn. Bhd.* (Name changed from Religare Technova Global Solutions (MY) Sdn. Bhd. to Dion Global Solutions (MY) Sdn. Bhd. w.e.f. February 18, 2011)	100%	100%	Malaysia
Dion Global Solutions (Singapore) Pte Ltd.* (Name changed from Religare Technova Global Solutions (Singapore) Pte Ltd to Dion Global Solutions (Singapore) Pte. Ltd. w.e.f. January 31, 2011)	100%	100%	Singapore
Dion Global Solutions (UK) Ltd.* (Name changed from Religare Technova Global Solutions (UK) Ltd. to Dion Global Solutions (UK) Ltd. w.e.f. February 01, 2011)	100%	100%	UK
Dion Global Solutions Vietnam Company Ltd.* (Name changed from Religare Technova Global Solutions Vietnam Company Ltd. to Dion Global Solutions Vietnam Company Ltd. w.e.f. May 9, 2011)	100%	100%	Vietnam
AEOIU Ltd.**	44%	-	UK

\* Subsidiaries of DGSPL

\*\* DGSPL has acquired 44% stake in AEOIU Ltd. on August 6, 2010. Accounts of AEOIU Ltd. has been consolidated (on line by line basis) as subsidiary since the company has the right to control the composition of board of directors of AEOIU Ltd.

**c) USE OF ESTIMATES**

The presentation of Financial Statements requires estimates and assumptions to be made that effect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which results are known / materialized.

**d) REVENUE RECOGNITION**

1. Revenue from fixed price service contracts is recognized in proportion to the degree of completion of service by reference to and based on milestones/acts performed as specified in the contracts and in case of time and material service contracts, it is recognized on the basis of hours completed and material used.
2. Revenue from the sale of user licenses for software applications is recognized on transfer of the title in the user license.
3. Subscription revenue from data base products is recognized proportionately over the period of subscription.
4. Revenue from annual maintenance contracts is recognized proportionately over the period in which services are rendered.
5. Revenue from Software Consultancy and Support Services is recognized based on proportionate completion method as per specific agreements with the customers.
6. Royalty revenue is recognized as earned on sales of associate products.
7. Dividend Income is accounted for as income when the right to receive dividend is established.
8. Interest and other dues are accounted on accrual basis.

9. Revenue excludes Value added tax/sales tax and service tax.

10. Revenue in excess of billings on service contracts is recorded as unbilled receivables and is included in trade accounts receivable. Billings in excess of revenue that is recognized on service contracts are recorded as deferred revenue until the above revenue recognition criteria are met and are included in current liabilities.

**e) FIXED ASSETS**

Fixed assets are stated at cost less accumulated depreciation. Cost includes duties, taxes and other expenses incidental to development / acquisition and installation. In respect of internally developed software, costs include development costs directly attributable to the design and development of software.

**f) BORROWING COSTS**

Borrowing costs incurred for the acquisition of qualifying assets are recognized as part of cost of such assets when it is considered probable that they will result in future economic benefits to the Company. While other borrowing costs are expensed in the period in which they are incurred.

**g) STOCK IN TRADE**

Stock in trades are valued at lower of Cost or Realizable Value.

**h) INTANGIBLE ASSETS**

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to assets will flow to the enterprise and the cost of the assets can be measured reliably. The intangible assets are recorded at their acquisition cost and in case of assets acquired on merger, at their carrying values.

Computer software which is not an integral part of the related hardware is classified as an intangible asset and is being amortized over the estimated useful life.

**i) DEPRECIATION/AMORTIZATION**

Depreciation on fixed assets (other than Intangible) is provided on straight line method as per the following rates:

Class of Assets	Put to use up to March 31st 2010	Put to use after March 31st 2010	
	Depreciation Rate (%)	Depreciation Rate (%)	Estimated Useful Life of the assets
Office Equipments	4.75	20 / 33.33	5 / 3 years
Vehicles	9.5	9.5	10.5 years
Computer Networking & Equipments	16.21	20 / 25	5 / 4 years
Computer & Peripherals	16.21	33.33	3 years
Furniture & Fixtures	6.33	10	10 years

Leasehold improvements are amortized over the lease period or 6 years whichever is earlier. In respect of assets acquired / sold during the year, depreciation is charged on pro-rata basis.

Intangible assets are amortized over a period of three to six years on a straight-line basis, commencing from the date the asset is available to the company for its use.

Fixed assets individually costing up to ₹ 5,000 are depreciated at the rate of 100% on purchase.

In case of foreign subsidiaries of the Company all fixed assets (excluding freehold land) are depreciated on a straight line basis over their useful life to the economic entity commencing from the time the asset is held ready for use. The Depreciation rates on Plant & Equipment is 25%-33%.

**j) FOREIGN CURRENCY TRANSACTIONS**

Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transaction. At the year end, all the monetary assets and liabilities denominated in foreign currency are restated at the closing exchange rate. Exchange differences resulting from the settlement of such transactions and from the restatement of such monetary assets and liabilities are recognized in the Profit and Loss Account.

**k) INVESTMENTS**

Long-term investments are valued at cost. Cost includes incidental charges incurred towards acquisition of such investments. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than temporary in nature. Current investments are valued at lower of cost and fair value.

**l) STOCK BASED COMPENSATION**

The Stock Options granted by the Company are accounted for as per the accounting treatment prescribed by Employee Stock Option Scheme and Employee Stock Purchase Guidelines, 1999 and the guidance note on Accounting for Stock Options issued by the Institute of Chartered Accountants of India, whereby the intrinsic value of the Options are recognized as deferred employee compensation. The deferred employee compensation is charged to Profit and Loss Account on a straight line basis over the vesting period of Options.

