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CORPORATE INFORMATION

Board of Directors	Mr. K. Chandrasekaran Mr. N. T. Shivkumar Mr. V. N. Seshagiri Rao Mr. K. Shivakumar Mr. A. T. Krishnakumar Mr. Singanallur Narayanan Mr. S. Sriraman Mr. Mohan Ranganathan	Managing Director & Chief Executive Officer Director & Chief Operating Officer Director Joint Managing Director Independent Director Independent Director Independent Director Independent Director (Alternate to Mr. Singanallur Narayanan)
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Company Secretary	Mr. V. Gopal Rao	B.Sc., B.L., F.C.S.
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Chief Financial Officer	Mr. ANL Madhavann	B.Sc., FCA, FCS., PGDBA, BGL
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Auditors	M/s. K. S. Reddy Associates Chartered Accountant	New No.36/191, First Floor North Usman Road, T. Nagar Chennai - 600 017, India Tel. : +91 - 44 - 4260 5656 Mobile : +91 - 94444 04761
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Secretarial Auditors	Mr. T. Balasubramanian Practising Company Secretary	BMDV & Co. New No.13(Old No.7), South Boag Road T.Nagar, Chennai - 600 017. India Tel.: +91 - 44 - 42081581, 24340416
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Bankers	Union Bank of India Axis Bank Ltd.	
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Depository Services Share Transfer Agents	Cameo Corporate Services Limited	"Subramanian Building" No. 1, Club House Road Chennai - 600 002, India Tel.: +91 - 44 - 2846 0390 Fax: +91 - 44 - 2846 0129
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Registered Office	Info-Drive Software Limited	Buhari Buildings, Second Floor No. 3, Moores Road Chennai - 600 006, India Tel.: +91 - 44 - 2821 2368 Fax: +91 - 44 - 2821 2609 Website: www.infodriveservices.com E-mail: info@infodriveservices.com
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NOTICE TO THE SHAREHOLDERS

NOTICE is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of the Company will be held at the “Mini Hall”, Narada Gana Sabha, TTK Road, Alwarpet, Chennai – 60018, India, at 10:30 am. on Thursday, the September 30, 2010 to transact the following business:

AGENDA

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended March 31, 2010 and the Balance Sheet as on that date together with the Directors’ Report and the Auditor’s Report thereon.
2. To declare a Dividend.
3. To appoint a Director in the place of Mr. K. Chandrasekaran, Director, who retires by rotation. Mr. K. Chandrasekaran, being eligible, offers himself for reappointment.
4. To appoint a Director in the place of Mr. N.T. Shivkumar, Director, who retires by rotation. Mr. N. T. Shivkumar, being eligible, offers himself for reappointment.
5. To appoint Auditors for the Company, to hold Office from the conclusion of this Annual General Meeting till the conclusion of the 23rd Annual General Meeting and to fix their remuneration. M/s. K. S. Reddy Associates, Chartered Accountants, Chennai, who are presently the Auditors are eligible for reappointment and have expressed their willingness to be appointed as the Auditors of the Company.

SPECIAL BUSINESS

6. To appoint a Director

To appoint Mr. V. Gopal Rao as a **Director** of the Company. Notice under Section 257 of the Companies Act, 1956 has been received from a shareholder proposing the candidature of Mr. V. Gopal Rao.

7. To consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

Appointment of Mr. K.Chandrasekaran, as a **Managing Director & Chief Executive Officer**.

“**RESOLVED THAT** pursuant to the provisions of Section 198, 269, 309, 311 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr. K. Chandrasekaran as Managing Director & Chief Executive Officer of the Company, for a period of five years with effect from September 28, 2010 to September 27, 2015 be and is hereby approved.”

“RESOLVED FURTHER THAT the said appointment be made in accordance with the terms & conditions as set out in the Explanatory Statement annexed hereto.”

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Managing Director & Chief Executive Officer shall be paid remuneration by way of salary, perquisites and allowances as specified above or as may be decided by the Board of Directors.”

“RESOLVED FURTHER THAT the terms & conditions set out for appointment and payment of remuneration herein, may be altered and varied from time to time by the Board of Directors of the Company as it may, in its discretion deem fit so as not to exceed the limits specified under Schedule XIII to the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) or any amendments made thereto on and from such date as may be determined by the Board of Directors.”

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all necessary steps including filing of necessary applications, forms, letters, etc., with the Government and other authorities to give effect to the above resolution.”

8. To consider and if thought fit to pass the following Resolution as a Special Resolution with or without modification:

Mr.V.Gopal Rao is appointed as **‘Director and Company Secretary’** of the Company.

“RESOLVED THAT pursuant to the provisions of Section 314 and other applicable provisions, if any, of the Companies Act, 1956, the appointment of Mr.V.Gopal Rao as a Director and Company Secretary be and is hereby approved.

“RESOLVED FURTHER THAT the said appointment be made on such terms & conditions as may be determined by the Board of Directors from time to time.

“RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take all necessary steps including filing of necessary applications, forms, letters, etc., with the Government and other authorities to give effect to the above resolution.”

9. To consider and if thought fit to pass the following Resolution as an Ordinary Resolution with or without modification:

“RESOLVED THAT Mr. K. Shivakumar, whose appointment as **Joint Managing Director** of the Company was renewed by the Board at its meeting on August 27, 2010, for a further period of one year with effect from September 28, 2010 to September 27, 2011, on a remuneration of Rs.50,000/- (Rupees fifty thousand only) per month on a “Cost to Company” basis and under Section 269 read with Schedule- XIII be and is hereby approved.”

NOTICE TO THE SHAREHOLDERS

“RESOLVED FURTHER that the Board of Directors do take such action that may be necessary, to take note of the reappointment of Mr. K. Shivakumar as Joint Managing Director, for a further period of one year with effect from September 28, 2010 to September 27, 2011.”

By Order of the Board
for **Info-Drive Software Limited**

Chennai
27.08.10

Sd/-
V. GOPAL RAO
Director & Company Secretary

NOTES

1. Every member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and such a proxy need not be a member of the Company. The proxy form duly stamped and executed should be deposited at the registered office of the Company at least 48 hours before the time fixed for the commencement of the meeting.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from September 14, 2010 to September 30, 2010 both days inclusive.
3. Members are requested to notify the Company at its Registered Office or to the Share Transfer Registrar of any change in address quoting their folio number.
4. Members who have queries on the accounts of the Company are requested to send the same to the Company at least two days in advance, to enable gathering of data needed for the replies.
5. Dividend if declared will be paid to such members whose names appear in the Register of Members on September 14, 2010.
6. Members desirous of availing Electronic Clearing System (ECS) / Bank Mandate may please fill up the enclosed form and forward to M/s. Cameo Corporate Services Limited, Unit: Info-Drive Software Limited, "Subramanian Building", No: 1, Club House Road, Chennai - 600 002, India.
7. **No gifts or complimentary items will be distributed.**

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7:

Mr. K. Chandrasekaran was appointed as the Managing Director & Chief Executive Officer of the Company under Section 269 read with Schedule XIII of the Companies Act 1956 for the period of three years from September 28, 2007 to September 27, 2010. The period of office of Mr. K. Chandrasekaran comes to an end on September 27, 2010. The Board in its meeting held on August 27, 2010, has appointed him as a Managing Director & CEO for a further period of five years commencing from September 28, 2010 to September 27, 2015 on the same terms & conditions of his employment which are given herein below.

Mr. K. Chandrasekaran is a qualified Chartered and Cost Accountant and has over twenty two years of experience in the Corporate Sector both in India and abroad. He has handled large Merger & Acquisition deals of IT Companies and also companies in other domains. He has significant expertise in managing large financial closures and has been part of a treasury size of over \$1 billion. He is spear-heading the Corporate think tank, governance, vision process and business strategy.

The Remuneration Committee recommended the remuneration and the minimum remuneration for Mr. K. Chandrasekaran be in accordance with Schedule XIII. In addition to the basic remuneration payable to Mr. K. Chandrasekaran, he shall be entitled to perquisites in line with Schedule XIII of the Companies Act 1956.

Mr. K. Chandrasekaran has been associated with the Company for four years and under his leadership, the Company has carved a niche for itself with its diversified services and achieved impressive growth.

The Board is of the opinion that his appointment as the Managing Director & Chief Executive Officer of the Company would be in the best interest of the Company and accordingly the resolution at Item No.7 of the Notice is recommended for Members' approval. The remuneration will be paid on and from such date as may be determined by the Board of Directors. Notice has been received under section 257 of the Companies Act 1956, from a Shareholder proposing his candidature

Except Mr. K. Chandrasekaran, none of the other Directors are interested in this Resolution.

This explanation together with the accompanying Notice is and should be treated as an abstract under Section 302 of the Companies Act, 1956.

Item No. 6 & 8:

Mr. V Gopal Rao was appointed as Additional Director under Sec 260 of the Companies Act in the Board meeting held on August 27, 2010. He vacates office in the ensuing Annual General Meeting. He is eligible for appointment as Director and a notice under Sec 257 of the Companies Act, 1956 has been received from a shareholder proposing his candidature. As Mr. Gopal Rao would be holding an office of profit, if appointed, as Director, a special resolution Under Sec 314 is also placed for approval.

Mr. Gopal Rao is a Law Graduate and a fellow member in the Institute of Company Secretaries of India. He has over 45 years of experience in various capacities in large multinationals such as ESSAR group, Kothari Group, and was also a Director in Tamil Nadu Mercantile Bank Ltd. He was also instrumental in several M & A activities in ESSAR group, South India Shipping Corporation, etc.,

Mr. Gopal Rao joined us in 2006 and has been handling legal & secretarial matters. His remuneration would be governed by the policies of the company from time to time, and would be determined by the Board of Directors.

None of the Directors other than Mr. V. Gopal Rao is interested in the above resolution.

Item No 9:

Mr. K Shivakumar is the Promoter Director of the company. He had been appointed as Joint Managing Director till September 27, 2009. The Board at their meeting held on August 27, 2010 has reappointed him as Joint Managing Director for a further period of one year, effective from September 28, 2010 to September 27, 2011, with a remuneration of Rs. 50,000/- per month on a cost to company basis. Since the appointment is under Sec 269 read with Schedule - XIII, of the Companies Act 1956, the resolution pertaining to his appointment and fixation of remuneration is placed before the General body of shareholders and is being recommended to be passed at this General Meeting.

Mr. K Shivakumar is an MBA (USA) with specialization in Information Systems, and he has over 23 years of experience in this field.

None of the Directors, other than Mr. K. Shivakumar, is interested in the above resolution.

By Order of the Board
for **Info-Drive Software Limited**

Chennai
27.08.10

Sd/-
V. GOPAL RAO
Director & Company Secretary

DIRECTORS' REPORT

To the Members,

Your Directors are delighted to present the 22nd Annual Report on the business & operations of Info-Drive Software Limited (hereafter referred to as 'Info-Drive') together with Audited Accounts for the financial year ended March 31, 2010.

FINANCIAL RESULTS

Fiscal 2010 was a challenging year for the entire IT/BPO Industry. During the tough economic environment, we focused our efforts on sustaining the engagements with current clients whilst developing and investing on new practice lines that were emerging as non-discretionary budget items in our prospect pipeline. Despite the challenging macroeconomic environment and outsourcing headwinds in all the geographies we operated in, we continued to see a steady and profitable growth in the financial year 2009-10.

The highlights of Consolidated Financial Results of your Company and its Subsidiaries are as follows:

	<i>Rs. Lacs</i>	
Consolidated	2009 - 10	2008 - 09
Turnover / Income from operations	21336.79	19981.26
Other Income	54.46	185.76
Interest and finance charges	361.43	391.33
Profit after Tax (after Minority Interest adjustment)	914.11	801.71
Proposed Dividend (including Dividend Tax)	171.05	171.05
Balance Profit carried to Balance Sheet	743.06	630.66

The highlights of Financial Results of your Company as a Standalone entity are as follows:

	<i>Rs. Lacs</i>	
Stand Alone	2009 - 10	2008 - 09
Turnover / Income from operations	1638.45	1364.84
Other Income	20.31	96.72
Interest and finance charges	55.14	18.58
Profit after Tax	661.64	521.97
Proposed Dividend (including Dividend Tax)	171.05	171.05
Balance Profit / (Loss) brought forward from the previous year	(115.74)	(466.66)
Balance Profit carried to Balance Sheet	374.85	(115.74)

DIVIDEND

The global economic events in the past 12-18 months witnessed the meltdown and erosion in value of several outsourcing firms globally. Your company displayed remarkable resilience to absorb the business downtrend by remaining focused on cost-saving measures combined with prudent investments to maintain a steady revenue stream with predictable profits.

Keeping in mind your Company's future outlook and the avowed commitment to reward the Shareholders, the Board shall maintain its policy of returning a portion of its free cash flow to its shareholders at a level it considers prudent in light of the current economic and financial environment.

The Board is pleased to recommend a Dividend of 5% (Rs. 0.50 paise) per share for FY 09-10. The dividend will be paid in line with applicable regulations, if approved by the shareholders at the Annual General Meeting.

The Board is confident of ensuring sustainable returns to the Shareholders for now and many years to come.

Operating Results and Business of Consolidated Operations

Your Company's Income from operations grew by 6.78 % to Rs. 2133.68 million in 2010 from Rs.1998.13 million in 2009 thus making a further growth in 2010. The corresponding Total expenditure including depreciation is Rs. 2036.38 million in 2010 from Rs. 1933.83 million in 2009. Correspondingly Profit after Tax grew by 14 % from Rs. 80.17 million to Rs. 91.41 million.

The Company continued to win new engagements and grow existing relationships in the traditional area of Hardware, Sales & Maintenance and Systems Integration and has strengthened its presence in areas such as IT-led Business Consulting and specialized IT Infrastructure Management services.

The company in FY 09-10 has chalked out a new strategy and has realigned its operating structure and enhanced technology offering. The revised organizational operating structure paves the way for more accountability & performance by casting a P&L responsibility on heads of Operations. Your Company today is much more focused and is executing at a higher efficiency than a year ago.

The Strategic acquisitions have helped us globalize faster - access to local talent, local delivery base & data centers along with access to local markets and in making InfoDrive as an integrated provider of end-to-end comprehensive solutions.

Operating Result and Business of Standalone Operations

Your Company's Income from operations grew by 20 % to Rs. 163.85 million in 2010 from Rs. 136.48 million in 2009 thus making further growth in 2010. The corresponding Total expenditure including depreciation is Rs. 98.62 million in 2010 from Rs. 92.76 million in 2009.

Correspondingly the Profit after Tax increased by 26.77 % to Rs. 66.16 million in 2010 as compared to profit of Rs. 52.19 million in 2009.

Your Company's Standalone operations have shown substantial growth. We seek long term engagements with clients while addressing their Technology & Outsourcing requirements. Our customer centric approach has resulted in high level of client satisfaction. The demand for your Company's services continues to look robust, and the relentless focus on niche areas within Business Process Outsourcing (BPO) and Information and Communication Technology (ICT) services continues to resonate with target customers.

The company now pursues differentiated services which deliver value-adds either from a domain or technology perspective to customers through niche services with innovate business models built on outcome based pricing.. Info-Drive is building a portfolio of productized solutions with IP assets to cater to specific needs of industry or technology segments.

Your Company's chosen target segment in BPO space does not have any exposure to the recession in USA and has not seen any slowdown in demand from its US clients. USA continued to be the largest market for our BPO operations. We derived 85 % of our BPO revenues from repeat business. Your Company continues to believe that, for the nature of services it provides, growth is predicated on superior service delivery execution, ongoing value enhancing workflow and domain competency rather than on vagaries of macroeconomic market forces.

Your Company's investments in uncontested market opportunities and innovation have enabled it to conceptualize and undertake a large, end-to-end critical project in 'Digi - Life' segment. As part of this practice initiative, your Company has won several high-value contracts in Information & Communication Technology (ICT). We have rapidly established ourselves as industry leaders in creating a truly unique 'e-Living' Practice that provides automation, digital life-style, community networking & unified integration of media, telecom and internet for homes and community.

The quality of revenue and the annuity nature of our client contracts make our growth plans highly predictable and sustainable over a longer time horizon, relative to our sector peers. The global economic events and the resultant slow-down has created enormous headwind to the growth of services industry in general and offshore outsourcing industry in particular. Your company's investments in new growth engines like e-living, specialized service offerings in BPO like Benefits Administration Services and value centricity in the large Systems Integration projects have helped us convert today's challenging market environment into opportunities for growth.

Some of the key areas of investments have been in the fast emerging banking segment wherein we have established practices on Enterprise Risk Management & Analytics and Technology-led Innovation solutions for retail banking operations.

While the external macroeconomic conditions continue to be uncertain, we believe that our professional management team will continue to surpass your expectations as witnessed over the last three years.

BRANCH

Info-Drive Software Limited (Singapore Operation)

Info-Drive Software Limited (Singapore Branch) was incorporated in November 2007, to expand its business in Hardware Sales & support services business in Singapore. The Company signed a reseller agreement with Hewlett Packard Singapore (Sales) Pte Ltd (“HP”) for selling the entire line of HP’s Products in India. We are intending on building our service offerings which will enhance our gross margin profile with no inventory risk and a means to diversify our revenue stream.

SUBSIDIARIES

Your Company today is a global corporation having presence in 5 countries:

Subsidiary	Country of Incorporation
Info-Drive Software Inc	United States of America
Info-Drive Systems Sdn Bhd	Malaysia
Info-Drive Software LLC	United Arab Emirates
Precision Infomatic (Madras) Pvt Ltd	India
Info-Drive Software Pte Limited	Singapore
Info-Drive Software Limited	Canada
Precision Techserve Private Limited	India
Precision Galaxy Private Limited	India
Precision Techconet Private Limited	India
Legend Systems Private Limited	India
Technoprism LLC	United States of America

Info-Drive Software Inc (USA)

Info-Drive Software Inc. acquired 51 percent of the equity shares of Technoprism LLC for a purchase consideration of USD 5.1 million in August 2008.

Technoprism LLC is an IT services firm providing product design, development & customization solutions to large technology companies. The solutions include web portals, customer relationship management applications, online transaction processing systems, content management platforms, and customer self-service solutions for various functions in an enterprise such as human resource, sales, marketing, finance, accounting, business strategy, supply chain, logistics and procurement.

Technoprism LLC offers IT services to large enterprise companies, mid-sized companies and software product companies to provide end-to-end project execution- onsite, offsite, or in a hybrid delivery model.

The team has expertise in the areas of:

- Internet and Enabling Technologies
- Data Warehousing/ Business Intelligence
- Enterprise Resource Planning (ERP)
- Product Engineering
- Product Assurance and Testing
- Technical Support
- Web Services
- Application Maintenance

Info-Drive Systems Sdn Bhd (Malaysia)

Info-Drive Systems Sdn Bhd (InfoDrive Malaysia) provides a complete range of business consulting and Information technology services for clients in industries includes Conventional & Islamic banking, financial services and telecom. It offers focused solutions in core Infrastructure areas and leverages its proven IT infrastructure assessment tool and methodologies to design solutions that are closely aligned to the client's business strategy. The centre provides key offerings in IT consulting, Infrastructure management and packaged solutions implementation. We provide Level 1, 2, and 3 support service for packaged applications to assist in the systems maintenance, administration, bug/defect management/fix, and patch releases.

Info-Drive Software LLC (UAE)

Info-Drive Software LLC (Info-Drive Dubai) offers full range of networking technologies covering communications & networking infrastructure and systems integration projects to cater to the requirements of market segments such as hospitality, real estate, telecom and utilities.

During the year under review, Info-Drive Dubai has made substantial progress in acquiring projects in Digi-life practice in ICT space for the parent company. The scope of work includes providing community datacenter, call-center & e-Living experience. Hardware Platform, Software Drivers & Applications are developed in conjunction with several OEM & technology giants. Your Company seeks to become an integral part of the customer's transformation journey by offering superior value propositions.

Precision Infomatic (Madras) Pvt Ltd (India)

Precision Infomatic (Madras) Pvt Ltd has an impressive array of IT products, solutions and services. It provides one-stop solution to their customers offering end to end IT Consulting and Infrastructure Solutions. The company has strategic business association with global IT companies who provide Computer Products, Operating systems, Storage, Network infrastructure, and security technologies.

Some of the key partners include Hewlett-Packard, IBM, Cisco, Nortel and Microsoft.

Precision Infomatic (Madras) Pvt. Ltd has four operating subsidiaries namely Precision Techserve Private Limited, Precision Galaxy Private Limited, Legend Systems Private Limited and Precision Techconet Private Limited.

During the year, Precision Infomatic (Madras) Pvt. Ltd. along with its subsidiaries added a substantial clients belonging to SME (small & medium business Enterprises) segment.

Info-Drive Software Ltd. (Canada) and Info-Drive Software Pte Ltd (Singapore)

The company incorporated wholly-owned subsidiary in Singapore and Canada in 2007 and 2008 respectively. The subsidiaries are yet to commence operations.

PARTICULARS REQUIRED AS PER SECTION 212 OF THE COMPANIES ACT, 1956

Your Company has obtained vide letter No:47/189/2010-CL-III dated April 16, 2010 for an exemption under Section 212 of the Companies Act, 1956 from the Central Government, Ministry of Corporate Affairs (MCA) from attaching the Balance Sheet, Profit & Loss Account, Directors' Report and the Auditor's Report of its subsidiaries to the Annual Report. This Annual Report does not contain the financial statements of the subsidiaries, instead contains the Consolidated Audited Financials of your Company and its subsidiaries.

Further, information relating to each subsidiary has been disclosed in an abstract format, which is forming part of the consolidated Balance Sheet. The detailed financial statements and audit reports of each of the subsidiaries are available for inspection during business hours at the registered office of the Company.

As per Clause 49 of the Listing Agreement, your Company has a material non-listed subsidiary company, whose turnover or networth exceeds 20% of the consolidated turnover or networth respectively of your Company and its subsidiaries in the immediately preceding accounting year. In compliance with Clause 49 of the Listing Agreement, one of our Independent Directors is inducted as a Director in the Board of Precision Infomatic (Madras) Pvt. Ltd which is a material non - listed subsidiary company.