**m) EMPLOYEE BENEFITS**

1. Provident fund is a defined contribution scheme and the contributions as required by the statute are charged to profit and loss account as incurred.
2. Gratuity liability is a defined obligation and is wholly unfunded. The company accounts for liability for future gratuity benefits based on an actuarial valuation.
3. The employees of the company are entitled to compensated absences and leave encashment as per the policy of the company, the liability in respect of which is provided, based on an actuarial valuation.
4. Actuarial gains and losses comprise experience adjustments and the effects of changes in the actuarial assumptions and are recognized immediately in the profit and loss account as income or expenses.
5. The undiscounted amount of short term employee benefits expected to be paid in exchange for services rendered by an employee is recognized during the period when the employee renders the services.

**n) TAXES ON INCOME**

Current tax is determined on the basis of the Income Tax Act, 1961.

Deferred tax is recognized on timing differences between the accounting income and the taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the

Balance Sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized, except for unabsorbed depreciation and carry forward of losses under the tax laws where deferred tax assets are recognized only to the extent that there is virtual certainty, supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**o) PROVISIONS AND CONTINGENT LIABILITIES**

A Provision is recognized when the Company has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date.

Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.

Liabilities which are material and whose future outcome cannot be ascertained with reasonable certainty is treated as contingent and to the extent not provided for are disclosed by way of notes on the accounts.

**p) IMPAIRMENT OF ASSETS**

At each Balance Sheet date, the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds the recoverable amount. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

**q) ACCOUNTING FOR LEASES**

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance lease. Such leases are capitalized at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

Assets acquired under leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Profit and Loss Account on accrual basis.

**r) RESEARCH AND DEVELOPMENT**

Revenue expenditure on research and development is charged to Profit and Loss account and capital

expenditure on development is shown as addition to fixed assets

**s) TRANSLATION OF OVERSEAS SUBSIDIARIES**

In respect of non-integral overseas subsidiaries, income and expenses are translated at average rate for the period. Assets and Liabilities, both monetary and non-monetary, are translated at the year-end exchange rates. The difference arising out of translation is included in translation reserve. Any goodwill or capital reserve arising on acquisition of non integral operations is translated at closing rate which is tested for impairment on every Balance Sheet date.

In respect of integral overseas subsidiary, income and expenses are translated at average rate for the period. At the year end, all the monetary assets and liabilities are translated at the closing exchange rate. Exchange differences resulting from the translation of such monetary assets and liabilities are recognized in the Profit and Loss Account. Non-monetary assets and liabilities are translated at the rate of exchange prevailing on the date of the transaction.

**2. NOTES TO ACCOUNTS FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS**

**a) CONTINGENT LIABILITIES**

- i. M/s Jyoti Portfolios Limited (JPL) has filed a suit (being CS no.783/09) before the Senior Civil Judge, South District, New Delhi against RTGSL, which has now been merged with Dion Global Solutions Limited (DION). JPL has alleged that in pursuant to purchase order of software namely "IPO Anywhere" to RTGSL, for price of ₹ 2.5 Lacs followed by part payment of sum of ₹ 1.25 Lacs, RTGSL did not install and activate the same at the agreed time. M/s Jyoti Portfolio has prayed for refund of advance sum paid of ₹ 1.25 Lacs along with interest at the rate 18% amounting to ₹ 0.34 Lac. The matter is currently pending.
- ii. Deal Depot Equities (DDE), has filed a summary suit in the High Court of Bombay (Original Civil Jurisdiction) (summary suit no. 612 of 2010) against RTGSL, which has now been merged with DION. DDE has alleged that in pursuant to purchase order of software namely "Trade Anywhere" to RTGSL, the same was followed by part payment of sum of ₹ 6.75 Lacs RTGSL did not install and activate the same. DDE has prayed for refund of advance sum paid of ₹ 6.75 Lacs along with interest at the rate 6%. The matter is currently pending.
- iii. The Company has a Contingent Liability of a total sum of ₹ 51.64 lacs (Previous Year ₹ 51.64 lacs) for matters related to Interest Tax.
- iv. Unimetal Ispat Limited had filed a suit (being M.S. No. 13/1997) against DION, before the Civil Judge (Senior Division) at Alipore, raising an aggregate claim of ₹ 11 Lacs, in which a decree was granted by the Civil Judge (Senior Division) at Alipore. DION has filed an appeal in this matter in the High Court of Kolkata. The matter is currently pending.
- v. Mr. Shantaram Laxman Chauhan has filed a criminal case (No. 47/1995) against the Branch Manager, "Empire Finance Co. Limited" (which subsequently merged with DION) and another before the Court of the Judicial Magistrate First Class at Lashkar, Pune. The

complainant has alleged that he has been cheated of ₹ 1 Lac by the accused with common intention and in conspiracy. The matter is currently pending.

Future cash outflow(s) in respect of above are determinable only on receipt of judgments/ decisions pending with various authorities.

- vi. There is bank guarantee in the form of letter of credit total amounting ₹ 1362 Lacs for facilitating working capital to its subsidiary company named Dion Global Solutions Pty Ltd.
- vii. The Company had filed appeal before Commissioner of Income Tax (Appeals) ["CIT(Appeals)"] - XIII, New Delhi for the assessment year 2004-05 on December 23, 2009 against the order of Assistant Commissioner of Income Tax - Circle-11(1), New Delhi passed on October 9, 2009 under section 143(3)/section 147 of the Income Tax Act, 1961 ("the Act") wherein business losses of the Company for the subject Assessment year have been reduced by ₹ 29.38 Lacs. The captioned proceedings are still pending before the CIT (Appeals) for disposal.
- viii. The Income Tax Assessment of the Company for the assessment year 2008-09 has been completed by the Assistant Commissioner of Income Tax, Circle-15 (1), New Delhi under section 143(3) of the Act. Consequential to certain disallowances made in the assessment order, a demand of ₹ 125.39 Lacs has been raised on the Company. The Assessing Officer ('AO') has also initiated penalty proceedings under Section 271(1) (c) of the Act against the Company.  
  
The Company has filed an appeal with Commissioner of Income Tax (Appeals), XVIII New Delhi against the said assessment order. In reply to the notice for initiation of penalty proceedings, the Company has filed a letter with the AO requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT (Appeals).
- ix. The Company has received orders dated 30 Mar-11 passed by Assessing Officer, TDS Ward 51 (2) u/s 201(1)/201(1A) of the Act for financial years 2007-08 and 2008-09, wherein demand amounting to ₹ 1.87 Lac and ₹ 3.59 Lac was raised on the Company on account of TDS not deducted/TDS deducted but not paid by the Company. The said demand was primarily on account of mismatch in the online database of tax department with the returns/ challans filed by the Company.  
  
The Company has preferred an appeal against the same to CIT(Appeals)-XXX and the same is pending for disposal.
- x. The Income Tax assessment of Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) for the assessment year 2007-08 was completed by the Assistant Commissioner of Income Tax-2(1), Mumbai under section 143(3) of the Act vide order dated December 29, 2009. Consequential to certain disallowances made during the assessment, the AO has raised a demand of ₹ 85.34 Lacs on the Company. The AO has also initiated penalty proceedings under section 271(1) (c) of the Act against the Company.  
  
The Company has filed an appeal with Commissioner of Income Tax (Appeals)-IV, Mumbai against the said order. The Company has also filed a rectification



application u/s 154 of the Act before the AO to rectify the mistakes apparent from the order. After giving effect of the application, the impugned demand will be reduced to ₹ 45.40 Lacs. In reply to initiation of penalty proceedings, the Company has filed a letter with the department requesting to keep the penalty proceedings in abeyance till the disposal of Appeal filed before CIT (Appeals).

- xi. Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) has received a show cause notice from Commissioner of Service Tax, Div-II, Gr. XII, Bangalore for the period March 1, 2006 to May 15, 2008 alleging non-payment of service tax of ₹ 354.54 Lacs. The company is in the process of filing a suitable reply against the said notice.
- xii. Religare Technova Global Solutions Limited (now merged with Dion Global Solutions Limited) has received a demand of ₹ 75.21 Lacs from Assistant Commissioner of Commercial Taxes, (Recovery-22), Bangalore for nonpayment of VAT/ CST liability for the months of February 06, March 06, April 06 and December 06 vide order dated March 10, 2011. The company has preferred an appeal before Joint Commissioner of Commercial Taxes (Appeal-2), Bangalore against the said order.
- b) Fixed Deposits with Scheduled Banks include ₹ 11.00 lacs (Previous year ₹ 11.00 lacs) under lien in favor of banks as margin deposit for the guarantee issued on behalf of the Company referred to in 2 (a)(iii) above, fixed deposits of ₹ 1362 lacs (Previous year ₹ 1315 lacs) are under lien referred to in 2 (a) (vi) above and ₹ 3.25 lacs (Previous year ₹ 3.25 lacs) with various state VAT/Sales Tax authorities.

**c) Finance Leases:**

The company had taken Computer Server under a finance lease. The Minimum lease Payment (MLP) and Present Value (PV) are as follows:

(Amount in ₹)

Particulars	2011		2010	
	Minimum Lease Payment	PV of the Minimum Lease Payment	Minimum Lease Payment	PV of the Minimum Lease Payment
Upto 1 Year	33,05,836	28,82,665	33,05,836	24,61,974
1 to 3 Years	49,58,754	45,03,744	49,58,754	45,03,744

**d) Operating Leases :**

Charge on account of lease rental for the year is ₹ 67,458,378. Future obligations of lease rentals applicable to the leased assets aggregate to ₹ 25,372,355 and are due:

(Amount in ₹)

Particulars	2011	2010
Not later than 1 year	18,889,594	38,302,227
Later than 1 year and not later than 5 years	6,482,761	7,108,807
Total	25,372,355	45,411,034

- e) The Company has unabsorbed depreciation and carry forward losses under the Income Tax Act 1961 of India. Accordingly, keeping in view uncertainty of taxable income in the future, provision for deferred tax assets/ liabilities have not been recognized in the accounts.

**f) Stock Based Compensation:**

The Company instituted the Employee Stock Option Scheme titled "Dion Global Employee Stock Option Scheme 2011" with effect from March 23, 2011 duly approved by the Shareholders of the Company by means of Postal Ballot on March 18, 2011. Details of Stock Options granted under the Scheme are as under:

Grant Date	Number of Stock Options granted	Exercise Price	Vesting Period
March 23, 2011	23,15,291	₹ 45	33% on expiry of 12 Months from Grant Date 33% on expiry of 24 Months from Grant Date 34% on expiry of 36 Months from Grant Date

Each Option entitles the holder to exercise the right to apply for and seek allotment of one equity share of ₹ 10/- each.