Other Info

The Company has acquired customer contracts from M/s. Kashi Infotech Pvt. Ltd in the field of Healthcare BPO services that cater to US healthcare market.

Precision Infomatic (Madras) Private Limited', a company, in which the Company holds 51% equity, have informed the company that they have passed a resolution to convert the debentures held by their promoters which will result in the company's holding reducing from 51% to 24%. The meeting in which the resolution to convert the debentures had been passed by them is without proper notice and also is full of legal lacunae and hence the whole action is legally unsustainable. The Company has issued a rebuttal to their action and intends taking appropriate legal action against Precision Infomatic (Madras) Private Limited to ensure that the company's holding is not diluted.

The Company (under a Non-Disclosure Agreement) has initiated discussions for acquiring a majority controlling stake in a leading provider of IT infrastructure solutions located in India and has exercising significant influence in the management of the affairs of the said IT infrastructure solutions company.

FIXED DEPOSIT

The Company did not accept / renew any fixed deposit during the year under review.

DIRECTORS

- (i) Mr. V.N. Seshagiri Rao has been reappointed as a Director at the Annual General Meeting held on September 23, 2008. Mr. V. N. Seshagiri Rao has an experience of over 35 years in the field of Management. A qualified Chartered Accountant by profession, he worked at the Senior Management level throughout his career. He has been in the Board of several prominent Industrial houses. His knowledge and guidance will be an asset to the Company in its growth and expansion plans. He is holding 25,876 shares in the Company as on June 30, 2010.
- (ii) Mr. A.T. Krishnakumar has been reappointed as a Director at the Annual General Meeting held on September 23, 2007. He is an MBA Professional, highly experienced in the field of Consultancy, Corporate Finance and Planning. He is not holding any shares in the Company.
- (iii) Mr. Singanallur Narayanan has been reappointed as a Director at the Annual General Meeting held on September 23, 2009. He is a Bachelor of Technology from IIT, Chennai, India, M.B.A from Columbia University School of Business and M.S. in Computer Science from University of Texas. He is a partner of M/s. Kuberon Capital LLC, New York, a hedge fund with macro long / short equity strategy. He has around 17 years of experience in Equity Research and Derivative Strategies. He is not holding any shares in the Company.
- (iv) Mr. K. Chandrasekaran was reappointed as the Managing Director & Chief Executive Officer at the Board Meeting held on August 27, 2010. Mr. K. Chandrasekaran is a qualified Chartered and Cost Accountant and has over twenty two years of experience in the Corporate Sector both in India & abroad. He has handled large Merger & Acquisition deals of IT Companies and also companies in other domains. He has been instrumental in launching a BPO venture in the Middle East which is a Joint Venture between a large conglomerate in the Middle East and a reputed Indian Corporate Group. He is spearheading the Corporate think tank, governance, vision and business strategy. He is holding 15,06,354 shares in the Company as on June 30, 2010.

The resolution pertaining to the appointment and fixation of remuneration as Managing Director & CEO is being placed before the general body meeting of the Company and shareholders are requested to pass the resolution in this general meeting.

The appointment of Mr. K. Chandrasekaran as Managing Director & CEO for a period of five years with effect from September 28, 2010 to September 27, 2015 would not be disturbed on account of his retirement in this 22nd Annual General Meeting and he would be re-elected in the same meeting.

- (v) Mr. N.T. Shivkumar Director, retires at the ensuing Annual General Meeting and being eligible offers himself for reappointment as a Director. Mr. N.T. Shivkumar will demit his office as Whole time Director but continue to be a Director and function as President & Director of Info-Drive Software Inc. in USA. He is an alumnus of BITS Pilani (India) and has over two decades of experience in the IT / IT Outsourcing & BPO sector. As the Chief Operating Officer, he is responsible for identifying greenfield opportunities for fast-track growth and managing the global business operations of all practice lines and portfolio companies. Prior to joining Info-Drive board, Mr. N. T. Shivkumar had an outstanding tenure as the head of global sales & marketing at Oakhill Capital's portfolio firm EXL Service after his 16 year association with HCL group where he had the distinction of successfully leading several pioneering initiatives to fuel the organic and inorganic growth of HCL America. The shareholders are requested to pass the resolution in this general meeting. He is holding 3,50,000 shares in the Company as on June 30, 2010
- (vi) Mr. K. Shivakumar, is the Promoter Director of the Company. He is an MBA (U.S.A. specialization in Information Systems). He has over 23 years of working experience. The Board at their meeting held on August 27, 2010, has reappointed him as Joint Managing Director for a further period of one year with effect from September 28, 2010 to September 27, 2011, with a remuneration of Rs 50, 000/- per month on a cost to company basis. Since the appointment is under Sec 269 read with Part III of Schedule - XIII, of the Companies Act 1956, the Resolutions pertaining to his appointment and fixation of remuneration is being placed before the general body of shareholders and is being recommended to be passed at this General Meeting. The shareholders are requested to pass the resolution in this general meeting. He is holding 5,94,090 shares in the Company as on June 30, 2010.
- (vii) Mr. S. Sriraman was appointed as a Director at the Annual General Meeting held on September 23, 2008. He is a qualified Banker with CAIB from Indian Institute of Bankers. He is an MBA from Madurai Kamaraj University, with specialization in Finance and Marketing. In addition, he holds a Masters qualification in Economics from University of Madras and a Doctorate of Business Administration from University of South Australia, Adelaide, Australia. He has around 26 years of experience in Banking, Fund Management and in Corporate Sector. His stints include organizations like Canara Bank, Canbank Mutual Fund, Wipro Finance Ltd, IL&FS Venture Corporation Limited and SilkRoute Indchem Limited. He has an impressive track record of mentoring start ups as part of venture capital initiatives till they are listed. At present he is involved in the operations of a fund management company in Chennai, with focus on venture capital, private equity, mergers and acquisitions. He is not holding any shares in the Company.
- (viii) Mr. V.Gopal Rao, Company Secretary since December 2006 was appointed as an 'Additional Director' at the Board Meeting held on August 27, 2010. He is a fellow member of The Institute of Company Secretaries of India and a Law Graduate from Madras University. He has rich and varied experience of 45 years in the Blue Chip Corporate World of Indian business and has served on the board of Essar Group and Tamilnadu Mercantile Bank. He was also associated with Kothari Group for a brief period. He has tremendous hands-on experience in Merger & Acquisition and Corporate Governance Compliance and is a reputed authority in this field.

- (ix) The Board has appointed Mr. Mohan Ranganathan as an alternate to Mr. Singanallur Narayanan with effect from February 13, 2007 . He is being reappointed from time to time as required by the Companies Act 1956. He is a Chartered Accountant by profession. With 25 years of experience in the field of management, his immense ability to understand the business environment quickly coupled with financial & accounting background is his core competence. He has vast experience of handling Audits, Company Law Matters, Corporate and Financial Restructuring, Valuations, Statutory Audit and Tax Audit of Corporate leaders especially in IT industry. He is not holding any shares in the Company.

RETIREMENT AND REAPPOINTMENT OF DIRECTORS

Mr. N.T. Shivkumar, will be demitting his office as a Whole Time Director on August 27, 2010 and continue as a Director. He would be retiring as a Director at the ensuing Annual General Meeting and seeks re-election. The profile of Mr. N.T. Shivkumar, has been given in the particulars of the Directors. Notice proposing his candidature has been received from a shareholder. He is holding 3,50,000 shares in the Company as on June 30, 2010.

Mr. K. Chandrasekaran, who would be retiring at the ensuing Annual General Meeting, seeks re-election. His reappointment as a Managing Director & CEO for a period of five years is also being placed before Annual General Meeting. He is holding 15,06,354 shares as on June 30, 2010 in the Company. Notice proposing his candidature has been received from a shareholder.

Mr. V.Gopal Rao was appointed as an Additional Director at the Board Meeting held on August 27, 2010 He vacates office at the ensuing Annual General Meeting. If appointed as a Director, he would continue to be a Director and also be the Whole Time Company Secretary. His qualification and experience have been set out in the explanatory statement and the Directors recommend his appointment. He holds no shares in the Company. Notice proposing his candidature has been received from a shareholder.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 ("Act") and based on the representations received from the operating management, the Directors hereby confirm that:

- in the preparation of annual accounts for the year 2009-10, the applicable Accounting Standards have been followed and there are no material departures;
- they have selected such accounting policies in consultation with statutory authorities 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 at the end of the financial year and of the profit of the Company for the financial year;
- they have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate systems and controls for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the Annual Accounts on a going concern basis.

AUDITORS

M/s. K. S. Reddy Associates, Chartered Accountant, Chennai, India who is the Auditor of the Company, hold Office till the conclusion of the ensuing Annual General Meeting. They are eligible for reappointment and they have expressed their willingness to be appointed as Statutory Auditor of the Company, at the said Annual General Meeting. They are qualified to be appointed under Section 224 of the Companies Act, 1956.

AUDIT COMMITTEE

The Company has reconstituted an Audit Committee as required under the provisions of Section 292 A of the Companies Act, 1956.

Members of Audit Committee:

Name	Category
Mr. K. Chandrasekaran	Executive Director
Mr. V. N. Seshagiri Rao	Non-Executive Promoter Director
Mr. A. T. Krishnakumar	Non-Executive Independent Director
Mr. Singanallur Narayanan	Non-Executive Independent Director
Mr. Mohan Ranganathan (Alternate Director to Mr. Singanallur Narayanan)	Non-Executive Independent Director
Mr. S. Sriraman	Non-Executive Independent Director

CORPORATE GOVERNANCE REPORT AND MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT

A report on Corporate Governance, Management Discussion and Analysis Statement is attached to this Report.

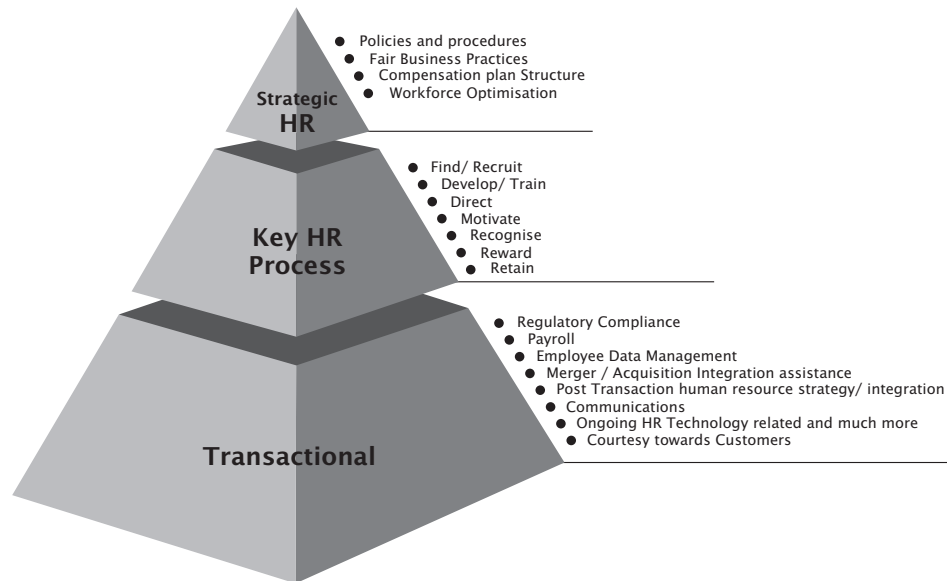
CONSERVATION OF ENERGY OR TECHNOLOGY ABSORPTION

Your Company has no activity relating to conservation of energy or technology absorption.

SIGNIFICANT MATERIAL DEVELOPMENT IN HUMAN RESOURCE MANAGEMENT

Your Company believes that "Human Capital" is its asset. The human resource department and the various business and operational units work closely to ensure effective and timely recruitment to support growing business of the Company.

- Your Company's headcount was 1544 as on March 31, 2010
- Your Company encourages functional and geographical movements to promote employee development and growth thereby helping the Company in its pursuit of employee recognition and retention.



The Company operates in a sector where attrition rates are high. It therefore may face the challenge of attracting and retaining professional and skilled talent to be able to continuously deliver a superior quality of service. Your Company endeavors to attract and retain the best professional talent by creating a professional work culture.

During the Financial Year under review, there are no employees in the company in terms of the requirement of Section 217 (2A) of the Companies Act, 1956.

ACKNOWLEDGEMENT

Your Directors place on record their sincere thanks to its customers, vendors, bankers, financial institutions, registrar & share transfer agents, technology partners, business associates, advisors, regulatory and government authorities for the continued support. We also place on record our deep appreciation of the dedication and hardwork of the employees, which helped us succeed during a tough and turbulent year.

Your Directors also take this opportunity to extend a special thanks to each and every shareholder of Info-Drive, whose trust, confidence and support has been the motivating force in all our endeavors.

For and on behalf of the Board

Chennai
27.08.10

Sd/-
V. N. Seshagiri Rao
Director

Sd/-
K. Chandrasekaran
Managing Director & Chief Executive Officer

CORPORATE GOVERNANCE

The detailed report on Corporate Governance, for the year under review as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

COMPANY'S PHILOSOPHY

The Company's philosophy on corporate governance envisages adherence to the highest levels of transparency, accountability and equity in all areas of its operations and in all interactions with its stakeholders. Your Company is committed to achieving the highest standards of corporate governance in its pursuit of excellence, growth and value creation. It believes that all operations must be spearheaded by integrity, transparency and accountability for meeting its obligations towards enhancing shareholder value continuously.

At the core of its corporate governance practice is the Board, along with its committees which oversees how the management serves, protects & creates short term and long-term interests of shareholders and other stakeholders. The Company's corporate governance practices comply with the corporate governance requirements as per the Listing Agreement with Stock Exchange.

At Info-Drive, we strive towards excellence through adoption of best governance and disclosure practices.

BOARD OF DIRECTORS

Composition, Attendance at the Board Meetings and last Annual General Meeting, outside Directorships and other Board Committees as on March 31, 2010, as applicable is tabulated hereunder:

Director	No. of Board Meetings Totally Held	No. of Board Meetings Attended	Attendance at previous AGM held on Sept 23, 2009	No. of Outside Directorship held (excluding Alternate Directorships and Directorships in Pvt. Companies)	No. of Membership / Chairmanship in other Board Committees	Executive / Non Executive Independent
Mr.K.Chandrasekaran	7	5	Present	1	5	Executive
Mr.V.N.Seshagiri Rao	7	7	Present	Nil	7	Non-Executive
Mr. K. Shivakumar	7	6	Present	Nil	6	Executive
Mr. N.T. Shivkumar	7	2	Present	Nil	Nil	Executive
Mr.A.T.Krishnakumar	7	6	-	Nil	3	Non-Executive Independent
Mr. Singanallur Narayanan	7	2	Present	Nil	3	Non-Executive Independent
Mr. S. Sriraman	7	3	-	Nil	1	Non-Executive Independent
Mr.Mohan Ranganathan (Alternate Director to Mr.Singanallur Narayanan)	7	2	-	Nil	3	Non-Executive Independent

Board Meetings held during the year 2009 - 10

1. 30.04.2009	2. 31.07.2009	3. 07.08.2009	4. 23.09.2009
5. 30.10.2009	6. 29.12.2009	7. 29.01.2010	

BOARD AND ITS COMMITTEES:

The Board has set up the following committees as per the Code of Conduct for Corporate Governance.

Audit Committee

The role and terms of reference of the Audit Committee covers the areas mentioned under Clause 49 of the Listing Agreement and Section 292 A of the Companies Act, 1956 besides other terms as may be referred by the Board of Directors. The committee strength of five members comprise of three independent, directors i.e., A.T.Krishnakumar,(Chairman),S.R.Narayanan, & S.Sriraman.The Statutory Auditor attended all the meetings.

The constituted committee presently consists of

- A.T. Krishnakumar, [Chairman of the Committee]
- K.Chandrasekaran
- V.N. Seshagiri Rao
- S.Sriraman
- Singanallur Narayanan
- R.Mohan

The terms of reference of the Committee are as provided in Clause 49 of the Equity Listing Agreements.

The Audit Sub Committee, meets at least once every three months, and reviews the performance of the company. The responsibility of the Audit Committee includes

- Overseeing the financial reporting process and disclosure of financial information.
- Reviewing with management, quarterly and annual financial statements and ensuring their accuracy and correctness before submission to the Board of Directors.
- Reviewing with management and internal auditors the adequacy of internal control systems, approving the internal audit plans and reviewing the efficacy of their functions and discussing and reviewing periodic audit reports, including findings of internal investigations.
- Recommending the appointment of the internal and statutory auditors and fixing their remuneration
- Holding discussions with the statutory auditors.

Name	Category	Number of Committee Meetings	
		Held	Attended
Mr. K. Chandrasekaran	Executive	5	4
Mr. V.N. Seshagiri Rao	Non-Executive	5	5
Mr. A.T. Krishnakumar	Non-Executive Independent	5	5
Mr. Singanallur Narayanan	Non-Executive Independent	5	1
Mr. Mohan Ranganathan (Alternate Director to Mr. Singanallur Narayanan)	Non-Executive Independent	5	2
Mr. S. Sriraman	Non-Executive Independent	5	2

Audit Sub Committee Meetings held during the year 2009 - 10

1. 30.04.2009	2. 31.07.2009	3. 07.08.2009
4. 30.10.2009	5. 29.01.2010	

Shareholders' Grievance Committee

The Committee consists of:

- K.Shivakumar
- V.N.Seshagiri Rao
- V.Gopal Rao - Company Secretary
- R.Mohan

The Shareholders Grievance Committee oversees all relevant matters pertaining to shareholders/ investor related issues and generally reviews the number of investor queries received, redressed, and pending redressal, as also the time taken to redress these queries. The review is based on inputs provided by the Registrar & Transfer (R & T) Agents of the Company. The meeting of this committee is held when required. Other Investor related queries/complaints addressed to the company, the R&T Agents, BSE & SEBI, etc, have been suitably redressed well in time, and there are no cases pending redressal.

During the financial year ended March 31, 2010, one meeting of this Committee was held on 01.09.2009.

Remuneration Committee

The members of the Committee are:

Name	Category
A.T. Krishnakumar	Non-Executive Independent
K.Chandrasekaran	Executive Director
Singanallur Narayanan	Non-Executive Independent

This Committee is entrusted with the task of the recommendation of appointment and fixation of remuneration to the Executive Directors, as per the provisions of the Companies Act 1956. The members meet as and when there is a need for appointment & fixation of remuneration to any Executive Director.

During the financial year ended March 31, 2010, the Remuneration Committee held two meetings on

1. 07.8.2009	2. 22.9.2009
--------------	--------------

Investment Committee

As required under Section 292 of the Companies Act 1956, an Investment Committee has been constituted to assist the Board in reviewing investment opportunities in subsidiaries and other companies within the limits prescribed under Section 372 [A] of the Companies Act 1956.

Pursuant to the powers delegated and limits fixed by the Board, this committee takes decisions on making investments and granting loans in conformity with the provisions of FEMA & the Companies Act.

This committee consists of the following members:

Name	Category
A.T. Krishnakumar	Non-Executive Independent
V.N.Seshagiri Rao	Non-Executive
K.Chandrasekaran	Executive
K.Shivakumar	Executive

This committee meets whenever decisions regarding Investments and loans to the various subsidiaries are to be considered.

During the financial year ended March 31, 2010 five meetings of this Committee was held.

1. 11.06.2009	2. 12.6.2009	3. 21.08.2009
4. 09.3.2010	5. 25.03.2010	

Share Allotment Sub-Committee

The members of the Committee are:

- K.Shivakumar
- V.N.Seshagiri Rao
- V. Gopal Rao

This Committee meets whenever there is a requirement of allotment of shares to be made and the basis of allotment is finalized by the members of this committee in consultation with the stock exchanges.

During the financial year ended March 31, 2010, no meetings of this Committee was held.

Committee of Directors u/s 292 of the Companies Act.

The members of the Committee are:

- K.Shivakumar
- V.N.Seshagiri Rao
- K.Chandrasekaran

The Committee of Directors has been constituted by the Board under Section 292 of the Companies Act, 1956. The committee functions based on the powers delegated by the Board, for overseeing and taking decisions on borrowings, from financial institutions/ other corporate/entities, etc. The limits fixed are in line with the approval obtained by the company from the members under section 293 [1] [d] of the Companies Act, at the Annual General Meeting held on 19th September 2007 wherein the upper limit is up to and including Rs500 Crores. The borrowing limits of the committee of directors are fixed by the Board.

Meetings of this committee are held whenever decisions regarding borrowings/availing of loans or any facilities from corporate/banks/financial institutions are needed.

During the financial year ended March 31, 2010 three meetings of this Committee was held.

- | | | |
|---------------|---------------|---------------|
| 1. 01.06.2009 | 2. 18.12.2009 | 3. 03.03.2010 |
|---------------|---------------|---------------|
-

Share Transfer Committee

The members of the committee are:

- Mr. K.Shivakumar
- Mr. V.N.Seshagiri Rao
- Mr. K.Chandrasekaran
- Mr. V.Gopal Rao

The Registrar & Transfer Agent [RTA] of the Company who maintain the members database process the transfer/transmission/requests, on a fortnightly basis. A report containing the following information is submitted by the R&T Agent to the company on a fortnightly basis.

- a. Cases of Transfers effected.
- b. Cases of Transmissions effected.
- c. Cases rejected & the reasons for rejection.
- d. Cases of duplicate share certificates issued.
- e. Details regarding requests received for dematerialization of shares.

This committee peruses this report, and takes note of the information contained therein. Any specific case of transfer referred to by the R&T Agent is examined by the committee and an appropriate decision is communicated to the R&T Agent for due processing.

Allotment & Issue of Share Certificate Committee

The members of the committee are:

- Mr. K.Shivakumar
- Mr. V.N.Seshagiri Rao
- Mr. V.Gopal Rao

This committee also peruses the reports issued by the R&T Agent regarding information pertaining to transfers and requests for issuance of duplicate share certificates in lieu of the original. This committee takes suitable decisions for issuance of duplicate share certificates based on specific requests from the shareholders, after ensuring that all the necessary formalities have been completed by both the R&T Agent & the company. Whenever a new issue is made by the company, and share certificates in physical mode are to be issued, this committee takes suitable decisions pertaining to the same.

DIRECTORS' REMUNERATION

The Company has paid Rs. 22,500/- as Sitting Fees during the year 2009 - 10.

No remuneration has been paid to Mr.K.Shivakumar, Joint Managing Director for the period under review.

Mr. K. Chandrasekaran and Mr. N.T. Shivkumar who were appointed as Managing Director & Chief Executive Officer and Whole Time Director & Chief Operating Officer respectively on September 28, 2007 for a period of three years are not being paid any remuneration.

POSTAL BALLOT

No Postal Ballot was conducted by the Company during the year 2009 - 10.

SPECIAL RESOLUTION**Extraordinary General Meeting**

A special resolution was passed at the Extra-Ordinary General Meeting held on February 1, 2010 to obtain the Members approval for the alteration of the Articles of Association by substituting new Articles 3 in place of the existing Article 3, pertaining to the increase in the Authorized Capital from Rs 60 Crores to Rs 70 Crores.

Another special resolution under Section 81, 81 [1A] was passed at the same meeting for raising of additional capital to the tune of USD 20 Million or its rupee equivalent by issuing several class(es) of instruments.

GENERAL MEETINGS OF THE COMPANY

Meeting	19th AGM	20th AGM	21th AGM	EGM	EGM	EGM	POSTAL BALLOT
Date	19.09.2007	23.09.2008	23.09.2009	14.08.2008	01.02.2010	10.08.2010	2009-10
Time	10.30 A.M	10.30 A.M	10.30 A.M	10.30 A.M		10.30 A.M	
Venue	'Mini Hall', Narada Gana Sabha, T.T.K. Road, Chennai, India	The Music Academy "Kasthuri Srinivasan Mini Hall" No.168, T.T.K. Road, Chennai	The Music Academy "Kasthuri Srinivasan Mini Hall" No.168, T.T.K. Road, Chennai	'Mini Hall', Narada Gana Sabha, T.T.K. Road, Chennai, India	'Mini Hall', Narada Gana Sabha, T.T.K. Road, Chennai, India	'Mini Hall', Narada Gana Sabha, T.T.K. Road, Chennai, India	
Sl. No.	Type	Resolution Passed	Type	Resolution Passed	Type	Resolution Passed	Type
1	○	Adoption of Annual Accounts (31/03/2007)	○	Adoption of Annual Accounts (31/03/2008)	○	Increasing the Authorized Share Capital of the Company	○
				Approval under Sec.81,81(1A) for issuing several classes of instruments to raise additional capital upto US\$ 100 Million		Approval for the increase in the limit for the investment by Fill in the Company within the applicable sectoral capital of the revised paid up equity capital	
2	○	Re-Appnt. of Mr. A.T. Krishnakumar as Director	○	Re-Appnt. of Mr. V.N. Seshagiri Rao as Director	○	Amending the Capital Clause of MOA.	○
3	○	Re-Appnt. of M/s. K.S.Reddy Associates as Auditors	○	Re-Appnt. of M/s. K.S.Reddy Associates as Auditors	○	Altering the Articles of Association by Substituting New Articles "3", in place of the existing Articles "3".	○
4	○	Appnt. of Mr. Clark Reiner as Director	○	Appnt. of Mr. S. Srinaman as Director	○	Approval under Section 81, 81 [1A] of the Companies Act 1956, for raising additional capital to the tune of USD 20 Million or its rupee equivalent by issuing several class(es) of instruments	○
5	○	Appnt. of Mr. Singanallur Narayanan as Director	○	Amendment of Article 21(g) for increasing Sitting Fees from Rs.250/- to Rs.10,000/-	○	Ratification of the Re-Appointment of Mr.K Shivakumar, as Joint Managing Director, for further period of one year, and fixation of remuneration payable to him	○
6	○	Appnt. of Mr. K. Chandrasekaran as Director	○	Deletion of Article 21(i)	○	Ratification of Appointment & Fixation of Remuneration to Mr. K.C. Chandrasekaran	○
7	○	Appnt. of Mr.N.T.Shiv Kumar as Director					
8		To fix limits for borrowing in excess of the paid up capital and free reserves upto a limit of Rs.500 Crores under Sec. 293(1)(g) of the C.A					
9		To make investments in excess of 60% of the paid up capital and free reserves of the company or 100% of the free reserves whichever is higher under Sec. 372A of the CA					

Type : ○ = Ordinary Resolutions, S = Special Resolutions, CA means the Companies Act of 1956

DISCLOSURES

a. Instances of Non-Compliance

There were no instances of any non-compliance, penalties or strictures imposed on the Company by the Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

b. Materially significant related party transactions.

Related Party Transactions are defined as transactions of the Company of material nature, with Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. Details on materially significant related party transactions are shown in the “Notes to accounts” to the Balance Sheet and Profit & Loss Account.

c. Whistle Blower Policy

The Company has evolved a Whistle Blower Policy to provide appropriate avenues to the Employees to bring to the attention of the Management any issue which is perceived to be in violation or in conflict with the fundamental business principles of the Company. No employee has been denied access to the Audit Committee.

THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis report forms part of this Annual Report.

NON-MANDATORY REQUIREMENTS

The Company is complying with all the mandatory requirements of Clause 49 of the Listing Agreement and with regard to the non-mandatory requirements, the Company has constituted a Remuneration Committee and also adopted the Whistle Blower Mechanism as referred in Clause 49 of the Listing Agreement. The Company also follows the guidelines laid down in the “Secretarial Standards”, issued by the Institute of Company Secretaries of India.

MEANS OF COMMUNICATION

The Annual / Quarterly results are published in “*News Today*” and “*Malai Sudar*”. The Company updates its results on the BSE, MSE and posted on our website: www.infodriveservices.com.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date : Thursday, September 30, 2010

Time : 10.30 am

Venue : “Mini Hall”, Narada Gana Sabha, TTK Road, Alwarpet, Chennai – 600018, India.

FINANCIAL CALENDAR OF THE COMPANY

The financial year covers the period from April 1, 2009 to March 31, 2010.

Financial Reporting for 2010 - 2011 (tentative)

Results for 30/06/2010	By August 15, 2010
Results for 30/09/2010	By November 15, 2010
Results for 31/12/2010	By February 15, 2011
Results for 31/03/2011	By May 15, 2011

DATE OF BOOK CLOSURE

The period of book closure is fixed from September 14, 2010 to September 30, 2010 (both days inclusive).

OUTSTANDING ADRS / GDRS / WARRANTS

Outstanding ADRs / GDRs / Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

LISTING ON STOCK EXCHANGES AND STOCK CODE

The Shares of the Company are listed at the Madras Stock Exchange and Bombay Stock Exchange [Scrip Code: 530703].

The trading of the company's scrip commenced on the National Stock Exchange [through Madras Stock Exchange] with effect from January 8, 2010.

Market Price Data: i.e. High-Low for each month during the financial year

Bombay Stock Exchange

Month	High (Rs.)	Low (Rs.)	Month	High (Rs.)	Low (Rs.)
April 2009	32.65	23.00	October 2009	46.00	32.20
May 2009	52.80	27.05	November 2009	41.00	28.00
June 2009	55.70	35.70	December 2009	49.90	34.75
July 2009	51.00	33.30	January 2010	48.45	28.50
August 2009	40.90	31.00	February 2010	39.00	28.35
September 2009	44.00	31.00	March 2010	33.05	22.00

National Stock Exchange

Month	High(Rs.)	Low (Rs.)
January 2010*	49.80	30.00
February 2010	39.00	28.00
March 2010	35.00	22.15

*Trading on NSE commenced from January 8, 2010.

DISTRIBUTION OF SHAREHOLDING

Distribution Schedule as on March 31, 2010 and June 30, 2010

No. of Equity Shares Held	March 31, 2010			June 30, 2010		
	No. of Shareholders	No. of Shares	% of Shareholding	No. of Shareholders	No. of Shares	% of Shareholding
1 - 500	5443	1020086	3.49	5491	1020250	3.49
501 - 1000	588	502376	1.72	600	513795	1.76
1001 - 2000	253	395641	1.35	270	416885	1.43
2001 - 3000	99	258678	0.88	97	257056	0.88
3001 - 4000	36	129522	0.44	49	176389	0.60
4001 - 5000	47	225277	0.77	49	231953	0.79
5001 - 10000	89	659700	2.26	89	671072	2.29
10001 and above	184	26047610	89.09	188	25951490	88.76
Total	6739	29238890	100.00	6833	29238890	100.00

SHAREHOLDING PATTERN

As on March 31, 2010

Sl. No.	Category	No. of Holders	No. of Shares	% of Shares
1.	Resident Indian	6366	14846682	50.77
2.	Corporate Body	232	7469574	25.55
3.	NRIs	108	2715445	9.29
4.	FII's	1	91689	0.31
5.	Promoters	5	2192702	7.50
6.	Mutual Funds	1	800	0.00
7.	Bank	1	7600	0.03
8.	Clearing Member	22	40544	0.14
9.	Person Acting in Concert	3	1873854	6.41
	TOTAL	6739	29238890	100.00

As on June 30, 2010

Sl. No.	Category	No. of Holders	No. of Shares	% of Shares
1.	Resident Indian	6436	14620531	50.00
2.	Corporate Body	221	7705306	26.36
3.	NRIs	105	2705845	9.25
4.	FIIIs	1	91689	0.31
5.	Promoters	5	2192702	7.50
6.	Mutual Funds	1	800	0.00
7.	Bank	1	7600	0.03
8.	Clearing Member	60	32563	0.11
9.	Person Acting in Concert	3	1881854	6.44
	TOTAL	6833	29238890	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

Demat ISIN No. INE 804D01011

As on March 31, 2010, 2,82,98,130 shares, that is, 96.78% were held in dematerialized form and the balance of 3.22% of shares, that is, 9,40,760 shares were held in Physical form.

As on June 30, 2010, 2,83,04,330 Shares, that is, 96.80% were held in dematerialized form and the balance of 3.20% of shares, that is, 9,34,560 shares were held in Physical form.

PROMOTERS AND PROMOTERS GROUP

Given below are the Shareholdings of “Promoters and Promoters Group” as on June 30, 2010

Sl. No.	Name of the Shareholder	No. of Shares	% of Shares
1.	Mr. Arif Buhary Rahman	1573736	5.38
2.	M/s. Bhari Information Technology Systems Pvt. Ltd.,	891700	3.05
3.	M/s. EH Building Consultancy Pvt. Ltd.,	450200	1.54
4.	Mr. V.N. Seshagiri Rao	25876	0.09
5.	Mr. K. Shivakumar	594090	2.03
6.	Mr. K. Chandrasekaran	1506354	5.15
7.	Mr. N.T. Shivkumar	350000	1.20
8.	Mr. S.K. Vidyasagar	25500	0.09
	Total	5417456	18.53

CAPITAL STRUCTURE

Given below are the details of the periodic increase in the Issued and Paid-Up Capital of the Company since Inception

Sl. No.	Date	No. of Equity Shares	Value (in Rs.)	Cumulative increase in Share Capital (In Rs.)
1.	16.03.1988	200	2,000	2,000
2.	01.12.1989	7,500	75,000	77,000
3.	26.04.1991	2,300	23,000	1,00,000
4.	29.07.1991	20,000	2,00,000	3,00,000
5.	27.03.1992	50,000	5,00,000	8,00,000
6.	29.05.1992	3,20,000	32,00,000	40,00,000
7.	04.06.1993	6,00,000	60,00,000	1,00,00,000
8.	04.11.1994	500	5,000	1,00,05,000
9.	31.01.1995	3,50,000	35,00,000	1,35,05,000
10.	03.06.1995	26,49,500	2,64,95,000	4,00,00,000
11.	14.02.2000	10,00,000	1,00,00,000	5,00,00,000
12.	18.07.2007	2,00,00,000	20,00,00,000	25,00,00,000
13.	10.12.2007	42,38,890	4,23,88,900	29,23,88,900

Company's Registered Office

M/s. Info-Drive Software Limited

Buhari Buildings, Second Floor
No.3, Moores Road
Chennai - 600 006, India

Tel: +91 - 44 - 28212368

Fax: +91 - 44 - 28212609

Website : www.infodriveservices.com

E-mail: info@infodriveservices.com

Company's Registrar and Transfer Agent

M/s. Cameo Corporate Services Limited

Subramanian Building
No.1, Club House Road
Chennai - 600 002, India

Tel: +91 - 44 - 28460390

Fax: +91 - 44 - 28460129

E-mail: cameo@cameoindia.com

Corporate Communications

Ms. Smitha Iyer

Senior Manager – Corporate Affairs

M/s. Info-Drive Software Limited

No.3, Moores Road

‘Buhari Buildings’ Second Floor

Chennai – 600 006, India

Tel: +91 – 44 – 28212368

Fax: +91 – 44 – 28212609

E-mail: smitha@infodriveservices.com

Designated Email ID for Investor Services investorcell@infodriveservices.com

Acknowledgment:

We thank our customers, vendors, investors and bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees across all levels. Our steady growth was made possible by their hard work, solidarity, cooperation and support.

We thank the governments of various countries where we have operations and look forward to their continued support at all times.

For and Behalf of the Board

Sd/-

K. Chandrasekaran

Managing Director & Chief Executive Officer

Chennai
27.08.10

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Info-Drive Software Limited

I have examined the compliance of conditions of Corporate Governance by **M/s. Info-Drive Software Limited** for the year ended March 31, 2010 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. My examination was limited to 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 our information and explanations given to me and the representations made by the directors and the management, I certify that the company has complied with the conditions of Corporate Governance as stipulated in 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 of effectiveness with which the management has conducted the affairs of the company.

Chennai
27.08.10

For **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S

Sd/-
K. Subba Reddy (Proprietor)
M.No.208754

CEO & CFO CERTIFICATION

To the Board of Directors of Info-Drive Software Limited

We, **K. Chandrasekaran**, Managing Director & Chief Executive Officer and **ANL. Madhavann**, Chief Financial Officer of Info-Drive Software Ltd., (“Company”) hereby certify that:-

- a) We have reviewed financial statements and the cash flow statement of the company for the financial year ended March 31, 2010 and that to the best of our knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - (ii) These statements together present a true and fair view of the company’s affairs and are in compliance with 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 that we 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 of
 - (i) Significant changes in internal control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we have 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.

Chennai
27.08.10

Sd/-
K. Chandrasekaran
Managing Director & Chief Executive Officer

Sd/-
ANL Madhavann
Chief Financial Officer

MANAGEMENT'S DISCUSSION AND ANALYSIS

INDUSTRY*

INDIAN IT INDUSTRY - SNAPSHOT

The Indian IT industry comprises of four main components - namely software products & engineering services, IT services, ITeS (IT enabled services) and hardware, which are further divided into various sub segments. The industry has grown from revenues of USD 47.7 billion in 2006-07 to USD 73 billion in 2009-10, a CAGR of 15%. Although this 15% growth rate is far less than the heady growth rates of around 35-40 per cent achieved in the early half of the decade, the Indian IT industry has done commendably in the wake of global turmoil. This assumes significance since the industry is heavily dependent on the North American and European markets which were ravaged by the downturn.

The export segment accounts for 68 per cent of the Indian IT Industry. As per NASSCOM the exports grew from \$31.6 billion in 2006-07 to \$ 50.08 billion in 2009-10 growing at a CAGR of 16 %. It has been estimated that total IT-ITeS exports will reach about \$ 39.7 billion in the fiscal year 2009-10.

The following table summarizes the Indian IT-ITeS industry performance (both domestic and exports) over the period FY2007 to FY2010E.

Table 1: Indian IT industry revenues

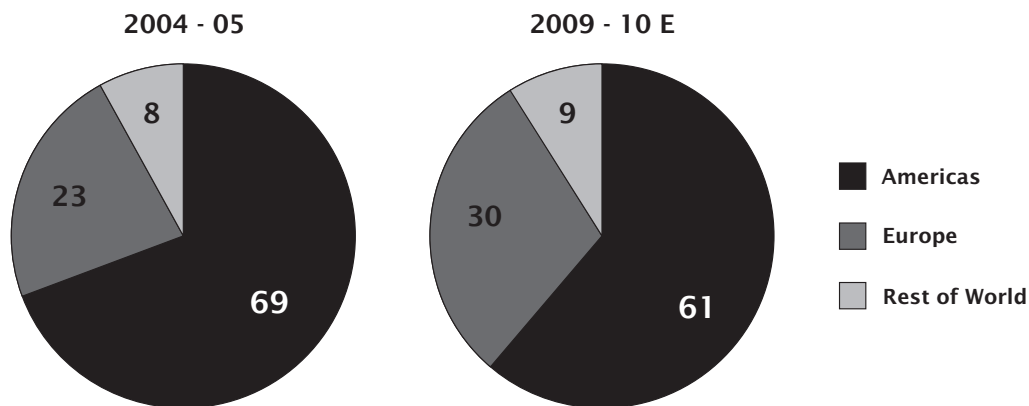
(USD Billion)					
	FY 2007	FY 2008	FY 2009	FY 2010 E	CAGR (3year)
Indian IT Industry total	47.8	62.7	69.3	73.1	15.0%
Export Revenue	31.6	40.7	47.5	50.1	16.4%
Software Products and Engineering services	6.6	8.3	9.6	10.0	14.8%
IT Services*	17.1	22.0	25.8	27.3	16.8%
ITeS-BPO	7.5	9.9	11.7	12.4	18.1%
Hardware	0.5	0.5	0.4	0.4	-6.0%
Domestic Revenue	16.2	22.0	21.9	23.0	12.3%
Software Products	1.6	2.2	2.7	2.8	19.9%
IT Services	5.5	7.9	8.2	8.9	17.2%
ITeS-BPO	1.0	1.6	1.9	2.3	27.5%
Hardware	8.0	10.3	9.0	9.0	4.1%

Source: Nasscom

*The Company (Info-Drive Software Limited) had commissioned CRISIL RESEARCH to conduct a study and prepare a report on the Indian IT-ITeS industry. The relevant extracts from the CRISIL RESEARCH reports prepared during FY 2009-10 have been reproduced in this document with the permission from CRISIL and with the understanding that CRISIL is not held liable. Neither we nor any other person connected with the Issue has verified the information sourced from the aforesaid CRISIL RESEARCH Reports. Prospective investors are advised not to place undue reliance on the information sourced from this report when making their investment decisions.

INDIA'S IT INDUSTRY EXPORTS BY GEOGRAPHY

Graph 1: Revenue break-up by region (%)



Note: E - Estimated
Source: NASSCOM

Europe continues to attract players

Over the years, the share of revenues from Europe has been increasing for large Indian players. Although the US continues to dominate Indian IT services exports, the share of Europe has increased from 23 per cent in 2004-05 to 30 per cent in 2009-10, for a corresponding decline in revenues from the US to 61 per cent in 2009-10 from 69 per cent in 2004-05.

Software exports to the European markets are likely to be driven by IT investments in the banking and financial services, telecom service providers, utilities, travel & tourism and retailing sectors.

The share of revenues from Europe and Rest of World (ROW) are expected to increase in the long term. Some of the factors which are expected to drive this change are:

- Diversification strategy followed by the existing players
- Appreciation of the Indian rupee vis-à-vis the US dollar
- Mining of new clients across different geographies

However, given that North America accounts for around 50 per cent of the global IT spending, it is likely to continue to dominate the Indian software exports.

For the purpose of presenting the industry overview in the following sections, we have divided the report into two broad sections: IT services industry and IT Enabled Services (ITes) industry.

IT Services Industry

The Indian IT services industry comprises of the following key service lines

Custom Application Development (CAD)

Indian exports of CAD are estimated to have grown at a CAGR of 14 per cent from \$ 7 billion in 2006-07 to an estimated \$10.27 billion in 2009-10. Though CAD comprises of just over 5 per cent of the worldwide IT services market, its high offshorability (up to 85 per cent of the work in a typical CADM project can be delivered from offshore) makes it a key service line for the Indian IT Services vendors.

System integration and IT consulting

System Integration (SI) and IT consulting each contributed 2 to 3 per cent of Indian IT services export in 2009-10.

Demand for SI services continues to be dominated by clients seeking help to integrate disparate systems and applications across the value chain. Increasing offshore acceptance and lower average revenue generation from optimisation projects is expected to drive increasing amounts of SI activities to lower-cost locations.

Application Management

Indian IT services export revenues from IT outsourcing engagements are led by Application Management services, which grew by 22 per cent from \$2.1 billion in 2006-07 to an estimated \$ 3.87 billion in 2009-10. While much of the application service outsourced from India relate to discrete maintenance and management services, growth in application outsourcing revenues will pick up as customers become comfortable with the concept of remote management of their software products.

IS Outsourcing / Infrastructure management services

Indian IT Services export revenues from the IS outsourcing segment has grown at a CAGR of nearly 39 per cent from \$1.6 billion in 2006-07 to an estimated \$ 4.3 million in 2009-10. The successful adaptation of offshore service delivery for several activities in this segment (traditionally considered onsite) is helping effect a change in how infrastructure outsourcing deals are being executed.

Support and training

Application implementation, software / hardware deployment and support services form the largest category within the support and training services of Indian IT services exports. Export revenues from this category have grown at a CAGR of 9 per cent from \$1.6 billion in 2006-07 to \$2.1 billion (estimated) in 2009-10.

Revenue growth outlook for IT services Industry

Exports account for almost 70 per cent of the Indian IT Industry currently. Although, the domestic market holds huge potential for Indian IT players, exports are expected to continue to account for a large chunk of the IT revenues for the next 3-5 year period. As such we have assessed the export segment for the purpose of analysis in this document.