Particulars of options granted and lapsed under the scheme are as below:

Options Outstanding as at the start of the year	-
Options granted during the year	23,15,291
Options exercised during the year	-
Options Lapsed during the Year	-
Options outstanding as at the year end	23,15,291

## g) Segment Reporting:

## 1. Primary Segment – Business Segments:

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the organization structure as well as the differential risks and returns of these segments.

Segment revenue and results figures include the respective amounts identifiable to each of the segments and also amounts allocated on a reasonable basis. Other un allocable expenditure includes expenses incurred on common services provided to the segments which are not directly identifiable to the individual segments as well as expenses incurred at a corporate level which relate to the Company as a whole. The business segment has been considered as the primary segment.

## Information about primary Business segments

(₹ in lacs)

Particulars	Financial Business		Software Product/ Services		Unallocated		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
(i) Segment Revenue								
External Revenue	55.06	128.47	12,888.07	9,055.27	241.71	1,268.03	13,184.84	10,451.77
Inter-Segmental Revenue	-	-	-	-	-	-	-	-
<b>Total Revenue</b>	<b>55.06</b>	<b>128.47</b>	<b>12,888.07</b>	<b>9,055.27</b>	<b>241.71</b>	<b>1,268.03</b>	<b>13,184.84</b>	<b>10,451.77</b>
(ii) Segment Results								
Total Segment Results	14.26	94.93	659.86	(966.63)	-	-	674.12	(871.70)
Unallocated Expenses (net)	-	-	-	-	216.71	-	216.71	-
Unallocated Interest expenses	-	-	-	-	(2,256.77)	(1,592.26)	(2,256.77)	(1,592.26)
Income Taxes (Current and Deferred Tax)	-	-	-	(8.59)	(124.40)	-	(124.40)	(8.59)
Profit after tax	14.26	94.93	659.86	(975.22)	(2,164.46)	(1,592.26)	(1,490.34)	(2,472.55)
(iii) Segment Assets								
Unallocated Corporate Assets	48.60	283.50	25,005.67	16,404.55	-	-	25,054.27	16,688.06
					6,114.41	5,667.38	6,114.41	5,667.38
<b>Total Assets</b>	<b>48.60</b>	<b>283.50</b>	<b>25,005.67</b>	<b>16,404.55</b>	<b>6,114.41</b>	<b>5,667.38</b>	<b>31,168.68</b>	<b>22,355.44</b>
(iv) Segment Liabilities								
Unallocated Corporate Liabilities	-	-	22,896.79	10,817.80	-	-	22,896.79	10,817.80
					6,119.78	10,189.21	6,119.78	10,189.21
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>22,896.79</b>	<b>10,817.79</b>	<b>6,119.78</b>	<b>10,189.21</b>	<b>29,016.57</b>	<b>21,007.01</b>
(v) Capital Expenditure								
Unallocated Capital expenditure	-	-	3,812.07	655.04	-	-	3,812.07	655.04
					-	-	-	-
<b>Total Capital expenditure</b>	<b>-</b>	<b>-</b>	<b>3,812.07</b>	<b>655.04</b>	<b>-</b>	<b>-</b>	<b>3,812.07</b>	<b>655.04</b>
(vi) Depreciation / Amortisation								
Unallocated Depreciation amount	-	14.91	852.81	702.36	-	-	852.81	717.27
					25.00	10.75	25.00	10.75
<b>Total Depreciation</b>	<b>-</b>	<b>14.91</b>	<b>852.81</b>	<b>702.36</b>	<b>25.00</b>	<b>10.75</b>	<b>877.81</b>	<b>728.02</b>
(vii) Non Cash Expenditure other than Depreciation								
Unallocated Non cash expenditure	-	-	196.95	122.88	-	-	196.95	122.88
<b>Total Non cash expenditure</b>	<b>-</b>	<b>-</b>	<b>196.95</b>	<b>122.88</b>	<b>-</b>	<b>-</b>	<b>196.95</b>	<b>122.88</b>

## 2. Secondary Segment – Geographical Segments:

Revenue from geographical segment is based on location of its customers and total carrying amount of assets and total cost incurred during the period to acquire fixed assets is based on geographical locations of the assets

(₹ in lacs)

Particulars	2011	2010
<b>Segment Revenue:</b>		
Within India	3,406.76	3,070.37
Within Australia	5,490.04	4,139.30
Others	4,288.04	3,242.10
<b>Total</b>	<b>13,184.84</b>	<b>10,451.77</b>
<b>Total Segment Assets:</b>		
Within India	22,363.81	19,091.76
Within Australia	5,307.84	1,637.22
Others	3,497.03	1,626.46
<b>Total</b>	<b>31,168.68</b>	<b>22,355.44</b>
<b>Cost incurred for acquiring segment assets during the year:</b>		
Within India	189.95	273.32
Within Australia	3622.12	381.73
Others	-	-
<b>Total</b>	<b>3,812.07</b>	<b>655.04</b>

## h) Related Party Disclosures as required by Accounting Standard 18:

Nature of Relationship	Name of the Party
i) Subsidiary Companies	1 OliveRays Innovations Ltd. 2 Regius Overseas Holding Co. Ltd.
ii) Step Down Subsidiaries	1 Dion Global Solutions Pty. Ltd. 2 Dion Global Solutions (Australia) Pty Ltd. 3 Dion Global Solutions (Developments) Pty Ltd. 4 Dion Global Solutions (Asia Pacific) Pty Ltd. 5 Dion Global Solutions (NZ) Ltd. 6 Dion Global Solutions (HK) Ltd. 7 Dion Global Solutions (UK) Ltd. 8 Dion Global Solutions (MY) Sdn. Bhd. 9 Dion Global Solutions (Singapore) Pte. Ltd 10 Dion Global Solutions Vietnam Company Ltd.
iii) Individuals owning, directly or indirectly, an interest in voting power of the reporting enterprise that gives them control or significant influence over the enterprise, and relatives of any such individual	1 Mr. Malvinder Mohan Singh 2 Mr. Shivinder Mohan Singh
iv) Key management personnel and relatives of such personnel	1 Mr.Ralph James Horne 2 Mr.Joseph Leslie Nash 3 Mr.Abhay Kumar Sinha
v) Enterprises over which any person described in (iii) or (iv) is able to exercise significant influence with whom transactions have taken place	1 Religare Technologies Ltd. 2 Luxury Farms Private Ltd. 3 RHC Holding Pvt. Ltd. 4 Oscar Investments Ltd. 5 Religare Enterprises Ltd. 6 Religare Finvest Ltd. 7 Religare Commodities Ltd. 8 REL Infracilities Ltd. 9 Religare Securities Ltd. 10 Religare Capital Markets Ltd. 11 Religare Arts Initiative Ltd. 12 Religare Insurance Broking Ltd. 13 Aegon Religare Life Insurance Company Ltd. 14 Religare Macquarie Wealth Management Ltd. 15 Religare Capital Markets Pty Ltd. 16 Religare Travels (India) Ltd. 17 Religare Wellness Ltd. 18 Super Religare Laboratories Ltd. 19 Religare Finance Ltd. 20 Religare Asset Management Company Ltd. 21 Religare Bullion Ltd. 22 Religare Infotech Pvt.Ltd.

Following Transaction have taken place during the year:-

(₹ in Lacs)

Nature of Transaction	Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
<b>Inter Corporate Deposits Received by the Holding Company</b>								
Oscar Investments Ltd.	-	-	-	-	10,375.00	3,500.00	10,375.00	3,500.00
Luxury Farms Private Ltd.	-	-	-	-	430.00	1,795.00	430.00	1,795.00
RHC Holding Pvt. Ltd.	-	-	-	-	47,910.00	48,410.00	47,910.00	48,410.00
Religare Finvest Ltd.	-	-	-	-	64,360.00	53,809.00	64,360.00	53,809.00
<b>Total</b>	-	-	-	-	123,075.00	107,514.00	123,075.00	107,514.00
<b>Inter Corporate Deposits Repaid by the Holding Company</b>								
Oscar Investments Ltd.	-	-	-	-	13,792.00	-	13,792.00	-
Luxury Farms Private Ltd.	-	-	-	-	435.00	827.00	435.00	827.00
RHC Holding Pvt. Ltd.	-	-	-	-	47,875.00	58,548.51	47,875.00	58,548.51
Religare Finvest Ltd.	-	-	-	-	52,550.00	48,249.50	52,550.00	48,249.50
<b>Total</b>	-	-	-	-	114,652.00	107,625.01	114,652.00	107,625.01
<b>Interest Paid by the Holding Company</b>								
Oscar Investments Ltd.	-	-	-	-	374.36	0.77	374.36	0.77
Luxury Farms Private Ltd.	-	-	-	-	101.81	66.77	101.81	66.77
RHC Holding Pvt. Ltd.	-	-	-	-	491.64	836.84	491.64	836.84
Religare Finvest Ltd.	-	-	-	-	968.18	649.58	968.18	649.58
<b>Total</b>	-	-	-	-	1,935.99	1,553.97	1,935.99	1,553.97
<b>Finance/Equity Contribution by the Holding Company</b>								
<b>Equity Contribution</b>								
Religare Technologies Ltd.	-	-	-	-	-	5.00	-	5.00
<b>Total</b>	-	-	-	-	-	5.00	-	5.00
<b>Inter Corporate Deposits Given by the Holding Company</b>								
Religare Infotech Private Limited	-	-	-	-	55.00	-	55.00	-
<b>Total</b>	-	-	-	-	55.00	-	55.00	-
<b>Sales &amp; Services by the Holding Company</b>								
Religare Securities Ltd.	-	-	-	-	199.84	142.92	199.84	142.92
Aegon Religare Life Insurance Co. Ltd	-	-	-	-	-	4.96	-	4.96
Religare Finvest Ltd.	-	-	-	-	33.87	59.76	33.87	59.76
Religare Insurance Broking Ltd.	-	-	-	-	36.46	69.04	36.46	69.04
Religare Enterprises Ltd.	-	-	-	-	215.47	153.44	215.47	153.44
Religare Commodities Ltd.	-	-	-	-	175.76	21.49	175.76	21.49
Religare Technologies Ltd.	-	-	-	-	212.16	350.02	212.16	350.02
Rel Infracilities Limited	-	-	-	-	4.08	5.66	4.08	5.66
Religare Arts Initiative Ltd.	-	-	-	-	6.86	0.63	6.86	0.63
Religare Capital Market Ltd.	-	-	-	-	4.77	0.03	4.77	0.03
Religare Macquarie Wealth Management Ltd.	-	-	-	-	7.84	1.88	7.84	1.88
Religare Capital Markets Plc	-	-	-	-	2.96	4.90	2.96	4.90
Super Religare Laboratories Ltd.	-	-	-	-	-	0.46	-	0.46
Religare Finance Limited	-	-	-	-	22.12	-	22.12	-
Religare Asset Management Company Limited	-	-	-	-	0.44	-	0.44	-
Religare Bullion Limited	-	-	-	-	4.11	-	4.11	-
Religare Infotech Private Limited	-	-	-	-	120.74	-	120.74	-
<b>Total</b>	-	-	-	-	1,047.48	815.17	1,047.48	815.17
<b>Interest Income to the Holding Company</b>								
Religare Infotech Private Limited	-	-	-	-	0.37	-	0.37	-
<b>Total</b>	-	-	-	-	0.37	-	0.37	-