The Indian IT services exports (excluding revenues earned from the export of software products, engineering and R&D services, ITeS and hardware) are estimated to have grown from \$17 billion in 2006-07 to \$27.2 billion in 2009-10.

CRISIL Research remains optimistic about the long term prospects of IT industry. Continuing maturity of the global offshore delivery model, increased focus on exploring new markets and developing capabilities in nontraditional service-lines, process innovation, more near-shore presence and the inherent need of clients to reduce costs would together help propel growth, once the world economy recovers completely. Consequently we expect the Indian IT Services industry to grow at a CAGR of 14 per cent from 2010 to 2014 and record revenues of \$45 billion in FY 2014.

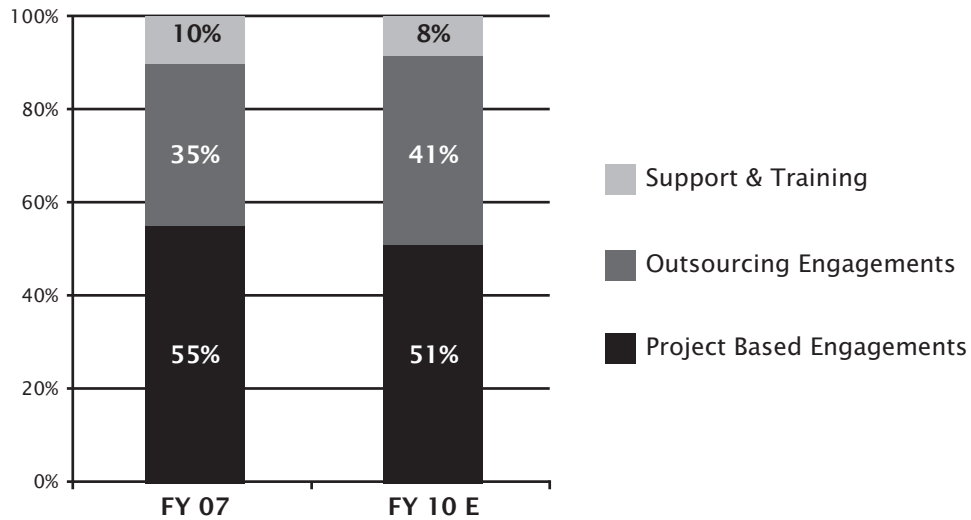
Table2: Indian IT Services exports:

Key Service categories (USD Billion)	FY 2007	FY 2010 E	CAGR	FY 2014 P	CAGR (2010-14)
Project oriented engagements	9.44	13.97	14%	19.66	9%
Custom application development	8.20	12.07	14%	16.42	8%
IT consulting	0.50	0.76	15%	1.15	11%
Systems integration	0.50	0.81	17%	1.59	19%
Network consulting and integration	0.20	0.33	18%	0.50	11%
Outsourcing engagements	5.95	11.20	23%	22.17	19%
Application management	4.30	6.85	17%	9.39	8%
IS outsourcing	1.60	4.34	39%	10.78	26%
Support and training	1.60	2.10	9%	3.65	15%
TOTAL	17.05	27.29	17%	45.48	14%

Note: E - Estimated, P - Projected
Source: NASSCOM, CRISIL Research

Revenues from project -based services accounted for 51 per cent of Indian IT services exports in 2009-10. Steady growth in demand for Custom application development (CAD) and application management (AM) services and Indian firms gradually increasing their share of revenues from annuity based multi-year outsourcing contracts, the share of revenues from project - oriented services has remained above 50 per cent. Outsourcing engagements which include the lucrative Infrastructure Management Services (IMS) are expected to grow exponentially.

Graph 2: Key Segment of Indian IT service Exports



Note: E - Estimated, P - Projected
Source: Nasscom

Key Growth Drivers

Move to high-end services

The shift from the traditional CAD-based (project-oriented services) projects to service-lines such as EAS and IMS indicates that global clients are increasingly trusting India’s ability to handle complex work. IT consulting, apart from being a high value segment, also opens up the opportunity to offer an entire bouquet of services to the client, which increases client stickiness and revenue per client. Maintaining a higher growth trajectory and garnering higher revenues will be determined by the ability of Indian IT players to grab these opportunities.

Exploring new markets like Japan

Indian IT players derive 80 per cent of their revenue from US and UK. This overwhelming dependence on two regions, especially in times of the global meltdown, has coaxed IT companies to look at new geographies for growth. Conversely, Japan, traditionally a closed economy, is looking at outsourcing to reduce and rationalize costs under the current economic slowdown. Companies like TCS, Infosys, and Wipro, who already have a presence in Japan, are fine tuning their focus to tap the huge Japanese market.

Middle East and Latin America – under penetrated markets with huge potential

Currently, both Middle East and Latin America account for a miniscule percentage of Indian IT services exports. Both, these regions, which are rich in natural resources, are home to the largest oil and mining companies with global scale and reach. These regions are also highly under-penetrated in terms of IT. Further, Middle Eastern countries are gradually trying to move into the services industry in a bid to reduce their dependence on oil.

Consequently, they are trying to develop the BFSI and infrastructure sectors which are under-penetrated in terms of IT adoption. This according to CRISIL Research presents an opportunity which Indian players should capitalize on.

Another important reason to increase focus on these markets is their cultural proximity to India. Industry interactions have led us to understand that the Middle Eastern clients are a lot more receptive to Indian IT companies than their US or UK counterparts. This provides Indian players with an inherent advantage while dealing with companies from this region.

Controlling costs for the client

IT players, in an endeavor to control costs for clients and ease billing pressure are renegotiating SLAs with their clients, without disrupting business as usual, and at the same time reduce cost for the clients. This creates a win-win situation for both the parties, as IT service providers have lenient SLAs and clients can reduce cost without affecting business workings. Indian IT players who have been successful in this regard in the past will have to continually demonstrate their capabilities to garner repeat business.

INDIAN IT: MOVING FROM VOLUME TO VALUE-GAME

The Indian IT players have till now focused more on low-end service lines such as custom application development (CAD) and application management (AM). The focus of the industry is now shifting from low-hanging opportunities in custom application development and application management, to higher-end services such as IT consulting, systems integration and infrastructure management. Some of the key reasons for the shift in focus are listed below:

Wage inflation

With billing rates at the lower end of the range, services such as CAD and AM will face the maximum impact of wage inflation. To maintain their profitability and competitive advantage the companies are now moving up the value chain and focusing on services that offer higher margin upside potential.

Emerging off shoring destinations

The threat from other emerging low-cost offshoring destinations, such as China, is likely to be more pronounced in case of low-end services. This has put pressure on Indian players and has induced them to expand their bouquet of services to maintain growth levels.

High penetration levels

Indian IT industry has a high market share of the total global IT spends in services such as CAD and AM. This leaves less room for growth in these service lines and newer areas are being targeted by Indian IT companies.

SHARE OF HIGH-END SERVICES EXPECTED TO INCREASE

IS outsourcing to be the growth engine for the industry

IS (Information Systems) outsourcing or Infrastructure Management Services (IMS) will be the

key growth driver for the Indian IT Services exports. IMS includes IT infrastructure assessment, technical help desk support, data centre management (including sever, mail and database management), network management and security management.

With a slowdown in custom application and development / maintenance space, Indian companies are now targeting other lucrative service-lines as a growth driver. For example, over the past few years, IT companies have consistently invested in moving up the IMS value chain. Increased availability of broadband internet, network availability and advanced remote infrastructure management tools have enhanced the offshoring component of IMS. We expect IMS's share in Indian IT Services exports to increase from 15 per cent in 2009-10 to around 24 per cent in 2013-14.

Table3: IMS Figures

Revenues in USD billion				
	FY 08	FY 09	FY 10E	CAGR
Worldwide IMS spend	113.0	114.6	117.9	2.13%
Indian IMS exports	3.3	3.9	4.3	14.80%
India's Market share	2.91%	3.43%	3.68%	

Note: E - Estimated
Source: NASSCOM

India's share in world IMS spend is currently around 3.6 per cent and this is expected to increase to around 5 per cent by 2013-14. The growth in IMS would mainly be due to the increased outsourcing on account of growing complexity of IT infrastructure and increased offshoring due to the need to control IT costs.

Remote Infrastructure Management (RIM)

According to IDC estimates, more than 85% of infrastructure components can be managed from remote locations. RIM is said to reduce the cost of operations and infrastructure management by 40%-60%.

Asset takeover vs. pure-services play

Full outsourcing implies handing over practically the entire IT department to the IT services vendor, including assets and people. Selective outsourcing on the other hand means breaking up the outsourcing of different IT functions like applications related management, remote IMS, IT facilities management etc. and outsourcing each of the functions to different vendors best suited for each area. The driver behind growth of 'selective outsourcing', is the customer's loss of flexibility in full outsourcing deals with respect to IT costs committed for next 5-7 years and technology infrastructure plan, which makes it difficult for the client to match cost of IT to changing business conditions. Since full outsourcing by definition is to 1 vendor and has traditionally been a 5-10 year deal, it increases vendor dependence, can lead to drop in responsiveness to customer needs and enhances the customer's risk exposure.

Recent trends in IMS

Customers are trending towards ‘asset light’ outsourcing of IMS, as opposed to the earlier “total outsourcing” mode that required vendors to take over the physical IT assets and people as well. Indian vendors have not been keen to enter the low margin asset intensive IMS business.

The remote IMS opportunity is opening up only now. Steep fall in costs and greater reliability of telecom bandwidth in India have made remote IMS a viable business. As IMS is a ‘real’ time operations critical service, telecom costs form a higher proportion of costs than in ADM.

CADM to grow at a slower pace

Custom application development (CAD) and application management (AM) account for over 70 per cent of the Indian IT Services export industry revenues. Going forward, these two service lines will remain the largest segments, but their combined share in revenues is expected to decline to around 50 per cent by 2013-14. The CADM space is expected to grow at a CAGR of 8-10 per cent for the next five years.

Table4: Indian IT Services exports:

Key Service categories (USD Billion)	FY 2010 E	FY 2014 P	CAGR FY 2010-14
Project oriented engagements	13.97	19.67	9%
Custom application development	12.07	16.42	8%
IT consulting	0.76	1.15	11%
Systems integration	0.81	1.59	19%
Network consulting and integration	0.33	0.50	11%
Outsourcing engagements	11.20	22.17	19%
Application management	6.85	11.39	14%
IS outsourcing	4.34	10.78	26%
Support and training	2.10	3.65	15%
TOTAL	27.29	45.48	14%

Note: E - Estimated, P - Projected
Source: CRISIL Research

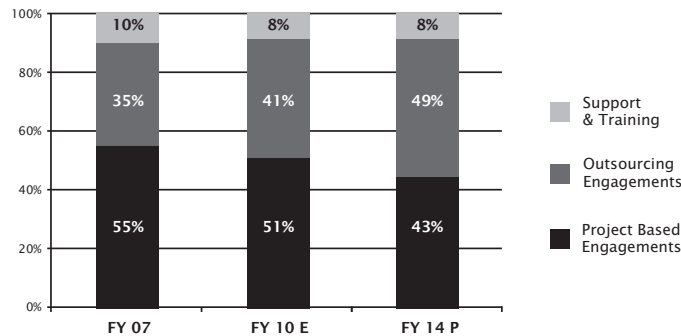
GROWTH BY SERVICE LINES

Even as India continues to increase its dominance in the Custom Application development and management (CADM) space, IS outsourcing (or Infrastructure Management Services) is expected to drive growth over the forecast period.

India’s share in the global IT spend is expected to only increase here on. The increased acceptance of offshore outsourcing of IT services will be the main driver of this growth in market share. Indian players attaining global scale and increasingly competing for global IT outsourcing contracts will further aid this growth.

Share of outsourcing engagements in total IT Services exports is expected to increase from around 41 per cent in 2009-10 to 49 per cent in 2013-14, driven by a high growth in IMS. The share of project-oriented services is expected to decline due to the custom application development space growing at a slower pace. Support and training is expected to continue to account its current share in the IT export revenues.

Graph 4: Share of service lines in IT Services exports



Note: E - Estimated, P - projected
Source: NASSCOM

Key Risks

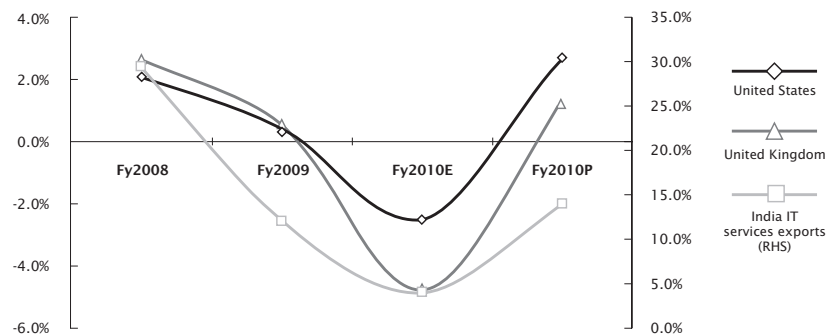
Over dependence on US and UK markets

The Indian IT services industry derives about 75 per cent of its revenues from the exports market, of which about 80 per cent is contributed by the US and UK markets. Worldwide, IT spends can be broadly classified into:

- Ongoing spends which account for a large chunk of the IT budget of a company and are non-discretionary in nature
- Project-based spends, which are discretionary in nature.

Any turmoil in these markets would have repercussions on the Indian IT service exports growth as is indicated by the graph below.

Graph 5: Growth trends in US, UK GDP and IT services exports

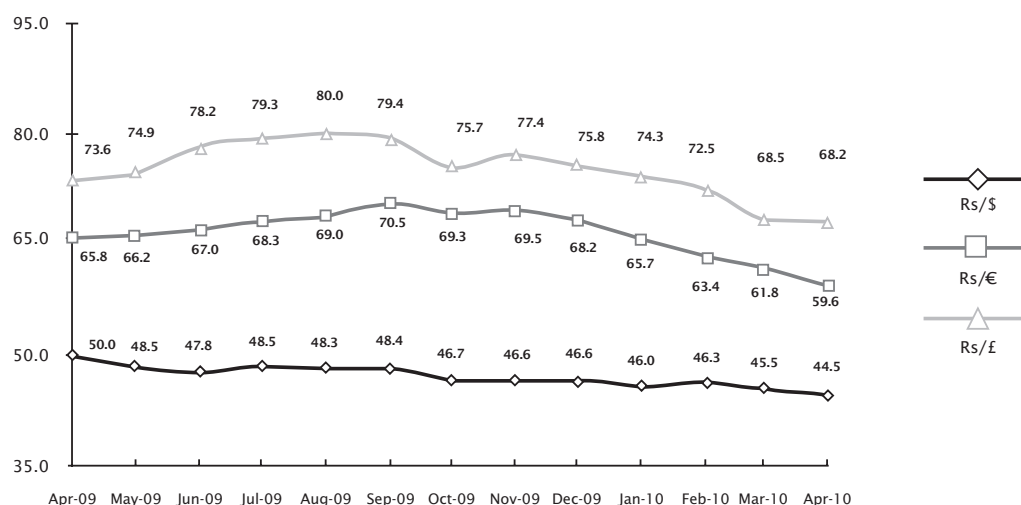


Source: CRISIL Research , IMF WEO as on January 2010

Forex movement: High volatility

As stated earlier, with a large portion of the IT services export revenues coming from the US and UK markets, their growth and profitability have a high correlation to movements in foreign exchange. As seen from the graph below the rupee has substantially appreciated vis-à-vis the dollar, the pound and the euro. Going ahead, CRISIL Research believes that with the inherent strength of the Indian economy growing year on year, the rupee is bound to strengthen against the world currencies and start to erode the cost arbitrage Indian players currently enjoy. This again drives home the point for the need of Indian players to move to offer premium services.

Graph 6: Forex movement



Source: CRISIL Research

Employee-related risk

IT service providers witnessed a considerable softening in employee attrition and wage hikes during the slowdown. However, with improving demand scenario, IT players, who are looking to move up the value chain, would require a skilled employee pool which would bring forth issues such as non-availability of skilled labour and management of wage inflation and attrition.

Tax benefits under the STPI scheme

The Union Budget 2009 extended the tax exemption for units under the Software Technology Parks of India (STPI) scheme until March 2011. However, if the government does not extend this benefit beyond 2011, it will have a significant impact on the player profitability, especially that of small and mid-sized players.

ITeS INDUSTRY

The Indian ITeS exports are estimated to have grown at a CAGR of 18 per cent from \$7.6 billion in 2006-07 to \$12.3 billion in 2009-10E.

The ITeS industry can be broadly classified under the following broad groupings:

ITeS INDUSTRY SEGMENTS

In-house/Captive Centres

Many global corporates set up their own in-house facilities for back-office work, mostly in the form of subsidiaries. These captive centres perform transaction processing for a wide range of processes across different business units or divisions.

Captives include the oldest BPO operations in India and their number has increased greatly in the recent years. Since 2000, an increasing number of Global Fortune 500 firms have established operations in India.

The inability to offer growth prospects to employees and increasing costs pressures, have prompted many captive players to revisit their operational strategies. These factors have lowered the share of captives and, we believe at present, the proportion is equally split between captives and third party service vendors. Going forward, CRISIL Research believes that the dominance of third party vendors would flourish and the ratio should significantly tilt in favour of third party vendors.

Spin-offs of global companies

A number of in-house processing facilities of global corporates have been spun off as separate entities. These spin-offs provide services not only for their parent company but also for a number of outside clients.

Most of these spin-offs have a significant presence in the vertical or function for which they used to provide services to their parent. They leverage their domain knowledge and parent brand to offer industry specific services like Sabre (airline reservation) and First Data (card processing). They have adapted their service offerings for various processes associated with the vertical in which the parent company had a presence. For instance, since Convergys was a part of Cincinnati Bell, it had developed processes for the wireline industry. However after the spin-off it has leveraged the experience to cater primarily to the wireless industry.

Focused BPO providers / Third Party Vendors (TPV)

Given the need to manage processes of large corporates, a number of focussed BPO providers – also know as third party vendors (TPV) - have emerged over the years. Successful examples of these include Genpact, Infosys BPO, First Source, e-Serve International (TCS BPO), etc.

These third party providers normally develop core competencies in specific processes that can be applied across verticals. As a result, bulk of their revenues is derived from these core processes despite diversifying into other processes. The TPV have been able to showcase ability to compete with captive center and in recent past many of them have increased presence by acquiring erstwhile captive center of global players.

INDIAN ITeS REVENUE GROWTH OUTLOOK

Customer care continues to be the largest segment in terms of revenue, followed by finance and administration. The share of customer care in the ITeS/BPO pie has been stable over the past year. This segment recorded a CAGR of 16 per cent from 2006-07 to 2009-10. While the customer care segment is at a mature state in the Indian ITeS industry, the growth in other service lines indicates the widening scope of outsourced services.

HR service, among ITeS/BPO service lines, is the fastest growing, which is in line with global trends. However, it continues to account for a miniscule part (3 per cent) of total revenue. Payroll and benefits services continue to remain the most popular services in the HR segment.

CRM– no longer the growth propeller, but will continue to constitute a large share

CRISIL Research believes that India has penetrated more than 50 per cent of the global CRM offshore market. Going forward, we expect the segment to progress at a moderate pace owing to the critical size that it has attained in the world offshore spent. Further, while Indian service providers would be on the forefront in English specific CRM services, it would face hindrances in its ability to offer multilingual CRM services. Therefore, potential growth would depend on the ability of Indian service providers to offer competing multilingual CRM services.

Furthermore, the industry participants believe that the CRM segment is being increasingly commoditized with limited opportunity to provide value add. The monotonous nature of work coupled with graveyard shift environment has led to higher attrition rate, rising recruiting and training cost. The cost pressure, competition faced with other emerging center, and limited negotiating ability with clients are some of the prime reasons for the CRM segment becoming less attractive in the Indian ITeS/BPO landscape. Indian service providers have been diversifying into other areas of the BPO space like transaction process outsourcing, F&A outsourcing or KPO activities.

Despite its drawbacks, the fact remains that CRM segment has a higher potential of off-shorability. We estimate that of the total activities involved in the CRM segment the potential to offshore ranges between 70-80 per cent. Given the potential that the segment offers, we expect the Indian CRM segment to still constitute around 50 per cent of the world offshore market in the long term. However, its share of the Indian basket of ITeS exports will reduce from current 46% to 38% over the next five years.

Transaction Services– huge potential through widening gamut of services being off-shored

According to CRISL Research, around 45 per cent of the world offshore market is attributable to the F&A segment. India has been predominantly active in the F&A market pertaining to transaction processing activities like insurance underwriting, accounting and auditing, policy processing, insurance claim processing. However, with cost benefits realized by global companies, they have started outsourcing “core activities” like cost/benefit analysis, logistics analysis, Sarbanes-Oxley compliance, budget analysis etc.

India has a talent pool of commerce graduates versatile in comprehending the global accounting standards like IFRS and GAAP. Additionally, the potential to offshore work pertaining to this segment ranges as high as 70-75 per cent. Given the potential offshorability of the segment, the proven capability and the available talent pool, we believe the India's share of the world F&A offshore market would remain high climbing up from the current 40 percent to over 47 per cent in the next five years. In terms of growth, we expect the segment to grow at a CAGR of 19 per cent for 2009-10 to 2013-14 and its share in the Indian ITeS export would increase to 44 percent.

Focus on emerging service lines such as KPO, healthcare outsourcing, etc. to augur well going forward

The offshoring potential is expected to gain traction in areas like Knowledge Process Outsourcing (KPO), Health Care Outsourcing, Legal Process Outsourcing (LPO), data analytics etc. CRISIL Research expects these segments to record a growth higher than the industry growth rate, albeit on a lower base. While BPO provides extensive process expertise, KPO emphasizes on business or domain expertise. The strength of this segment is not only the cost-saving aspect but also the value that these services provide. Such services offer sustainable competitive advantage to its customers in all knowledge intensive industries by providing market and industry research, data and statistical analysis, competitive analysis, and support in legal processes. Such advantages have allured enterprises to adjust their organizational and operational structure to the global trend and consider outsourcing such core activities in their overall business strategy.