Nature of Transaction	Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
<b>Purchase of Services by the Holding Company</b>								
Religare Technologies Ltd.	-	-	-	-	67.56	94.72	67.56	94.72
Religare Finvest Ltd.	-	-	-	-	-	7.15	-	7.15
Religare Travels (India) Ltd.	-	-	-	-	76.43	113.42	76.43	113.42
Religare Realty Ltd.	-	-	-	-	-	6.07	-	6.07
<b>Total</b>	-	-	-	-	143.99	221.36	143.99	221.36
<b>Sale of Fixed Assets by the Holding Company</b>								
Religare Finvest Ltd.	-	-	-	-	-	6.41	-	6.41
Religare Enterprises Ltd.	-	-	-	-	5.93	-	5.93	-
Religare Infotech Private Limited	-	-	-	-	5.81	-	5.81	-
<b>Total</b>	-	-	-	-	5.81	6.41	5.81	6.41
<b>Purchase of Fixed Assets by the Holding Company</b>								
Religare Securities Ltd.	-	-	-	-	15.88	-	15.88	-
Religare Enterprises Ltd.	-	-	-	-	0.13	-	0.13	-
Religare Technologies Ltd.	-	-	-	-	13.28	-	13.28	-
Religare Finvest Ltd.	-	-	-	-	0.39	-	0.39	-
<b>Total</b>	-	-	-	-	29.56	-	29.56	-
<b>Remuneration to Key Managerial Personnel by the Holding Company</b>								
Maninder Singh Grewal	-	-	22.71	44.18	-	-	22.71	44.18
Abhay Kumar Sinha	-	-	45.51	-	-	-	45.51	-
Sanjay Padode	-	-	-	74.50	-	-	-	74.50
<b>Total</b>	-	-	68.22	118.68	-	-	68.22	118.68
<b>Remuneration to Key Managerial Personnel by the Subsidiaries</b>								
- Dion Global Solutions Pty. Ltd.								
Ralph James Horne	-	-	182.44	297.94	-	-	182.44	297.94
Joseph Leslie Nash	-	-	124.79	221.26	-	-	124.79	221.26
<b>Total</b>	-	-	307.22	519.20	-	-	307.22	519.20
<b>Current Account Transactions by the Holding Company</b>								
Religare Capital Market Ltd.	-	-	-	-	0.78	-	0.78	-
Oliverays Innovations Private Ltd.	-	-	-	-	3.23	-	3.23	-
Religare Insurance Broking Ltd.	-	-	-	-	0.09	-	0.09	-
Religare Technologies Ltd.	-	-	-	-	136.01	588.59	136.01	588.59
Religare Infotech Private Limited	-	-	-	-	22.93	-	22.93	-
Religare Macquarie Wealth Management Ltd.	-	-	-	-	0.26	-	0.26	-
Religare Commodities Ltd.	-	-	-	-	0.13	1.64	0.13	1.64
Religare Enterprises Ltd.	-	-	-	-	40.25	81.44	40.25	81.44
Religare Wellness Ltd.	-	-	-	-	-	1.61	-	1.61
Religare Finvest Ltd.	-	-	-	-	28.80	2.60	28.80	2.60
Religare Securities Ltd.	-	-	-	-	9.44	2.61	9.44	2.61
<b>Total</b>	-	-	-	-	241.92	678.50	241.92	678.50
<b>Outstanding Balance Payable/ Receivable as on 31-03-11</b>								
<b>Receivables by the Holding Company</b>								
Religare Technologies Ltd.	-	-	-	-	-	465.54	-	465.54
Religare Enterprises Ltd.	-	-	-	-	70.45	19.44	70.45	19.44
Religare Arts Initiative Ltd.	-	-	-	-	0.63	0.60	0.63	0.60
Religare Asset Management Co Ltd.	-	-	-	-	0.21	-	0.21	-
Religare Capital Markets Plc	-	-	-	-	-	3.76	-	3.76
Religare Macquarie Wealth Management Ltd.	-	-	-	-	1.22	0.90	1.22	0.90

Nature of Transaction	Individuals having Control		Key Management Personnel		Enterprises over which Individual/ Key Management Personnel able to exercise significant influence		Total	
	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010	2010-2011	2009-2010
Super Religare Laboratories Ltd.	-	-	-	-	-	0.46	-	0.46
Religare Commodities Ltd	-	-	-	-	159.41	4.29	159.41	4.29
Religare Finvest Ltd.	-	-	-	-	-	10.44	-	10.44
Religare Bullion Limited	-	-	-	-	4.11	-	4.11	-
Religare Capital Markets Ltd.	-	-	-	-	2.36	-	2.36	-
Religare Finance Ltd	-	-	-	-	9.35	-	9.35	-
Religare Infotech Limited	-	-	-	-	149.48	-	149.48	-
RHC Holding Private Limited	-	-	-	-	4.10	-	4.10	-
Religare Insurance Broking Ltd.	-	-	-	-	20.41	28.13	20.41	28.13
Religare Securities Ltd.	-	-	-	-	12.26	143.16	12.26	143.16
<b>Total</b>	-	-	-	-	433.98	676.72	433.98	676.72
<b>Interest Receivables by the Holding Company</b>								
Religare Infotech Private Limited	-	-	-	-	0.33	-	0.33	-
<b>Total</b>	-	-	-	-	0.33	-	0.33	-
<b>Payable</b>								
<b>Inter Corporate Deposits Payable by the Holding Company</b>								
Oscar Investments Ltd.	-	-	-	-	83.00	3,500.00	83.00	3,500.00
Luxury Farms Private Ltd.	-	-	-	-	963.00	968.00	963.00	968.00
RHC Holding Pvt. Ltd.	-	-	-	-	35.00	-	35.00	-
Religare Finvest Ltd.	-	-	-	-	17,405.00	5,595.00	17,405.00	5,595.00
<b>Total</b>	-	-	-	-	18,486.00	10,063.00	18,486.00	10,063.00
<b>Inter Corporate Deposits Receivable by the Holding Company</b>								
Religare Infotech Private Limited	-	-	-	-	55.00	-	55.00	-
<b>Total</b>	-	-	-	-	55.00	-	55.00	-
<b>Interest Payable by the Holding Company</b>								
Oscar Investments Ltd.	-	-	-	-	2.15	0.69	2.15	0.69
Luxury Farms Private Ltd.	-	-	-	-	24.91	8.14	24.91	8.14
RHC Holding Pvt. Ltd.	-	-	-	-	50.81	146.88	50.81	146.88
Religare Finvest Ltd.	-	-	-	-	391.29	164.48	391.29	164.48
<b>Total</b>	-	-	-	-	469.16	320.19	469.16	320.19
<b>Other Payable by the Holding Company</b>								
Religare Finvest Ltd.	-	-	-	-	2.82	-	2.82	-
Religare Capital Markets Plc	-	-	-	-	0.81	-	0.81	-
Religare Enterprises Ltd.	-	-	-	-	-	33.03	-	33.03
REL Infracilities Limited	-	-	-	-	1.05	0.83	1.05	0.83
Religare Wellness Ltd.	-	-	-	-	1.61	1.61	1.61	1.61
Religare Macquarie Wealth Management Limited	-	-	-	-	0.90	-	0.90	-
Religare Technologies Ltd.	-	-	-	-	171.78	-	171.78	-
Religare Travels (India) Ltd.	-	-	-	-	1.53	3.92	1.53	3.92
<b>Total</b>	-	-	-	-	180.49	39.40	180.49	39.40

i) For the purpose of calculation of Basic and Diluted Earnings per Share the following amounts are considered:

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Net Profit/Loss after tax (₹)	(149,033,531)	(247,254,747)
<b>Weighted average number of equity share</b>		
For Basic EPS (No.)	4,38,66,577	4,38,66,577
For Diluted EPS (No.)	4,39,23,666	4,38,66,577
Nominal Value of shares (₹)	10	10
<b>Earnings per share (EPS)</b>		
Basic (₹)	(3.40)	(5.64)
Diluted (₹)	(3.40)	(5.64)

j) Disclosures relating to actuarial valuation of Gratuity Liability: (Amount in ₹)

	Gratuity	
	2010-11	2009-10
<b>I Assumptions as at 31st March, 2011</b>		
Mortality	LIC (1994-96) Ultimate	LIC (1994-96) Ultimate
Discount Rate	8% p.a.	8% p.a.
Expected Rate of return on plan assets	N.A.	N.A.
Expected Average Remaining Service	16	16
<b>II Changes in present value of obligations</b>		
Present Value of Obligation at April 1, 2010	20,94,727	4,913,328
Interest Cost	1,67,578	393,166
Current Service Cost	26,54,190	2,459,417
Liabilities assumed on transferred employees	41,76,806	-
Benefits Paid	1,89,202	232,000
Actuarial (Gain) /Loss on Obligation	(24,59,388)	(983,877)
Present Value of Obligation at March 31, 2011	64,44,711	6,550,034
<b>III Changes in Fair Value of Plan Assets</b>		
Fair Value of Plan Assets at April 1, 2010	N.A.	1,315,359
Expected Return of Plan Assets	-	105,229
Benefits paid	-	232,000
Actuarial Gain / (Loss) on Plan Assets	-	-
Fair Value of Plan Assets at March 31, 2011	N.A.	1,188,588
<b>IV Amounts to be recognized in the Balance Sheet</b>		
Present Value of Obligation at March 31, 2011	64,44,711	6,550,034
Fair Value of Plan Assets at March 31, 2011	-	-
Amount recd/receivable on transfer of employees	41,76,806	-
Un-funded Liability at March 31, 2011	22,67,905	6,550,034
Un recognized Actuarial Gain /(Loss)	-	-
Net (Asset)/Liability recognized in the Balance Sheet	22,67,905	6,550,034
<b>V Expense recognized in the statement of Profit &amp; Loss A/c</b>		
Interest Cost	1,67,578	393,166
Current Service Cost	26,54,190	2,459,417
Expected Return on Plan Assets	-	105,229
Net Actuarial (Gain) /Loss recognized for the period	(24,59,388)	(145,290)
Expense recognized in the statement of Profit & Loss A/c	3,62,380	2,602,064

- k) Goodwill arising on consolidation as carried in the books of accounts has been tested for impairment. In the opinion of the management, based on future projections of revenue and cash flows drawn up by the subsidiaries and keeping in mind the strategic nature of the products sold in these subsidiaries no provision for impairment has been made for March 31, 2011.
- l) There are no transactions during the year with Micro, Small and Medium Enterprises during the year and as such there is no balance outstanding as at March 31, 2011.
- m) Capital work in progress of ₹ 179,393,585 (Previous Year ₹ 69,289,555) includes costs incurred on internally generated software in the development stage of the product and towards the acquisition of Fixed Assets.
- n) Figures of the Previous Year have been regrouped, rearranged and reclassified to conform to the current year classification.