In the context of a KPO, data analytics is an area with tremendous potential. The availability of skilled manpower is the main driver of growth in this segment. India's established presence in the transaction processing segment is expected to be the platform for growth in this segment.

Healthcare - Opportune time to explore

The Indian ITeS industry has seen a moderate slowdown in its growth rate over the past few years with 2009-10 witnessing a 6 per cent growth due to the global financial meltdown. In spite of a move towards knowledge-driven, higher value-added services, customer care and transaction continue to have a major share and are expected to maintain their dominance in the future. In case of verticals, BFSI, which contributes around two – fifths of the IT- ITeS export revenues, is seeing turmoil and players need to de-risk themselves from this over dependence.

CRISIL Research believes healthcare is one such vertical which offers huge opportunities to the ITeS players. The Indian healthcare outsourcing industry, which derives around 95 per cent of its revenues from the US, currently offers a range of services, including patient data entry, medical transcription, billing, coding, claims processing and a miniscule amount of medical analytics.

The US healthcare spend, which is estimated to have reached \$2.5 trillion in 2009 and account for around 17 per cent of GDP, is expected to grow and account for around 18 per cent of GDP by 2012, thus, putting pressure on government finances. The US healthcare system is suffering from huge inefficiencies in its system. We believe digitisation of data and efficiencies that are gained through process improvement, and cost benefits by offshoring ITeS services such as billing, coding and claims processing, are expected to go a long way in reducing the healthcare costs.

Estimated revenues of the Indian healthcare outsourcing industry are in the region of \$600 – 650 million in 2009 and expected to grow at a CAGR of 20 - 22 per cent for the next 3 years and clock at \$1,150 – 1,200 million in 2012.

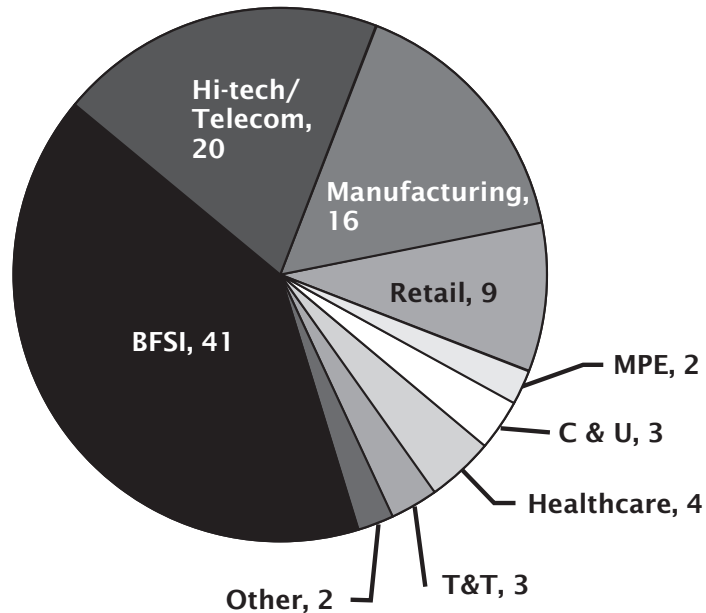
ANNEXURE - I

IT SERVICES BY VERTICALS – BFSI & TELECOM TO BE KEY DRIVERS

In terms of verticals the Banking, Financial Services and Insurance (BFSI) accounted for the maximum share in terms of revenues (41%) in FY 10. IT Spend in the BFSI segment is expected to grow significantly due to compliance measures initiated by banks. This in turn, is expected to have a positive rub off on the Indian IT service providers as several Indian companies have significant presence in the financial services. Generally, the financial services segment has shown a higher readiness to outsource a large share of its requirement of IT services.

Telecom came next with a 20% share in terms of revenues. The IT services spend by the telecom vertical is the highest when compared to other verticals. As such it is an important vertical and several Indian software firms are focussed on this vertical.

2009-10 E



Note: E-Estimated
Source: NASSCOM

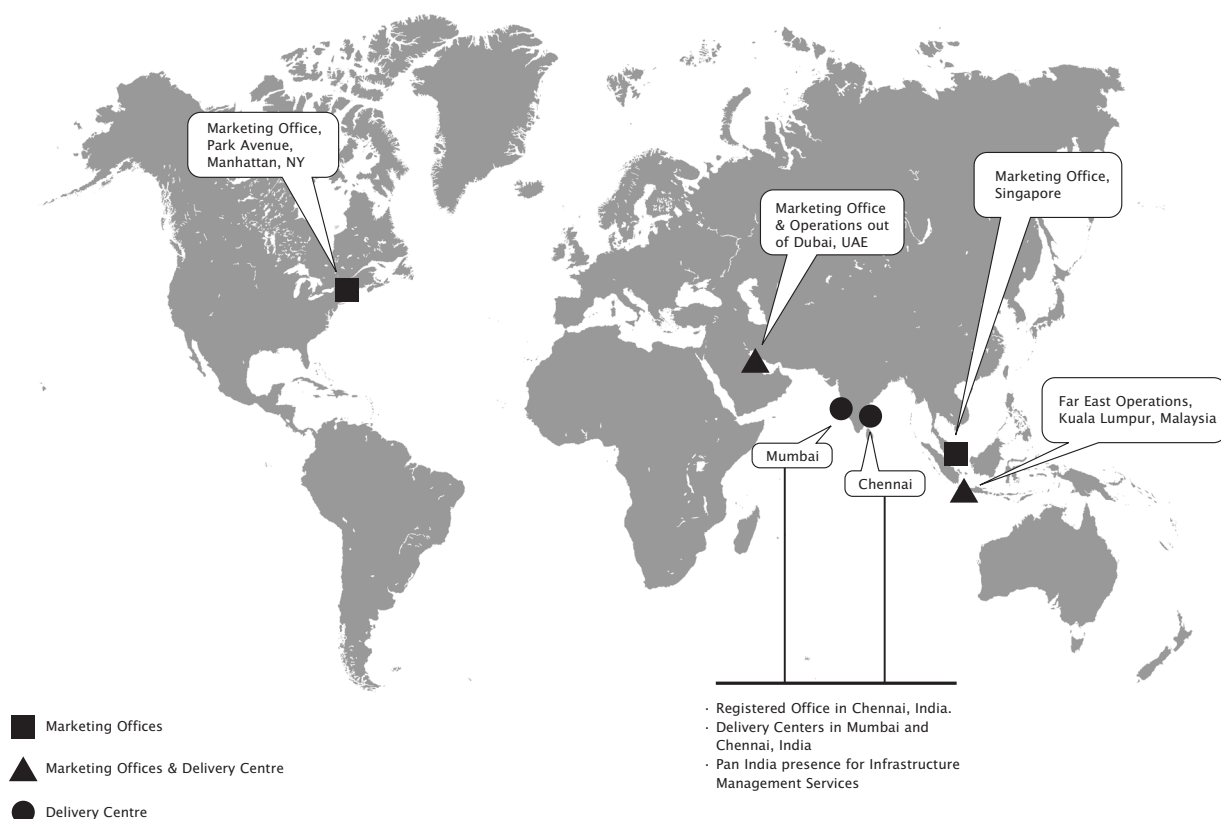
COMPANY OVERVIEW

(Information provided in this section pertains to Info-Drive Software Ltd and its subsidiaries on a consolidated basis)

ABOUT INFO-DRIVE SOFTWARE LIMITED:

Info-Drive Software Limited (“InfoDrive” or “the Company”) is a multi-dimensional Information Technology and Business Process Outsourcing services Company, headquartered in Chennai, India. InfoDrive has service delivery centers across India, Kuala Lumpur (Malaysia), Dubai (UAE) supporting the business development centers in USA (San Jose and New York), and Singapore. InfoDrive has pan India presence of multiple systems integration centers to deliver Information Technology and Business Process Outsourcing services across the select verticals including BFSI, Telecom, Healthcare and Benefits Administration for the Pension Fund industry in USA.

Current Global Footprint



PORTFOLIO OF SERVICE OFFERINGS

1. **IT Services** (India, Middle East, US & Malaysia)
 - ▲ Systems Integration
 - ▲ Custom Application Development
 - ▲ Portal Development & Web Analytics
2. **IT Consulting** (Global market)
 - ▲ Business Consulting (Strategic)
 - Cutting Edge Demand Forecasting
 - Lean Process Improvement
 - Management Coaching
 - Org Change Management
 - Profitability and financial strategy
 - Balanced Score Card
 - Commercial and Strategy Planning
 - ▲ Technology Consulting
 - **ICT-focused services (Middle East):**
Project Management & Technical Support services for the Telecom segment in the Middle-east market
 - ▲ Third party Applications Integration & Implementation (India, Middle East, & Malaysia)
 - ERP – Microsoft Dynamics Implementation
 - Integrated Core Banking Solutions (Conventional & Islamic Banking)
3. **IT Infrastructure Services** (India, Middle East, US & Malaysia markets)
 - ▲ Application Management Services
 - ▲ Data Center Management
 - ▲ Remote IT Infrastructure Management (RIM)
 - ▲ Infrastructure Readiness Assessment
 - ▲ IT Service Desk - Help-Desk & Break-Fix Support
 - ▲ Managed Security Services
4. **IT Products & IP Led Solutions** (Global market)
 - ▲ IT products Distribution
 - ▲ Biometrics suite for Identity Management & Authentication
 - ▲ InsTIL – unique tool for IT Asset Management
 - ▲ CampIT – integrated solution for campus automation in educational segment
5. **Business Process Outsourcing**
 - ▲ Benefit Administration KPO (for Third Party Administrators in US)
 - Plan Design
 - Plan Documents & 5500 Filings to IRS
 - Plan Administration
 - Contribution Processing & Compliance Testing
 - Valuation & Trust Accounting
 - Loan Administration
 - Plan Mergers / Plan Amendments
 - Plan Termination
 - IRS Forms
 - ▲ Healthcare BPO for Medical service Providers in US
 - Medical Data Capture & Data Management
 - Medical Coding & Billing
 - Medical Insurance Claims Processing

IT SERVICES

We help our clients to derive maximum value from IT investments. We bring together advanced technology, robust infrastructure, a large pool of talent and a proven global delivery model to provide a range of cost-effective and seamless technology services to companies around the world. From technology optimization to mitigating risks, there is a constant demand to evaluate, deploy and manage flexible, responsive and economical solutions. Outsourcing non-core operations can help transform business into a leaner and smarter organisation with greater adaptability to changing economic and business trends.

We custom design, develop and install software for a variety of client needs. Our projects range from single platform, single site systems to multi-platform, multiple-site systems and typically include new development and/or functional enhancements to existing software applications. We offer a range of services, including requirements analysis, design, implementation, integration and testing for our projects.

Our services also include the integration of distinct IT solutions and software systems, and often include procurement of various hardware and software products, development of software that enhances the compatibility between various components of the overall IT infrastructure and management of programs, vendors and consortia during this process. Our delivery model is backed by industry standard project management & quality practices, a state of the art infrastructure and by a team of highly skilled professionals.

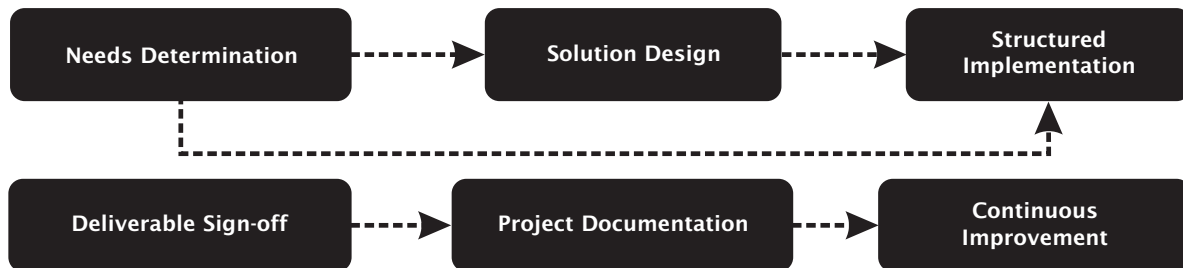
System Integration

Enterprises, across a range of industries, will 'leverage' their existing IT infrastructure for greater competitive advantage by deploying innovative and high-value solutions. We lead the development of a technology framework within organization and accordingly, guide key support application decisions. Further, by conducting a detailed technology gap analysis, ascertain those usable tools currently in place plus identifying those missing and required to fully support service management processes.

Business challenges

- Achieve greater collaboration and integration with key partners, suppliers and customers to drive quick response to customer demand and market opportunity
- Take advantage of the existing integration infrastructure to support current and new business processes across the enterprise
- Implement effective program management and governance to successfully deliver large and complex projects
- Integrate a wide variety of platforms, technologies, packages and custom applications
- Implement technology to support large scale business transformation that drives significant improvements in business flexibility, responsiveness, functionality and cost management.

The requirements will typically vary depending upon the maturity of these processes. The need for and the sophistication of these tools, will depend upon the needs of the business for IT services and the size of the organization. We provide a range of SI services including architecture design, project planning, selection of technology components, testing, deployment, operations and maintenance services. We have developed a six-phase delivery process and the process is unique for each service, they share these common features:



This six-step execution model is based on quality standards to enable cost-effective operations and support. We provide SI solutions to clients in various industries, including telecommunication, banking, financial services and insurance. Collectively, we present end to end solutions in ERP, business analytics, middleware and infrastructure management to offer high value Systems Integration services.

Custom Application Development

Custom application development services provide our clients with a tailored solution that will streamline the clients' systems and optimize their performance. We understand that every organisation has its own unique methodology and approach to business practice therefore necessitating a distinctive solution. The market is flooded with bottled solutions that only superficially address business needs. We deliver solutions quickly, accurately, and efficiently developed specifically based on the business requirements. All custom applications are developed with post-implementation issues in mind.

With our in-depth domain and technical expertise and industry standard quality processes, we enable our clients to solve complex problems, mitigate risks and meet their business objectives. This process can be used for:

- New Application Development
- Application Enhancement
- Application Consolidation

Our industry proven project execution methodology - The TechP way, ensures project and strategy success.

Our flexible engagement models help to strike the right balance between operational efficiency and cost through associated systems & processes that are geared to provide customers with a high level of transparency and full control. Our generally accepted models or a combination are:

- Effort based pricing or Time & Material
- Milestone based billing
- Dedicated Development Facility or Retainer
- Project based pricing or fixed bid

We have a dedicated Offshore Development Center designed to specifically carry out development activities with our cross technology expertise and hands on experience with ISO 9001:2000 compliance and strict quality assurance methodologies. In addition our development process follows a well defined System Development Lifecycle and a stringent Quality Management System so each stage of the application development process is monitored, reviewed, audited and controlled. With time tested methodologies for providing quality software maintenance and support services, we further have a Global Competence Centre that employs Industry Experts to provide maintenance and support 24x7. Our procedures are in tuned to be in line with ITSM processes and designed to accommodate ISO 27000 standards.

Our subsidiary - TechnoPrism LLC, is a specialized IT services firm providing product design, development & customization solutions to technology companies in the Silicon Valley like Intel, Sun, eBay, First Home Loan Bank(FHLB) to name a few.

The range of service offerings entail Business Consulting for creating the Technical specifications, Design & Prototype of Portal based applications, Development of Portals, QA/Maintenance of custom applications, Performance Management of applications and Ongoing support onsite/offsite from the Labs at San Jose, CA.

Since 1999, the firm has undertaken and delivered 'turnkey' projects on a fixed-cost basis against definitive deliverables/milestones thereby providing a risk-mitigated solution to the clients. Backed by a strong project management methodology, the firm leverages the rich repository of proprietary reusable templates to execute the projects in a timely manner and not be constrained by resource availability. This unique, non-linear execution model is made effective by the set of product suite developed by TechnoPrism delivery team for the key business applications the firm undertakes.

The products are -

- TechP Sales (Web Portal store front) - to automate monitoring of the ongoing Mktg. & Sales activities and the sales force activity
- TechP Recruit - to monitor the recruitment (permanent and T&M based) activity, right from demand identification till the candidates get into the project
- TechP TMS - to support the time tracking management of resources deployed in projects

We identified the following growth engines that can drive significant revenues for the firm in FY10-11 and beyond-

- Offshore offerings with CoE approach (Centre of Excellence) for each technology skill based on the onsite success so far.
- 'Virtual Offshore' model wherein onsite projects at onsite rates are executed collaboratively with offshore teams to generate increased profitability.
- Productizing key offerings like 'My Marketing' portal, 'Mask Operations' etc to go to market to similar client base in technology segment and create a niche uncontested space.

All of the initiatives have been launched during this current quarter (AMJ 2010) based on the Purchase Orders' received from some of the key clients. Plans are also in place to augment the Program Management team in the US with domain experts in various functional areas for stronger business alignment with the technology tools being deployed.

Internet / Online Marketing Practice

Our Online Marketing practice endeavors to enable organizations leverage web as an effective marketing tool to enhance branding and increase revenues. Search engine marketing is also known as internet marketing as well as SEM, which helps increasing visibility in internet/ online. We provide these services through our subsidiary Precision Techconet Private Ltd. Our offering includes:

- Website Design & Development
- Search Engine Optimization (SEO)
- Search Engine Marketing (SEM)

We have proven and time tested search engine promotion methods based on research & technology updating on our end. Our SEO experts help to strategically improve search engine placement with desired keywords by using innovative and widely accepted search engine optimization technique and implement search engine marketing campaign. Some of our techniques include:

- Search engine marketing through leading search engines.
- Search Engine Marketing through Directories
- Search Engine Marketing through Posting Trade Leads
- Search Engine Marketing through Pay Per Click (PPC) Management Programming
- Search Engine Marketing by In depth Keyword Research
- Search Engine Marketing by One Way Link Building.

IT CONSULTING

Info-Drive offers both Business and Technology consulting services that supports strategic business objectives in this competitive business environment. As organisations move up the value chain, we help drive the business momentum in the light of challenges arising from globalisation, competition and the dynamics of customer loyalty. The various consulting practices enable to achieve execution excellence, cost leadership and business agility through IT, resulting in sustainable business leadership. Our consulting services:

Business Consulting

InfoDrive offers business consulting in various areas of business operations by defining, aligning and optimizing its client's business goals & objectives. We take time to understand our client's business, their requirements and needs, and then create customized solutions that deliver tangible benefits, add value and improve their business processes. Our services include:

- Top-line and Bottom-line Audit and Improvement
- Cutting Edge Demand Forecasting,
- Lean Process Improvement
- Management Coaching,
- Org. Change Management
- Profitability and financial strategy
- Balanced Score Card
- Commercial and Strategy Planning

Technology Consulting

Foresight to evaluate new technologies from a practical perspective and focus on key industries has resulted in accumulation of extensive domain knowledge about business processes. This has enabled us to deliver quality and cutting edge solutions to our clients; IT solutions, that are innovative and yet in synch with industry best practice, ensuring seamless coordination across strategy, implementation and management of technology with emphasis on future-proof solutions

ICT-focused services (Middle East) - Project Management & Technical services for the Telecom segment in the Middle-east market:

Infodrive unique 'e-Living' Practice that provides automation, digital life-style, community networking & unified integration of media, telecom and internet for homes & community. The scope of work includes providing community datacenter, call-center & e-Living experience. Hardware Platform, Software Drivers & Applications are developed in conjunction with several OEM & technology giants including Microsoft and Cisco.

Industry leaders in establishing a truly unique 'e-Living' Practice that provides automation, digital life-style, community networking & unified integration of media, telecom and internet for homes and community.

Info-Drive's e-Living Practice was launched for Dubai Lifestyle City LLC(DLC) which is a super luxury property development in DubaiLand, Dubai, UAE. DLC's vision is to bring together an Haute Living experience that is never before experienced. Haute Living is envisaged thru a combination of super-luxury home, world-class community infrastructures, high-speed network connectivity & top-of-the-line infotainment solutions.

The e-Living Practice entails solutions such as Distributed Audio-Video technology, Pervasive Grid Computing Technology, Recommender Technology, Network & Media Convergence Systems, Master System Integration with other eLiving & Security subsystems. These solutions are utilized in home automation, community connectivity, telecom-internet-media convergence and other

requirements for state-of-the-art unified infotainment solutions. Info-Drive's eLiving services are categorized into technology horizontals and Industry verticals.

The technology horizontals comprise of :

Home Automation

- Home Theatre Solutions
- Equipment and Lighting control
- Intelligent Home System Integration
- Media Storage & Search Services
- Wireless Personal Area Network
- Custom Entertainment Solutions

Community Connectivity & Data centre Apps

- eConceirge Applications- Travel Desk, Event Planning & Centralized Billing Apps
- Broadcast Automation - Media Streaming Services for Opera, Contest & Talkshows
- Standard & High Definition Video Conferencing
- Linking world's Smart-Communities [xNet : Exclusive-Network for Lifestyle interaction/gaming]
- AdLive: interactive advertisements direct to living rooms, AdTitlers, Large Screen Digital Hoardings, opinion polls
- NEWS: Community Radio FM Station, TV Station Broadcaster Solution
- Health & Happiness - Telemedicine & Talkshow

Telecom-Internet-Media Convergence

- Home Gateway
- Community Gateway
- Business Gateway

The industry verticals seeking such unique solutions include

Realty

- Shopping Malls
- Residential Villa
- Smart Communities

Travel

- Public infotainment systems for mass transit – airport, Metro rail system.
- High Productivity offices/Improved Non-Desk Productivity
- Sales organizations
- Software Technology Park
- Large integrated office spaces
- Business command centre

Other Turnkey Requirements:

- Music Concerts
- Theme and Amusement Parks
- Casinos / Gaming Centers

Info-Drive is perhaps the only service provider in the world to offer such an integrated lifestyle solutions covering full spectrum of eLiving: Home Infotainment, Connectivity, Community Technology services, Security and more, with a proven delivery track-record and show-case of all components of technology solutions in play. The hotels and gated community as early adopters of this technology & associated services. The size of this market is expected to increase with the increase in internet penetration and expansion of metropolitan cities globally.

Third Party Applications

While ERP systems have delivered proven value in streamlining enterprise processes, organizations face the associated immense challenges of support, upgrades, integration, change management, and controlling cost and schedule overruns.

We have helped companies successfully implement ERP systems through our experience implementation; integration and extending functionality that has help us develop capabilities in architecting scalable and adaptive customer solutions, which support incremental enhancement with built-in modularity. Our implementation and integration methodologies speed time-to-value delivery for a number of reasons, including their incorporation of the right analytics for real-time decision-making. We implement solutions to seamlessly integrate applications across disparate platforms and technologies. Our core ERP implementation practices are Microsoft products.

We work with clients in diverse sectors including Banking and Finance Sector.

Our ERP services expertise includes both packaged suite implementation and the integration of diverse and distributed application portfolios - within and across the extended enterprise. We support customers across the entire range of the application life cycle, from package evaluation through implementation, to post-implementation support.

Microsoft Dynamics Practice

Today the biggest challenge any small/medium sized (SME) enterprise faces is to transform itself into an efficient, cost-effective, streamlined, and quality-driven entity driven by a robust ERP system that is easy and flexible on implementation cycle. This is achieved by implementing an Integrated Business Solution like the MS Dynamics Suite, which optimizes the Financials, Supply Chain and the Human resource functions seamlessly. It would additionally facilitate organizations to take strategic initiatives, like E-Business, and integrate with the external ecosystem as well to enhance competitive advantage in the industry it operates in.

Service offerings include

- Product Implementation
- Customization and Enhancements
- Post Implementation Audit
- Version & Product Upgrades
- Application Integration
- Hosting and Support Services

Services – To North American MS Dynamics Partner

- Add-on development assistance
- Full product / module development on custom specs
- Integration to 3rd Party products
- Maintenance of Add-on products developed by you
- Upgrade across various versions
- Support on multiple Versions (debugging, changes)
- Product Migration Services
- Migration strategy, Design Re- architecture and Platform Migration
- Professional Services
- Onsite assistance – Functional/Technical resources

Services – To Partner's End Customers

- Upgrade of customer installations
 - Customer specific customizations upgrade
 - Data Migration
- End-user support
 - Level I - Initial Level support responsible for basic customer issues
 - Level II - In-depth Technical Support
 - Level III - Highest level support responsible for handling most difficult and advanced problems

Products

- Microsoft Dynamics NAV
- Microsoft Dynamics AX
- Microsoft Dynamics GP

Microsoft Dynamics NAV

Microsoft Dynamics NAV is an Enterprise Resource Planning (ERP) software product from Microsoft. Our Microsoft Dynamics NAV team provides integrated e-business solutions to help you, and the people who work for you, maximize efficiency. Microsoft Dynamics NAV makes it easier for your team to do business with your customers, vendors, and partners.

NAV Solutions

Microsoft Dynamics NAV applications address the following business needs:

- Financial Management
- Supply Chain Management
- Manufacturing
- Distribution
- Sales and Marketing
- Purchase and Payables

NAV Expertise

- Microsoft Dynamics certified consultants
- Experience on NAV Implementation – Ver. 3.0, 4.0, 5.0
- Implementation of XML Port Feature
- Compare and Merge tool
- Expertise on upgrades from NAV 4.0 to 5.0
- Experience in upgrading the objects in NAV database
- Extensive customization & Integration (to NAV) experience

Microsoft Dynamics AX

Microsoft AX is a multi-lingual and multicurrency Enterprise Resource planning software product for midsize and larger companies. Microsoft Axapta is designed to scale easily in order to support your growing business and has core strengths in manufacturing and e-business; there is an additional strong functionality for the wholesale and services industries.

AX Solutions

Microsoft Dynamics AX applications address the following business needs:

- Manufacturing
- Financial Management
- Sales and Marketing
- Human Resources
- Supply Chain Management

AX Expertise

- Microsoft Dynamics certified consultants
- Experience on AX Implementation – Ver 3.0, 4.0
- Implementation of Business Portal
- Expertise on MorphX and X++
- Extensive customization & Integration (to AX) experience

Microsoft Dynamics GP

Microsoft Dynamics GP is a business management solution that provides growing and midsize organizations with complete and scalable financial and operational functionality. Microsoft Dynamics GP is a part of the Microsoft Business Solutions family that runs on top of a Microsoft SQL Server database. It is adaptable, cost-effective and easy to maintain where reporting modules are built-in and easy to use. Microsoft Dynamics GP has clear road map that works well with MS Office.

GP Solutions

Microsoft Dynamics GP applications address the following business needs:

- Financial Management
- Human Resource Management
- Project Management
- Manufacturing
- Distribution
- Field Service Management

GP Expertise

- Microsoft Dynamics certified consultants
- Experience on GP Implementation – Ver 7.5, 8.0, 9.0 & 10.0
- Implementation of Business Portal
- Expertise on FRx, Dexterity development, Dexterity Report Writer, Modifier, Crystal Reports & other tools (Integration Manager, SmartList)
- Extensive customization & Integration (to GP) experience

Our Value Proposition to this market segment

- We Operate as an Extended Delivery Arm - Offshore Development and Services Center certified by Microsoft
- Microsoft Gold Certified Partner with access to all best practices
- Rich Product Development and Domain expertise in projects team
- Industry expertise – Manufacturing, Retail & Services
- Demonstrated Skill Set
 - Project Management Skills
 - Strong force of highly skilled Professionals
- SLA based Services providing flexible pricing models

INTEGRATED Core Banking Solutions (Conventional & Islamic Banking) implementation on turnkey project basis

Our solution framework provides quick go-to-market capability for businesses following the Islamic banking model in terms of enabling services through multiple delivery channels and implementing ready-to-use, yet configurable business processes. The solution can be implemented in modules thereby helping the enterprise to automate critical business units on priority and cover its entire business in a phased manner.

The solution delivers end-to-end automation of all the business processes, workflows, customer service and back office. It provides an integrated General Ledger, Profit & Loss and Balance Sheet. Our commitment and expertise in the banking and financial sector along with our partners at a global level and in specific the Islamic banking and finance industry is underlined by the fact that some of the world's largest Islamic Banks are our customers. This prestigious user base, coupled with our extensive business know-how, means that our company is ideally positioned to employ its substantial market knowledge and convert it into relevant strategic advantage for its clients. As such, we are unsurpassed in its breadth of understanding, and its ability to support, the complete range of Islamic financial institutions requirements worldwide. In an era when individuality and uniqueness is important, the following key strengths enable our customers to leverage their competitive advantage.

- Knowledge and expertise in the global finance industry and in specific the Islamic banking sector (both investment and commercial)
- Knowledge and expertise in the latest technologies and continuous evolvement
- Knowledge and expertise in implementing these technologies and adapting it to the banking and finance industry
- Experience in internal and external streamlining of businesses
- Excellent Project Management Capabilities
- Change management skills
- Access to Best Practices in the banking industry / Islamic Shariat board
- Ability to provide executable Banking Operations Model
- Resource Mobilization and Management Skills

IT INFRASTRUCTURE SERVICES

Our comprehensive, industry-leading portfolio of infrastructure management services guarantees high reliability, round-the-clock availability, remote manageability, and optimum scalability. Our services include:

Onsite Infrastructure Management Services

- Datacenter Support Services
- Network Support Services
- Security Support Services
- End-user Support Services

Converged Communication Solutions

- Campus & Premise Cabling
- Data Center Infrastructure
- Routing & Switching
- IP Telephony

Enterprise Management Solutions

- Service Desk & Asset Management
- Network & Systems Management
- Remote Support Tools

Remote Infrastructure Management Services

- Datacenter Support Services
- Network Support Services
- Security Support Services
- End-user Support Services

Information Security Solutions

- Network Perimeter Security
- Mobile Perimeter Security
- Application Security
- End Point Security

Technology & Process Consulting Services

- Consulting and Auditing Services
- Vulnerability Assessment and risk mitigation solutions
- Pre-certification consulting for ISO 20000

Our Management Services are designed to provide comprehensive coverage for technology infrastructure while maintaining a straightforward 'menu' of service level choices. We offer our customers the flexibility to evaluate each service and derive measurable benefits for their organization. Our current target geographies are India, North America and Far East Asia. Our target business vertices in these countries are BFSI, telecom, retail and IT-ITES.

Annual Maintenance Contracts

We deliver a comprehensive on-site annual maintenance services that provides our customers on immediate resolution of their IT related difficulties. We serve irrespective of the brand, configuration, platform or technologies.

We maintain all the components of their network inclusive of all computer systems and peripherals for an annual fee to ensure that all their equipments work at optimal levels with minimum downtime.

IT PRODUCTS & IP LED SOLUTIONS

IT products Distribution: The company through its subsidiary Precision Infomatic (M) Private limited is one of the leading distributors of IT products offering entire range of IT products like peripherals, printers, scanners, plotters, supplies (cartridges), PC components(monitors, hard disks, CD writers, CD ROMs, processors, motherboards), PCs, UPS, Networking, packaged software, storage, high-end servers, offered by multiple vendors.

Over the years, has been recognized with:

- Best Commercial Reseller (TN & Kerala) for Hewlett Packard.
- Best Partner for Customer Satisfaction - Awarded by Hewlett Packard.
- Rated amongst the top 20 System Integrators in the country by DQCI (part of Data Quest group of publications).
- Rated as the fastest growing SI in the country by DQCI.
- Named the Best Support partner for HCL.

Over more than 500 dedicated Sales and Support Personnel and this includes a team of high caliber Microsoft certified, HP certified, IBM certified, Novell certified, Linux certified and VMware certified professionals.

IP LED SOLUTIONS: The Company has focused on building Intellectual Property (IP) led tools like InsTIL, CampIT and Biometrics solutions.

InsTIL™ - unique tool for IT Asset Management

InsTIL™ is a web enabled ITSM (Information Technology Service Management) tool developed by our subsidiary-Precision Techconet Private Limited based on ITIL (Information Technology Infrastructure Library) best practices framework.

InsTIL is designed by a team of ITIL Certified consultants and developed by a team of Microsoft Certified professionals on Microsoft platform for achieving ISO 20000. The tool automates the critical process areas of ITSM such as Incident management, Configuration management, TM Change management and Service level management. InsTIL also enables proactive monitoring of critical IT assets TM thereby preventing potential failures and ensuring maximum utilization of IT Resources. InsTIL has emerged as a fully integrated, modular, customizable and cost-effective solution that assists businesses in management and delivery of IT Services.

Biometrics suite for Identity Management & Authentication

Legend Systems Pvt Ltd (subsidiary) addresses the critical Identity Management solution requirements based on Biometrics technology. Our product 'Avant Guard IT' is a USB based Finger Print Scanner that connects to any Client system. The state-of-the-art architecture and modular structure of the solution allows customer centric solutions that go beyond the limits of product business. The range of competences covers everything from consulting to design proposals to usability analyses and the evaluation of biometric performance and security. The suite of biometric software applications include:

- Biometric Access Control and Keyless Entry
- Biometric Username and Password Replacement
- Biometric Employee Time and Attendance
- Biometric Payment and Transaction Solutions

We have built all components using indigenous research and development, in our own manufacturing process that is not dependent on kits from third party sources. Our current set of products include:

- Avant Guard Auto, a solution that provides managed access to automobiles,
- Avant Guard IT, a solution for managed access to networks and IT systems,
- Avant Guard Access Control for physical access to building and terminals,
- Avant Guard 32-bit SDK, a true 32-bit microprocessor kit.

We provide integrated solutions for many industrial verticals among which the ones for financial sector, IT industry, healthcare sector and the public sector being our strong points. Renowned customers have been successfully using biometric identity & access management solutions and appreciate the tailor-made solutions that fulfill any or all of the stages in the Product Life Cycle of a fingerprint based biometric product.

Recently have designed and implemented a fingerprint based logical access solution for a leading Public sector Bank in India. The bank wanted to provide a two factor authentication using Fingerprint Biometrics for their Core Banking System (CBS) for better end point security. The whole solution was designed, developed and implemented meeting all the required standards and stringent norms of the bank and the CBS solution provider.

CampIT - integrated solution for campus automation in educational segment:

CampIT is an end to end solution for the educational segment that integrates all the stakeholders in the system namely Parents , Faculty , Students and Management. On a web enabled platform it enables centralized control of all activities like Admission, Operation and Administration. CampIT consists of various functionalities like Admission Management, library mgmt, fees mgmt, hostel mgmt, exam mgmt etc. It provides the management centralized control over all the activities. CampIT is similar to the windows platform whereby you have the various icons for various tasks operable in a single operating system.

Broadly the solution has the following functionalities:

- Admission Management
- Fees Management
- Course Management
- Attendance Management
- Time Table Management
- Exam Management
- Library Management
- Hostel Management
- Transport Management
- Inventory Management
- Queries Management
- Financial Accounting

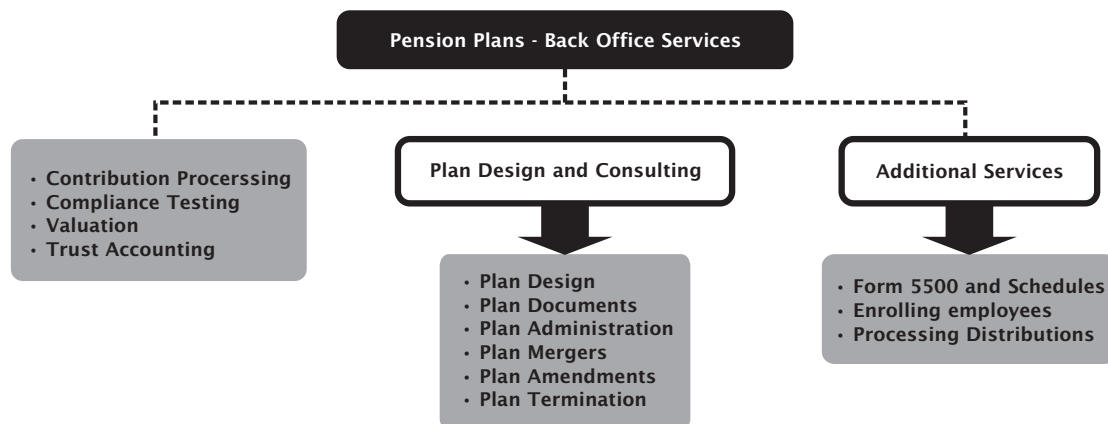
BUSINESS PROCESS OUTSOURCING

Benefit Administration Outsourcing

Info-Drive’s Benefit Administration Outsourcing offers 401k services to Intermediaries and Accounting firms in US (TPAs). Our offshore benefits administration services provide the TPAs an opportunity to reduce their administration cost while variablizing their fixed cost structure, increasing profitability, thereby enabling them to offer a better pricing structure for their customers. Having evolved this practice from a TPA entity, we have a vast repository of industry best practices quality assurance procedures and checklists that are unmatched in the outsourcing vendor community.

We are perhaps the only Plan outsourcing company from India with ASPPA (‘The American Society of Pension Professionals & Actuaries) certified and IRS (Internal Revenue Service) licensed professionals.

Led by an experienced QPA, our team leads are Accredited Pension Administrators, APA- a professional certification given by the National Institute of Pension Administrators (NIPA), a leading pension industry accrediting organization. We administer all types of defined contribution plans including 401(k), profit sharing, money purchase, 403(b) plans. Our services include:



Key Differentiators

- Team led by a certified QPA
- Pioneer in offshore service delivery for end-to-end Benefits Administration in Defined Contribution and Defined Benefits Plans
- Deep domain expertise in Total Benefits Administration with industry certification and accreditation
- ISO 27001 and BS7799, ISO 9000 compliant.
- Moving towards blended shore model thereby providing a wider array of services with onsite support backed by offshore execution
- Strategic Alliance with large TPAs(Third Party Administrators) who also function as aggregators of large Plans from various institutions across the US

All services are provided based upon an agreed fee schedule, with a flexible billing plan, including Hourly rate, Transaction based & Volume based pricing on Plan & Participant numbers and Revenue Sharing as well.

In line with its stated strategy of growing this Practice through strategic alliances with large TPA's, Info-Drive entered into a definitive contractual Joint Venture agreement with BCG (Benefits Consulting Group) which is engaged in the business of retirement and financial planning administration and related services in the United States and ranks amongst the top 10 TPA's in the industry.

The purpose of this Contractual Joint Venture is to establish a captive-like offshore delivery services for BCG and jointly promote and market the services of Info-Drive to all BCG client base in the US, thus establishing a non-linear growth platform for the Practice.

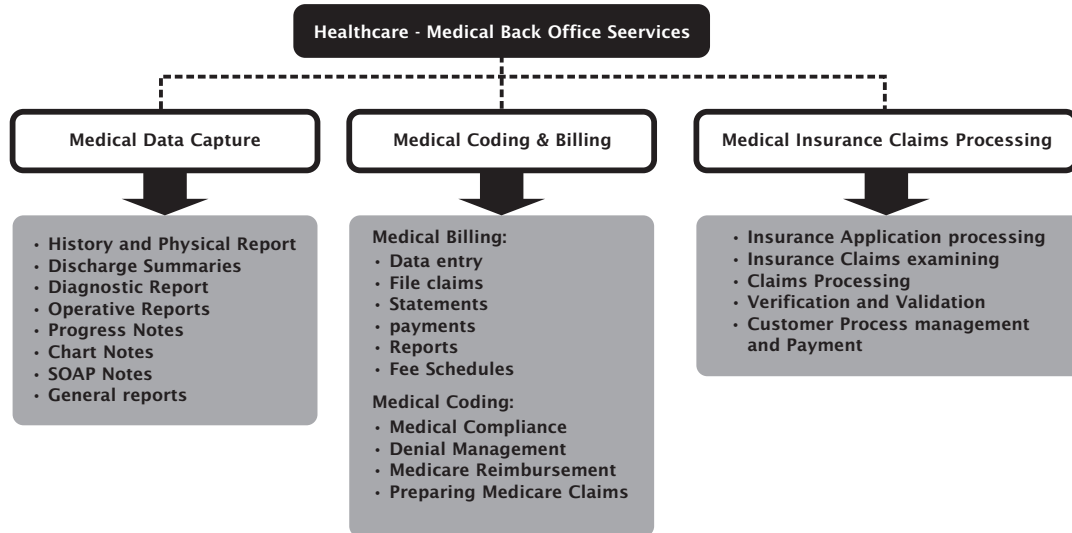
The range of services being offered by this JV consist of full spectrum of Benefits Administration processing in Pension funds, Finance & Accounting back office processing, Payroll processing & Advisory services related to integration of merged Entities & Plans.

Healthcare Outsourcing

Info-Drive's Healthcare Outsourcing offers a unique proposition that leverages both Healthcare providers and payers, with complete HIPAA compliance business processing support. We provide a host of Healthcare Outsourcing Solutions across the Physician, Dental and Hospital space in US. In the areas of Medical Back office, we offer an integrated service delivery solution.

With operational center located in Chennai in India and staffed with trained associates, Quality Assurance leaders and dedicated customer relationship management team with a full-fledged training program to create new resources.

The following diagram on the next page illustrates the services:



Medical Data Capture

- Transcription services in specialties including pediatrics, orthopedics, gastroenterology, cardiology, internal medicine, radiology, chiropractic, podiatry, and so on. We offer transcription of medical reports for private practice, Medical Records Department at hospitals, or any other correspondence where medical terminology is needed.
- General correspondence services including History and Physicals, Patient Progress Reports, Consultations, Discharge Summaries, Chart Notes and Narratives, Radiology Reports (CT Scans, MRIs, Barium Studies, Angiograms, Mammograms, etc.), Hospital Progress Notes and Procedure Notes, ER Reports, Surgical Procedures and Operative Reports, Independent Medical Evaluations, Peer Reviews.

Medical Coding Services

Our Medical Coding service enables individuals and Hospitals to file a claim with the patient’s health insurance provider and/or managed care organization adhering to different coding standards. Our specialty is ICD-9, CPT, HCPCS outpatient (physician) coding for the CMS-1500 form. Our team consists of experienced coders and senior technicians with several years of clinical experience in multiple medical specialties, who have received their CCS-P and/or CCS credentials. We handle Compliancy Services, Denial Management, Medicare Re-imbusement, and Medicare Claims.

Medical Billing Services

Our Medical Billing experts understand database management, spreadsheets, email, and possess state-of-the-art word-processing and accounting skills, and proficiency in bookkeeping. Our medical billing specialists also process responses from insurance companies that include the Explanation of Benefits (EOB). Our medical billing services include Data Entry Services, Filing Claims, generating Statements, Payments, and Reporting.

Doctors Card Management

Our Doctors Card management entails appointment scheduling for multiple doctors in multiple facilities. Appointment page shows Doctor's day, or week, or multi-Doctors' day. It schedules the day's appointments, cancellations and priority appointments. It contains Patient Demographics, Facility Details, Insurance Information, Referral Doctors and Recall Reminders. These schedules enable the Medical Practices: Complete medical claims processing, payment posting, patient's balance billing.

Quality process & Standards

Process : A 3-Tier process ensures that each and every report generated by the company is meticulously performed by trained agent, proofread by experienced editors and finally checked by Quality assurance personnel for its correctness. We have daily feedback sessions and regular trainings at all levels of service offering.

Audit: Our Quality Audit department, audits at least 30 % of all work processed (before upload to client) to provide continuous feedback for sustained quality

Accuracy: We guarantee average 98%+ accuracy for Medical transcription and minimum accuracy deliverables of over 95% and above on both CPT and ICD components.

TAT's (Turn Around Time) ranging from 4 to 48 hours as desired by our client.

Capability: Total client ready files with Direct Upload Capability.

STRENGTHS & OPPORTUNITIES

IT-BPO sector is facing significant challenges for the first time in its history. The year 2009-10 has seen introspection by IT companies on their business models with significant restructuring. A completely different global economic landscape is emerging, where new markets, new services and new customer needs will define the course of the industry.