**Signatories to Schedules A to S forming  
Part of the financial statement**

On behalf of the Board of Directors

As per our attached report of even date

**For R. V. SHAH & CO.**

Chartered Accountants  
ICAI Registration No.109765W

**Sd/-**

**(R. V. SHAH)**

Proprietor  
Membership No. 016097

**Sd/-**

**Ralph James Horne**

Global CEO & Managing Director  
DIN : 03297973

**Sd/-**

**Maninder Singh Grewal**

Director  
DIN : 00648031

**Sd/-**

**Tarun Rastogi**

Company Secretary

Place : New Delhi

Date : August 2, 2011



**DISCLOSURE OF INFORMATION RELATING TO SUBSIDIARIES**

The Ministry of Corporate Affairs, Government of India, vide general circular No. 2 and 3 dated 8 February, 2011 and 21 February, 2011 respectively has granted a general exemption from compliance with Section 212 of the Companies Act, 1956, subject to fulfillment of certain conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular including the disclosure of information of subsidiaries in the consolidated balance sheet of the company.

Sl. No.	Name of Holding/ Subsidiary	Subsidiaries													
		Holding Company	Dion Global Solutions Limited	Regius Overseas Holding Co. Limited	Dion Global Solutions Pty Ltd	Dion Global Solutions (Australia) Pty Ltd	Dion Global Solutions (Asia Pacific) Pty Ltd	Dion Global Solutions (Development) Pty Ltd	Dion Global Solutions (NZ) Ltd	Dion Global Solutions (HK) Ltd	Dion Global Solutions (Malaysia) Sdn Bhd.	Dion Global Solutions (Singapore) Pte. Ltd	Dion Global Solutions (UK) Ltd	Dion Global Solutions Vietnam Company Ltd.	AEOIU Ltd.
1	Capital	438,665,770	1,276,317,579	235,647,469	74,696	185,480,300	46,685	1,719,645	45	2,979,302	45	18,149,898	1,056,000	725,993	500,000
2	Reserves	(265,513,733)	(121,542,345)	(6,477,017)	(76,316,470)	31,211,930	89,176,234	(15,478,476)	(168,834,341)	(25,775,181)	(41,585,408)	3,693,617	(75,809,143)	195,846,539	722,239
3	Total Assets	2,204,096,723	1,459,564,528	268,896,258	333,557,319	367,361,028	106,013,446	8,772,240	88,287,883	21,550,293	10,734,017	227,224,055	2,090,124	247,189,854	2,139,369
4	Total Liabilities	2,030,944,686	304,789,294	39,725,806	409,799,093	150,668,798	16,790,526	22,531,071	257,122,178	44,346,172	52,319,380	205,380,540	76,843,268	50,617,219	917,130
5	Details of investment	1,687,718,656	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Total Income	340,157,676	37,808,270	-	336,086,626	259,154,862	-	86,548,533	149,241,438	38,849,460	28,736,254	125,770,863	15,574,160	106,723,570	80,772
7	Profit before taxation	(214,166,849)	21,893,692	3,847,533	52,184,497	(18,186,394)	10,897,728	(1,681,192)	(28,919,634)	(2,667,467)	(1,306,596)	54,414,374	(31,005,758)	31,630,018	(377,579)
8	Provision for taxation	-	-	-	(2,081,068)	(2,573,247)	-	-	-	-	-	(8,609,115)	-	-	(38,531)
9	Profit after taxation	(214,166,849)	21,893,692	3,847,533	50,103,429	(20,759,640)	10,897,728	(1,681,192)	(28,919,634)	(2,667,467)	(1,306,596)	45,805,259	(31,005,758)	31,630,018	(339,048)
10	Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Exchange Rate	1	46.6852	46.6852	46.6852	46.6852	46.6852	34.3929	45.2854	45.2854	45.2854	72.5993	0.0022	72.5993	1
	Reporting Currency	₹	A\$	A\$	A\$	A\$	A\$	NZ\$	US\$	US\$	US\$	GBP	VND	GBP	₹

On behalf of the Board of Directors

Sd/-

**Ralph James Horne**  
Global CEO & Managing Director  
DIN : 03297973

Sd/-

**Maninder Singh Grewal**  
Director  
DIN : 00648031

Sd/-

**Tarun Rastogi**  
Company Secretary

Place : New Delhi  
Date : August 2, 2011





**Dion Global Solutions Limited**  
[www.dionglobal.com](http://www.dionglobal.com)

**Registered Office**  
25, Nehru Place, New Delhi-110019

Australia | Brazil | Colombia | Dubai | Hong Kong | India | Indonesia | Malaysia | Mexico | New Zealand | Singapore | UK | USA | Vietnam