Post takeover by the new management, the company during the last three years, had embarked on a restructuring plan and has been able to position with the following Strengths & Opportunities, despite the difficult current Global IT scenario.

Well-Balanced Portfolio of Services

Your Company has a good mix of niche high-margin and high-scale mainstream offerings. These niche business lines provide profit boosters and volume business lines that ensure top-line growth on a consistent basis. Your company has pre dominant penetration and market share in the high volume business in Systems Integration & Hardware for Corporate India. Our subsidiary – Precision Infomatics (M) Private limited has successful partnership in India with:

- Microsoft - Gold Certified Partner
- Hewlett-Packard
 - Premier Enterprise Business Partner
 - Authorized Service Delivery Partner

- IBM – Premier Business Partner and Authorized Support Partner
- Novell - Gold Certified Partner
- VMware

Geography Spread

Your Company operates globally with a wide array of specialized services with an ROI-centric value proposition. The geographic dimension is critical to how we execute our strategy and operate in a way that is both globally efficient and locally responsive to our clients and our people. We market and sell our services from over five countries that enable your company address various opportunities in key market segments such as Banking, Financial & Pension Funds Institutions, Hospitality, Real Estate, Telecom and Utilities.

Commitment to superior quality and process execution

Your Company has developed a project management methodology to ensure timely, consistent and accurate delivery of quality solutions to ensure client satisfaction. We constantly benchmark our services and processes against globally recognized quality standards that include ISO 270001, ISO 21000 and ISO 9001:2000.

Continue to enhance our solution set

Your Company seek to continually enhance our portfolio of solutions as a means of developing and growing our business. To differentiate our services, your company focus on emerging trends, new technologies and pervasive business issues that confront our clients. In recent year, your company has added new service offerings such as Business Process & Technology Consulting which have been significant contributors to our growth. Your company is an Industry leader in establishing a truly unique 'e-Living' Practice that provides automation, digital life-style, community networking & unified integration of media, telecom and internet for homes & community.

Growth platforms

Our three growth platforms - systems integration & technology, business consulting and outsourcing- are the innovation engines through which we develop our knowledge capital; build world class skills & capabilities; create, acquire and manage key assets to the development of solutions for our clients. The professionals within these areas work closely with our operating groups to deliver those integrated services and solutions to clients. Your company continues to invest in IP led tools.

Talent pool

Our endeavors are driven by a strong set of values imbibed in us and policies that we abide by. Your company is implementing comprehensive internal programs for HR transformation, workplace transformation, organization change management, and global hiring & retention. Our constant goal, and indeed our biggest strength, is a healthy, happy and prosperous work environment for all our employees. Currently, we have over 1500 employees.

De - Risked Service Portfolio

As global sourcing of IT services becomes mainstream, customers have started looking beyond the value-proposition of cost reduction, productivity enhancements, and quality improvements. The focus has shifted to strategic business impact or transformation in business performance. Your Company has been continuously pursuing growth opportunities in related industries where the strong capabilities acquired by your Company can be leveraged effectively. Your company has expanded its portfolio of services to align itself with the evolving market expectation. Info-Drive's expanded services portfolio spans the entire value-chain of IT services, including IT Infrastructure Management & Outsourcing, Business Process Outsourcing (Pension Administration domain) apart from Business Process Consulting.

Focus on Emerging Market Opportunities

It is estimated that the emerging markets of Asia/Pacific, Latin America, the Middle East and Africa will spend approximately USD \$1.1 trillion on IT related products and services. Your Company has continued to invest in various businesses through the downturn and continues to invest in strengthening its marketing infrastructure across geographies.

Domestic Market Presence

The Indian domestic market is also growing and offers a unique untapped opportunity. Indian IT vendors are increasingly turning attention to domestic market as the Indian user industries are outsourcing parts or entire IT infrastructure to specialised vendors. Your company through its subsidiary - Precision Infomatics (M) Pvt Ltd is well entrenched in the space of System Integration & Hardware for over a decade. Over the years, Precision Infomatics (M) Pvt Ltd - has been recognized with

- Best Commercial Reseller (TN & Kerala) for Hewlett Packard
- Best Partner for Customer Satisfaction - Awarded by Hewlett Packard.
- Rated amongst the top 20 System Integrators in the country by DQCI (part of Data Quest group of publications).
- Rated as the fastest growing SI in the country by DQCI.
- Named the Best Support partner for HCL.
- 6th Ranked channel partner in India.
- 9th Ranked System Integrator in India

The company has impressive list of premier blue-chip clientele and would be tapped to cross sell our other service offering.

Successful Client Relationship

Our client centric approach is built on in-depth understanding of our customers' needs in order to provide high value, cutting edge technology solutions. Your Company is leveraging its capability as an integrated solutions provider, with appropriate technology expertise and domain knowledge, to deepen its relationships with its clients. Recently, your company demonstrated the ability to build and manage relationships with few of the world's best known companies like Google, Sun and Intel.

THREATS, RISK AND RISK MITIGATION

The current global macroeconomic challenge is both multi-faceted & multi-dimensional. It is a looming threat for an early recovery as it involves a longer recovery cycle.

Our future depends on a number of factors, including:

- the size, complexity, timing, pricing terms and profitability of significant projects or product orders;
- unanticipated cancellations, contract terminations or deferral of projects, or those occurring as a result of our clients reorganizing their operations;
- the duration of tax holidays or exemptions and the availability of Government of India incentives;
- the effect of seasonal hiring patterns and the time required to train and productively utilize our new employees;
- unanticipated variations in the duration, size and scope of our projects, as well as changes in the corporate decision making process of our clients;
- volatile movements in currencies; and
- other economic and political factors in the geographies where your company is present.

The risk management function is integral to InfoDrive that enable continuous monitoring and management of the organization's risks. The Audit Committee of the Board monitors the risk framework to provide direction to the management from time to time. The framework is designed to provide an integrated approach for managing the risks in various aspects of the business to cover all primary risk categories, which are Strategy; Industry; Market; Resources; Operations – IT Security and Project Execution; Internal Audit; Treasury; Legal; Business Continuity Planning. The mitigation plan is designed based on management's response to the assessed risks.

The policies with respect to risk assessment & management as adopted by the Company are presented to the Board for review, from time to time. This provides an integrated approach for managing the perceived risks in various aspects of the business. The top management is well acquainted with the risks inherent to the IT business and the risks emerging from its strategic decisions.

Your company too faces several business risks, of which some prominent ones are discussed hereunder.

MACRO ECONOMIC RISK

Market Risk

Your Company operates in 5 countries and in different economies. The economic crisis has impacted these geographies in varying measures. Future revenue and profitability are dependent on growth in the IT spend in these economies. In order to combat the risk in different economies, we have fine tuned our business model by increased offshore leverage, higher utilization levels and increased number of fixed-price contracts that will help us drive cost-optimization and

margin improvement.

Business Risk

Your Company faces risks of competition in its BPO and Information Technology business. Inspired by the Indian IT-ITES success story, several other nations have started representing alternate destinations for offshore based out sourcing. However, India still remains a preferred offshore destination; the main challenge is from countries like China, Malaysia, Philippines and East European Countries. Potential threat for the Company comes from the leading Indian IT vendors, Global IT Services companies having bases in India. Increased competition could result in pressure on pricing and commoditization of some services. Your Company is addressing same by increasing its service offerings, proven, systematic, sustainable and scalable tools that effectively provide value proposition to its customers.

During the last financial year, the global economy was subject to great turmoil. The crisis in the financial sector led to a lower confidence in financial markets resulting to a global credit crunch. As a result of the global recession, market related business and credit risks with clients are expected to rise. This is likely to affect the Group's revenues and profitability.

Our strategy involves effectively leveraging customer relationships built over many years and work closely to monitor the credit duration and exposure with each specific customer and by pro-actively planning the receivables cycle.

FINANCIAL RISK

Volatility in Rupee-Dollar Exchange

Your Company's revenues are denominated in foreign currency apart from the Indian rupee revenues derived from domestic market. Predominantly the foreign currency revenues are United States Dollars, United Arab Emirates Dirham and Malaysian Ringgit. Any strengthening of the Indian rupee against the U.S. dollar or other foreign currencies could adversely affect our profitability. During the year under review, large proportion of the revenues and costs are denominated in Indian Rupees (INR). And exchange risk for the year under review has been minimal. However to mitigate risk, your Company would follow a proactive hedging policy.

STP- Tax Benefits Related Risk

Currently, your company benefits from certain tax incentives under Section 10A of the Income Tax Act for the IT services that we provide from specially designated "Software Technology Parks" or STPs. As a result of these incentives, our operations in India have been subject to relatively low tax liabilities. Under current laws, the tax benefits applicable to these units are due to expire by March 31, 2011.

STRATEGY RISK

Executing M&A Transaction's Risk:

Your Company follows a very structured approach in pursuance of its M&A strategy. Many of the risks are mitigated by restricting the choice of target companies by applying certain rigorous due

diligence across legal, business, financial and human resource functions. The inorganic growth opportunities face a risk with respect to executing its post acquisition operating transactions. The risk exposure in this area lies in the successful integration of acquired entities within the framework of a common operational guideline. Your Company has identified a transition team that would address the Financial (managing cash flows & return expectations, Tax and transfer pricing, accounting and compliance), Operational (integrating systems & processes, information flow), Business (establishing synergy between different entities) and People integration (performance metrics, motivating and managing aspirations) aspects. The team is involved in the integration effort to incorporate learning from different structures to reinforce desired culture and inspire sense of ownership.

BUSINESS OUTLOOK

The past 12-16 months has been a period of volatility and uncertainty leading to an economic downturn that impacted the Indian IT-BPO industry more than expected. Even as the economic downturn has compelled organizations to reduce their outsourcing budgets, the advantages of global sourcing are seen as an opportunity to leverage unique services & technology led business consulting to maintain competitiveness.

Global industry analysts report that as discerning organizations understand the value of business-outcome focused outsourcing as against low-cost oriented outsourcing, the current recession could create additional opportunities for the highly specialized service providers. In line with this industry consensus, we at Info-Drive have continued to invest and focus on Greenfield initiatives that we believe will enable us to emerge stronger when the global economy starts recovering.

Info-Drive's future outlook is driven by a concise business strategy underpinned on four major themes that dominate all the activities pertaining to management efforts on maximizing shareholder value on a sustained and predictable basis -

Incubate Emerging Product-Driven Services Offerings

In line with our strategy to further augment our niche services portfolio, we have initiated the launch of Analytics & Risk Management (ARM) practice that entails business intelligence / data warehousing projects and Risk management components like Operations Risk, Credit Risk, Market Risk & Anti-Money Laundering (AML) for the banking industry worldwide. The solutions framework is driven by the world renowned SAS suite of products and our practice is being incubated with SAS certified professionals who have executed several projects successfully for global clients. The practice is being established with a clear plan of executing projects on hand in the India/Asia Pacific region while in parallel developing the go-to-market plans for US opportunities. Our vision is to create a CoE (Center of Excellence) for SAS in the areas of Operations & Credit Risk where there is a significant shortage of qualified SAS professionals. We expect to scale this practice to 25-30 professionals in the next 12 months timeframe and become a global hub for SAS to access our pool for Operations & Credit Risk professionals for projects worldwide. We also anticipate several other banking related downstream projects emerging from the SAS engagements to add to the revenue stream of the practice.

Focus on growth-oriented market opportunities

- Managed Services for the US Mid-Market
 - The current recession in the US has imposed enormous budget restrictions on the IT front in the small & mid sized enterprises (SME) on security, network, data center & IT infrastructure
 - Offshore RIM with US based first level support (blended shore model) offer a compelling value proposition for effectively sweating the IT assets within the limited budgets with the same level of service guarantees
 - Info-drive's blended shore model is targeted for the mid sized client base in US which is the fastest growing market for RIM outsourcing
- ICT (Information Communication & Technology) Market in Middle East
 - Fastest growing market in the world for next 3-5 years
 - Leverage the presence to build a formidable practice for full range of networking technologies covering communications and networking infrastructure, software solutions, systems integration projects as well as security solutions
 - Address key market segments such as hospitality, real estate, telecom and utilities
 - Established early success in this practice thru annuity relationships with several large enterprises in Dubai

Stablsh CoE's (Centers of Excellence) globally in the coming year

- Business Drivers
 - Create nimble, self-contained yet business-connected groups to service business needs on a real-time basis
 - Drive micro-innovations and internally collate to create entrepreneurial possibilities for the business around multiple functions
 - Enable Program, Project and Process Management Models for operational excellence
- CoE Locations
 - Banking Technology Innovation Lab at Chennai, India
 - Pension/ Benefit Administration Services at New York, USA through the Joint Venture with a large TPA firm
 - SAS Risk Management Practice at Kuala Lumpur, Malaysia
 - E - Living at Dubai, UAE

Invest and Grow the Banking Innovation Solutions Practice

Info-Drive's Innovative Banking Technologies Practice offers 'Cost Saving' Innovation driven by next generation technology adaptation. The practice simultaneously 'Cost revolutionizes' the way bank conducts business and handles more customers per minute. The range of services includes Innovation & Process Blueprinting, Infotainment Technology Development, QA, Sub-System Integration, Master-System & Banking Application Integration, and Change Management & Process Re-Alignment.

Apart from these, Info-Drive also delivers highly customized bank customer interface devices, Design Fabrication, Contract Manufacturing, Staging, Commissioning, Go-Live and Systems Support-all on a turnkey basis.

The scope of work of a recent engagement with a global banking giant included providing Advanced Virtual Teller Solution, Innovative Wall Banking solution, Video-Booth Banking. This project is reckoned to be the first & largest of its kind- Hardware Platform, Software Drivers & Applications are developed in conjunction with several OEM & niche technology specialist.

Despite the challenges posed by post- recessionary recovery forces that are posing numerous uncertainties in achieving visibility in business growth and profitability for most of the players in the industry, we are extremely confident that Info-Drive's specialized service offerings and its transformational initiatives, executed by an experienced and energized global management team, will continue to surpass stakeholder expectations in both short-term and long-term horizons.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Management is responsible for establishing and maintaining adequate internal control over financial reporting of your company. Your company has put in place an adequate system of internal control commensurate with its size and nature of business. These systems provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes, safeguarding assets, preparing of financial statements of the company and ensuring compliance with corporate policies. The Internal Audit function ensures:

- adequate processes, systems, internal controls are implemented and these controls are commensurate with the size and operations of the company.
- transactions are executed in accordance with policies and authorization.
- resources have been deployed as per the business plan, policies and authorization.

The company's audit committee, which is a sub-committee of the board, reviews adherence to internal control systems, internal audit reports, risk management and legal compliances. This committee reviews all quarterly and yearly results of the company and recommends the same to Board for their approval.

The Company continuously strives to align all its processes and controls with best practices.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

INFO-DRIVE SOFTWARE LIMITED (CONSOLIDATED)

The Management Discussion and Analysis below relates to the consolidated financial statements of Info-Drive Software Limited and includes the results of its subsidiaries. The Discussion should be read in conjunction with the financial statements and related 'Notes to the Consolidated Accounts' of Info-Drive Software Limited for the year ended March 31, 2010.

The financial statements have been prepared in compliance with requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. The management accepts responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made (wherever applicable) on a prudent and reasonable basis, in order that the financial statements reflect a true and fair view of the form and substance of transactions and reasonably present our state of affairs and profits for the year.

RESULTS OF OPERATIONS (CONSOLIDATED)

Revenue

In fiscal 2010, the total income aggregated to Rs 21,391.25 lacs. The company's revenues consist mainly of income from Technology Consulting, Hardware sales & Services, System Integration, Banking Solutions and from Business Process Outsourcing. The company recognizes contracts priced on a time and materials basis when services are rendered and related costs incurred. The classification of revenues by geography and industry practice is more relevant when reviewed as consolidated results of the company.

Revenue by Geography

Geography	2010	2009
Malaysia	1,581.73	1,474.71
United States of America	330.50	993.47
United Arab Emirates	2,304.15	1,695.94
India	17,174.87	16,002.90
Total	21,391.25	20,167.02

Rs.Lacs

Expenditure

Employee Costs

The Consolidated 'Total Employee Costs' for fiscal 2010 was Rs. 2,669.05 Lacs (Rs. 3,326.07 lacs) Total employee cost as a percentage of total income was 12.48 % (16.49% in fiscal 2009). This reduction of 4.01% was primarily due to decrease in headcount and a marginal reduction for recession, contributions to retirement funds coupled with onsite resources for projects. The total employee strength is 1544 in fiscal 2010 (1556 in fiscal 2009).

Administration and Other Expenses

The nature of administrative expenses (other than employee costs) includes rent, rates, taxes, advertisement, repairs and maintenance, postage, telephone etc., amounting to Rs. 1,168.21 lacs in fiscal 2010 (Rs. 1272.79 lacs in fiscal 2009). As a percentage of revenue, these expenses decreased from 6.31% in fiscal 2009 to 5.46% % in fiscal 2010 .

Earnings before Interest, Depreciation, Taxes and Amortisation (EBIDTA)

The earnings before interest, depreciation taxes and amortisation (EBIDTA) in fiscal 2010 was Rs. 1,616.76 lacs (Rs. 1459.04 lacs in fiscal 2009). EBIDTA as a percentage of total income was 7.56% in fiscal 2010 (7.23% in fiscal 2009).The reason for a marginal increase is due to reduced input costs on manpower resources and financing cost.

Interest costs & Depreciation

Interest expense was Rs. 361.43 lacs in fiscal 2010 (Rs. 391.33 lacs in fiscal 2009) and Depreciation charge was Rs. 227.86 lacs in fiscal 2010 (Rs. 239.03 lacs in fiscal 2009). The finance charges have come down due to decrease in the amount of loans.

Profit before Taxes

The Profit before taxes in fiscal 2010 was Rs. 1027.47 lacs (Rs. 828.68 lacs in fiscal 2009). As a percentage of revenue, the profit increased from 4.10% in fiscal 2009 to 4.80% in fiscal 2010. The profit before tax increased due to overall increase in earnings.

Net Profit before Minority Interest and Dividend including Tax

The company's net profit before minority interest in fiscal 2010 was Rs. 914.11 Lacs. Net profit as a percentage of total income is 4.27 %. The corresponding figure during the previous year in fiscal 2009 was Rs. 811.51 Lacs at 4.02 % of total income. The net margin has increased despite an all round increase in costs and pressure on selling price.

Net Profit (after Minority Interest)

The Company's net profit (consolidated) was Rs.914.11 lacs in fiscal 2010 (Rs. 801.71 lacs in fiscal 2009).Net profit as a percentage of total income is 4.27 % in fiscal 2010 (3.97% in fiscal 2009)

FINANCIAL POSITION (CONSOLIDATED)

Share Capital

At present, we have only one class of shares viz., equity shares of par value of Rs. 10/- each.

	<i>Rs. lacs</i>	
	31.03.2010	31.03.2009
Authorised Share Capital* (increased during the year)	7000.00*	6000.00
Issued, subscribed and paid-up capital	2923.89	2923.89

Reserves and Surplus

Share Premium account stood unchanged at Rs. 1,562.11 lacs (Rs. 1562.11 lacs in fiscal 2009)

The opening balance of reserves as at March 31, 2010 was Rs. 2114.08 lacs and the corresponding opening balance of reserves as at March 31, 2009 was Rs. 1483.42 lacs

Balance in profit and loss account as at March 31, 2010 was Rs. 743.06 lacs (Rs. 630.66 lacs as at March 31, 2009)

Reserves and Surplus at the end of fiscal 2010 was Rs. 4,419.25 lacs, an increase of 20.21 % over Rs. 3676.19 lacs at the end of fiscal 2009.

Loans

Secured Loans at the end of fiscal 2010 were Rs. 2,383.56 lacs (Rs. 1949.01 lacs in fiscal 2009).

Unsecured loans at the end of fiscal 2010 were Rs. 4,130.14 lacs (Rs. 2975.81 lacs in fiscal 2009)

Deferred Tax Asset & Deferred Tax Liability

As stated in accounting policies in Notes on Accounts, company had deferred tax asset in fiscal 2010 of Rs. 48.68 lacs where as it had deferred tax liability (net) for fiscal 2009 of Rs. 27.27 lacs.

Fixed Assets

Additions to Gross Block in fiscal 2010 amounted to Rs. 245.20 lacs. The significant items of additions in fiscal 2010 were Plant & Machinery (Rs. 0.95 lacs), office equipment (Rs. 15.63 lacs), Electrical Installations (Rs. 0.33 lacs) furniture & fittings (Rs. 10.75 lacs), vehicles (Rs. 8.08 lacs), computer systems (Rs. 53.25 lacs), intangible assets (Rs. 72.53 lacs) and an advance for capital purchase of (Rs. 83.68 lacs).

Goodwill on Consolidation

Goodwill on consolidation as at March 31, 2010 was Rs. 5,537.15 lacs (Rs. 5,667.15 lacs as at March 31, 2009).

Investments

Investments in mutual funds was Rs. 25.00 lacs as at March 31, 2010 (Rs. 10.50 lacs as at March 31, 2009).

Inventories

Inventory in fiscal 2010 stood at Rs. 370.83 lacs (Rs. 495.47 lacs in fiscal 2009).

Sundry Debtors

Sundry Debtors as at March 31, 2010 aggregated Rs. 7,269.36 lacs (Rs. 5412.87 lacs as at March 31, 2009). As a percentage of operating revenue, sundry debtors were at 34.07 % as at March 31, 2010 as compared to 27.09% as at March 31, 2009. There had been an increased focus on collections but due to clients facing economic difficulties, there had been delays in both domestic and international clients whose dues fell beyond stipulated credit period. The company continues to monitor closely the creditworthiness of its clients and is working closely with them to ensure that all dues are collected within reasonable time.

Cash and Bank balances

The company had total cash and bank balances of Rs. 2,412.01 lacs as at March 31, 2010 (Rs. 606.91 lacs). Balances held in fixed deposits with banks was Rs. 537.43 lacs as at March 31, 2010 (Rs. 320.07 lacs as at March 31, 2009).

Loans and Advances and Others

Loans and advances as at March 31, 2010 were Rs. 885.10 lacs (Rs. 779.31 lacs as at March 31, 2009). The increase is primarily attributable to:

- a. deposits, advances and others of Rs. 776.93 lacs as at March 31, 2010 (Rs. 730.77 lacs as at March 31, 2009)
- b. Inter corporate loans of Rs.108.17 lacs as at March 31, 2010 (Rs. 48.54 lacs as at March 31, 2009)

Other Current Assets

earnest money and others of Rs. 803.41 lacs as at March 31, 2010 (Rs. 637.45 lacs as at March 31, 2009)

Current Liabilities

Current Liabilities increased to Rs. 4,317.04 lacs as at March 31, 2010 as compared to Rs. 3,178.23 lacs as at March 31, 2009. The increase is primarily due to:

- a. increase in sundry creditors Rs. 4,311.85 lacs as at March 31, 2010 (Rs. 2,988.35 lacs as at March 31, 2009)
- b. increase in advances Rs. Nil lacs as at March 31, 2010 (Rs. 187.06 lacs as at March 31, 2009)
- c. Unclaimed dividend of Rs. 5.19 lacs as at March 31, 2010 (Rs. 2.82 lacs as at March 31, 2009)

Provisions

Provisions made towards taxes, proposed dividend, tax on dividend aggregated Rs. 448.62 lacs as at March 31, 2010 as against Rs. 421.93 lacs as at March 31, 2009.

Miscellaneous Expenditure

Issue Expenses stood at Rs. 72.91 lacs in fiscal 2010 compared to Rs. 75.84 lacs in fiscal 2009.

CASH FLOW (CONSOLIDATED)

Cash Flow from Operations

In fiscal 2010, net cash generated was Rs. 925.35 lacs (Rs. 47.84 lacs) from operating activities. Apart from net profit before taxes of Rs. 1027.47 lacs (Rs. 828.68 lacs) the net cash generated includes non cash items like depreciation of Rs. 227.86 lacs (Rs. 239.03 lacs)

Cash Flow from Investing Activities

In fiscal 2010, the company used Rs. 205.42 lacs on investing activities (Rs. 2853.05 lacs in fiscal 2009). Significant amount of cash used in investment activities in fiscal 2010 was for purchase of fixed assets Rs.245.20 lacs.

Cash Flow from Financing activities

In fiscal 2010, the significant item of cash used in financing activities includes proceeds of further issue of equity shares amounting to Rs.9.94 lacs (Rs. 0.99 lacs), long term borrowings (net) Rs. 434.55 lacs (Rs. 546.98 lacs), short-term borrowings (net) Rs. 1154.33 lacs (Rs. 2758.65 lacs). In fiscal 2010, significant item of cash used in financing activities was due to payment of dividend including tax Rs. 171.05 lacs (Rs. 171.05 lacs). Interest paid expenses Rs 361.43 lacs (Rs 391.33 lacs)

Cash Position

Cash and cash equivalents as at March 31, 2010 amounted to Rs. 2,412.01 lacs (Rs. 606.91 lacs as at March 31, 2009)

INFO-DRIVE SOFTWARE LIMITED (UNCONSOLIDATED)

The Management's Discussion and Analysis given below relates to the financial statements of Info-Drive Software Limited (Unconsolidated). The discussion should be read in conjunction with the financial statements and related notes for the year ended March 31, 2010.

Overview

The financial statements have been prepared in compliance with requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles (GAAP) in India. Our management accepts responsibility for the integrity and objectivity of these financial statements as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made (wherever applicable) on a prudent and reasonable basis, in order that the financial statements reflect a true and fair view of the form and substance of transactions and reasonably present our state of affairs and profits for the year.

Revenue from Operations

The company derives its revenues from Systems Integration, Customized Software Development, Implementation of third party application packages, Infrastructure Outsourcing including technical support services. The company recognizes contracts priced on a time and material (T&M) basis when services are rendered and related costs incurred or on a fixed price basis. The company's (unconsolidated) revenues increased to Rs. 1,638.45 lacs in fiscal 2010 from Rs. 1364.84 lacs in the fiscal 2009, a growth of more than 1.20 times (3.21 times). Revenues increased due to projects executed on the customized software development in e-living, Infrastructure Outsourcing including technical support services for Telcos

Other Income

Other income comprises interest on deposits (ICDs). Other income in fiscal 2010 was Rs. 20.31 lacs (Rs. 39.68 lacs in fiscal 2009)

Expenditure

Employee cost

Employee Cost in fiscal 2010 was Rs. 190.96 lacs (Rs.164.05 lacs in fiscal 2009). Employee cost as a percentage of revenue was 11.51 % in fiscal 2010 as compared to 11.22% in fiscal 2009. This increase in costs is due to hiring of resources for execution of certain new projects.

Administration and Other expenses

The nature of administrative expenses (other than employees cost) includes rent, rates, taxes, advertisement, repairs and maintenance, postage, telephone etc., which decreased to Rs. 132.05 lacs in fiscal 2010 from Rs. 134.29 lacs in fiscal 2009.

Earnings before Interest, Depreciation, Taxes and Amortisation (EBIDTA)

The EBIDTA in fiscal 2010 was Rs. 751.45 lacs compared to Rs. 573.67 lacs in fiscal 2009, an increase of 1.31 times.

Interest Costs & Depreciation

Interest expenses increased from Rs.18.58 lacs in fiscal 2009 to Rs. 55.14 lacs in fiscal 2010 an increase to 2.97 times due to interest on working capital facilities from Axis Bank and on ICDs. Depreciation charge increased from Rs. 21.14 lacs in fiscal 2009 to Rs. 23.73 lacs in fiscal 2010 an increase of 1.12 times due to additional assets.

Profit before Taxes

The Profit before taxes (PBT) in fiscal 2010 was Rs. 672.58 lacs compared to Rs. 533.95 lacs in fiscal 2009, an increase of 1.26 times.

Dividend

The Board has recommended a Dividend of 5% (Re 0.50 per share) (in fiscal 2009 it was the same 5% ie., Re 0.50 per share).

Profit After Tax (PAT)

The company has achieved a PAT of Rs. 661.64 lacs in fiscal 2010 as compared to Rs. 521.97 lacs in fiscal 2009 an increase of 1.27 times.

FINANCIAL POSITION (UNCONSOLIDATED)

Share Capital

At present, we have only one class of shares viz., equity shares of par value of Rs. 10/- each.

	<i>Rs. lacs</i>	
	31.03.2010	31.03.2009
Authorised Share Capital* (increased during the year)	7000.00*	6000.00
Issued, subscribed and paid-up capital	2923.89	2923.89

Reserves and Surplus

Share Premium account remained unchanged at Rs. 1562.11 lacs in fiscal 2010.

Foreign Currency Translation Reserve was Rs. 80.50 lacs in fiscal 2010 as against Rs. 202.70 lacs in fiscal 2009.

Profit & Loss account stood at Rs. 374.85 lacs for the fiscal year ended 31st March, 2010 (fiscal year ended March 31, 2009 negative Rs.115.74 lacs due to accumulated losses)

Total Reserves and Surplus at the end of fiscal 2010 was Rs. 2017.46 lacs as compared to Rs. 1764.81 lacs in fiscal 2009.

Loans

Secured Loans as at the end of fiscal 2010 was Rs. 387.34 lacs against Rs. 37.55 lacs in fiscal 2009 due to facilities availed from Axis Bank.

Unsecured Loans as at the end of fiscal 2010 was Rs. 475.47 lacs against Rs. 379.68 lacs in fiscal 2009 as per details given below:

Deferred Credits at the end of fiscal 2010 was Rs. 101.17 lacs compared to Rs. 332.33 lacs in fiscal 2009.

Inter corporate Loans at the end of fiscal 2010 was Rs. 374.30 lacs compared to Rs. 47.35 lacs in fiscal 2009

Deferred Tax Asset & Deferred Tax Liability

As stated in accounting policies in Notes on Accounts on the fiscal 2009, company had deferred tax asset in fiscal 2009 of Rs. 38.01 lacs where as it had deferred tax liability (net) in fiscal 2010 of Rs. 21.59 lacs.

Fixed Assets

Additions to Gross Block in fiscal 2010 amounted to Rs. 102.49 lacs. The significant items of additions in fiscal 2010 were office equipment (Rs. 9.37 lacs), vehicles (Rs. 8.08 lacs), computer systems (Rs.1.03 lacs), electrical installations (Rs. 0.33 lacs) and an advance for capital purchase-assets (Rs. 83.68 lacs).

Investments

Investments in wholly owned subsidiaries and other subsidiaries aggregated Rs. 3631.81 lacs in fiscal 2010 as compared to Rs. 3772.02 lacs in fiscal 2009.

Inventories

Inventory in fiscal 2010 stood at Rs. 16.15 lacs (fiscal 2009 Rs.17.17 lacs).

Current Assets, Loans & Advances**Sundry Debtors**

Sundry Debtors for the fiscal 2010 aggregated to Rs. 978.17 lacs (Rs.942.80 lacs for fiscal 2009). As a percentage of revenue, sundry debtors was 58.97 % in fiscal 2010 as compared to 64.51% in fiscal 2009. There had been increased focus on collections, still there had been delays from certain clients whose dues fell beyond stipulated credit period. The company continues to monitor and is working closely with clients to ensure that all dues are collected within a reasonable time.

Cash and Bank balances

The company had cash and bank balances of Rs. 908.24 lacs as at March 31, 2010 ie., fiscal 2010 compared to Rs. 203.37 lacs as at March 31, 2009 ie., fiscal 2009 .

Loans and Advances

Loans and advances were Rs. 679.16 lacs in fiscal 2010 as compared to Rs. 470.67 lacs in fiscal 2009. This increase is primarily attributable to:

- a) higher loans and advances of Rs. 535.70 lacs in fiscal 2010 as compared to Rs. 393.23 lacs in fiscal 2009.
- b) deposits, advances and others were Rs. 143.46 lacs in fiscal 2010 as compared to Rs. 77.44 lacs in fiscal 2009.

Current Liabilities

Current Liabilities increased to Rs. 666.76 lacs in fiscal 2010 as compared to Rs. 604.23 lacs in fiscal 2009. The increase is primarily due to:

- a) increase in sundry creditors Rs. 544.37 lacs as at March 31, 2010 compared to Rs. 404.40 lacs as at March 31, 2009
- b) increase in advances for supply of services NIL for fiscal 2010 (Rs. 187.06 lacs in fiscal 2009)
- c) other liabilities Rs. 122.39 lacs in fiscal 2010 as compared to Rs. 12.77 lacs in fiscal 2009.

Provisions

Provisions made towards taxes, proposed dividend, tax on dividend aggregates to Rs. 176.54 lacs as at March 31, 2010 as against Rs. 228.33 lacs as at March 31, 2009

Miscellaneous Expenditure

Issue Expenses stood at Rs. 49.69 lacs in fiscal 2010 (Rs. 51.64 lacs in fiscal 2009).

CASH FLOW (UNCONSOLIDATED)

Cash Flow from Operations

In fiscal 2010, net cash generated was Rs. 549.66 lacs (Rs. 160.97 lacs in fiscal 2009). Apart from net profit before taxes of Rs. 672.58 lacs in fiscal 2010 (Rs. 533.95 lacs) the net cash generated includes non cash items like depreciation of Rs.23.73 lacs (Rs. 21.14. lacs in fiscal 2009)

Cash Flow from Investing Activities

In fiscal 2010 the company used Rs.147.26 lacs (Rs. 247.97 lacs in fiscal 2009) on investing activities (Rs. 9.94 lacs in fiscal 2010), purchase of fixed assets Rs. 102.49 lacs in fiscal 2010 {Rs. 269.07 lacs in fiscal 2009}.

Cash Flow from Financing activities

In fiscal 2010, the significant item of cash used in financing activities includes, long term borrowings (net) Rs.349.79 lacs (Rs. 5.94 lacs in fiscal 2009), short-term borrowings (net) -Rs.123.73 lacs (Rs. 3.56 lacs). Significant item of cash used in financing activities was due to payment of dividend including tax Rs. 171.05 lacs (Rs. 171.05 lacs).

Cash Position

Cash and cash equivalents as at 31st March, 2010 was Rs. 908.24 lacs as compared to Rs. 203.37 lacs as at March 31, 2009.

CAUTIONARY STATEMENT

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such expectations, projections and so on whether express or implied. Several factors could make significant difference to the Company's operations. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities and so on over which the Company does not have any direct control.

AUDITORS' REPORT

To the members of INFO-DRIVE SOFTWARE LIMITED

I have audited the attached Balance Sheet of INFO-DRIVE SOFTWARE LIMITED, as at March 31, 2010 and also the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on the audit.

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

As required by the Companies (Auditor's Report) Order, 2003, (the Order) issued by the Central Government of India in terms of subsection (4A) of Section 227 of the Companies Act, 1956, I enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to my comments in the Annexure referred to above, I report that:

- a) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purposes of my audit;
- b) In my opinion, proper books of account as required by law have been kept by the company so far as appears from my examination of those books;
- c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- d) In my opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 to the extent applicable.
- e) On the basis of written representations received from the directors and taken on record by the Board of Directors, I report that none of the directors is disqualified as on March 31, 2010 from being appointed as director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- f) In my opinion and to the best of my information and according to the explanations given to me, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010
- ii) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
- iii) In the case of the Cash flow statement, of the cash flows for the year ended on that date.

For **K. S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S

Chennai
27.08.10

K.SUBBA REDDY (PROPRIETOR)
M.No.208754

ANNEXURE TO THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF INFO-DRIVE SOFTWARE LIMITED

- i) a) The company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
b) As explained to me, all the fixed assets have been physically verified by the management during the year.
c) There were no substantial disposals of fixed assets during the year.
- ii) a) The inventory have been physically verified by the management at reasonable intervals and in my opinion the frequency of verification is reasonable.
b) In my opinion and according to the information and explanations given to me, the procedures for physical verification of inventory followed by the management were reasonable and adequate in relation to the size of the company and the nature of its business.
c) The company is maintaining proper records of inventory and the discrepancies between the physical stocks and the book stocks on physical verification and has been properly dealt with in the books of account.
- iii) The company has not granted / taken any loans, secured or unsecured, to / from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956.
- iv) In my opinion and according to the information and explanations given to me there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods and services.
- v) a) According to the information and explanations given to me, I am of the opinion that the particulars of contracts or arrangements need to be entered into the register maintained under section 301 of the Act have been so entered.
b) In my opinion and according to the information and explanations given to me, there are no transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi) The company has not accepted any deposits from the public as per section 58A, 58AA or any other relevant provisions of the Act.
- vii) The company has an internal audit system commensurate with the size and nature of its business.
- viii) The Central Government has not prescribed maintenance of cost records under section 209 (1) (d) of the companies Act, 1956 for the company.
- ix) a) According to the records, information and explanations provided to me, the company is generally regular in depositing with appropriate authorities undisputed amount of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax and any other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2010 for a period of more than six months from the date they become payable.

- b) According to the information and explanations given to me, there are 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.
- x) In my opinion and according to the information and explanations given to me, the accumulated losses of the company are not more than fifty percent of its net worth. The company has not incurred cash losses in the immediately preceding financial year.
- xi) Based on my audit procedures and on the information and explanations given by the management, the company has not defaulted in repayment of dues to any financial institution or bank.
- xii) Based on my examination and according to the information and explanations given to me, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The company is not a chit/nidhi/mutual benefit fund/society and clause xiii of the Order is not applicable.
- xiv) The company is not dealing or trading in shares, securities, debentures and other investments.
- xv) The guarantees given in connection with the loans taken by the subsidiaries from Banks have been discharged.
- xvi) In my opinion, the term loans have been applied for the purpose for which they were raised.
- xvii) According to the information and explanations given to me and on an overall examination of the balance sheet of the company, I report that no funds raised on short term have been used for long term investment. No long term funds have been used to finance short term assets.
- xviii) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the act.
- xix) The company did not have any outstanding debentures during the year.
- xx) The company has not raised any money by public issue during the year.
- xxi) Based on the audit procedures performed and information and explanations given to me by the management, I report that no fraud on or by the company has been noticed or reported during the course of my audit.

Chennai
27.08.10

For **K. S. REDDY ASSOCIATES**
Chartered Accountants
FRN 0090135

K. SUBBA REDDY (PROPRIETOR)
M.No.208754

BALANCE SHEET AT MARCH 31, 2010

Rs.Lacs

	Schedule	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS:			
SHARE HOLDERS' FUNDS			
Share Capital	A	2,923.89	2,923.89
Reserves & Surplus	B	2,017.46	1,764.81
LOAN FUNDS			
Secured Loans	C	387.34	37.55
Unsecured Loans	D	475.47	379.68
Deferred Tax Liability	E	21.59	-
Total		5,825.75	5,105.93
APPLICATION OF FUNDS:			
FIXED ASSETS			
Gross Block	F	531.37	428.88
Less: Depreciation		125.54	101.81
Net Block		405.83	327.07
INVESTMENTS			
In subsidiary companies - Un quoted	G	3,631.81	3,772.02
Deferred Tax Asset	E	-	38.01
CURRENT ASSETS, LOANS & ADVANCES			
a. Inventories	H	16.15	17.17
b. Sundry Debtors	I	978.17	942.80
c. Cash & Bank Balances	J	908.24	203.37
d. Loans & Advances	K	679.16	470.67
		2,581.72	1,634.01
LESS: CURRENT LIABILITIES			
a. Current Liabilities	L	666.76	604.23
b. Provisions	M	176.54	228.33
Net Current Assets		1,738.42	801.45
MISCELLANEOUS EXPENDITURE			
Preliminary & Issue Expenses (to the extent neither written off nor adjusted)	N	49.69	51.64
Profit and Loss Account		-	115.74
		49.69	167.38
Total		5,825.75	5,105.93

Notes on accounts

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The Schedules referred to above and the notes thereon form an integral part of these financial statements

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Chennai
27.08.10

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Rs.Lacs

	Schedule	2009-2010	2008-2009
INCOME:			
Income from operations	O	1,638.45	1,364.84
Other Income	p	20.31	39.68
Exchange Fluctuation		-	57.04
		1,658.76	1,461.56
EXPENDITURE:			
Cost of goods sold/services (COGS)	Q	450.83	589.55
Employees Cost	R	190.96	164.05
Administrative, Selling & Other Expenses	S	132.05	134.29
Exchange Fluctuation		133.47	-
Finance Charges	T	55.14	18.58
Depreciation	F	23.73	21.14
		986.18	927.61
Profit for the year before taxation		672.58	533.95
Less: Provision for Taxation including FBT		6.34	57.80
Provision for Deferred Tax		4.60	(45.82)
Net Profit for the year		661.64	521.97
Less: Proposed dividend including distribution tax		171.05	171.05
		490.59	350.92
Balance brought forward from previous year (Loss)		(115.74)	(466.66)
Balance carried to Balance Sheet		374.85	(115.74)

Notes on accounts

U

The Schedules referred to above and the notes thereon form an integral part of these financial statements

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Chennai
27.08.10

As per my report of even date
for K.S. REDDY ASSOCIATES
Chartered Accountants
FRN 009013S
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.Lacs

	31.03.2010	31.03.2009
SCHEDULE - A		
SHARE CAPITAL		
Authorised:		
7,00,00,000/6,00,00,000 equity shares of Rs.10/- each	7,000.00	6,000.00
Issued, Subscribed and fully paid up:		
2,92,38,890/2,92,38,890 equity shares of Rs.10/- each fully paid up	2,923.89	2,923.89
SCHEDULE - B		
RESERVES & SURPLUS		
Share Premium Account	1,562.11	1,562.11
Foreign Currency Translation Reserve	80.50	202.70
Profit & Loss Account	374.85	
	2,017.46	1,764.81
SCHEDULE - C		
SECURED LOANS		
a. Union Bank of India	25.98	25.36
b. Union Bank of India - Term Loan	8.49	12.19
c. Axis Bank - CC A/c (refer note h)	352.87	-
	387.34	37.55
SCHEDULE - D		
UNSECURED LOANS		
a. Deferred Credits	101.17	332.33
b. Intercompany Loans (refer note w)	374.30	47.35
	475.47	379.68
SCHEDULE - E		
DEFERRED TAX BALANCES - NET		
a. Depreciation - Liability	21.59	16.99
b. Minimum Alternate Tax - asset	-	55.00
	21.59	38.01

SCHEDULES FORMING PART OF THE BALANCE SHEET

Rs.Lacs

SCHEDULE - F

Net Block as at 01.04.2009	Particulars	Gross Block as at 01.04.2009	Additions	Gross Block as at 31.03.2010	Depreciation As at 01.04.2009	For the Year ended	As at 31.03.2010	Net Block as at 31.03.2010
3.35	Plant & Machinery	17.57	-	17.57	14.22	0.83	15.05	2.52
4.08	Furniture & Fittings	20.39		20.39	16.31	1.29	17.60	2.79
14.18	Office Equipments	15.86	9.37	25.23	1.68	0.77	2.45	22.78
2.35	Electrical Installations	2.50	0.33	2.83	0.15	0.12	0.27	2.56
35.35	Vehicles	39.16	8.08	47.24	3.81	4.36	8.17	39.07
54.76	Computers	112.55	1.03	113.58	57.79	10.74	68.53	45.05
26.85	Software Package	34.70		34.70	7.85	5.62	13.47	21.23
186.15	Advance for assets	186.15	83.68	269.83	-	-	-	269.83
327.07		428.88	102.49	531.37	101.81	23.73	125.54	405.83

Rs.Lacs

	31.03.2010	31.03.2009
SCHEDULE - G		
INVESTMENTS		
Wholly owned subsidiaries (Unquoted)		
Info-Drive Software Inc., USA (122,500/102,000 shares of \$ 1 each fully paid up)	55.09	51.88
Info-Drive Systems Sdn Bhd., Malaysia (10,00,000 shares of RM 1 each fully paid up)	2,194.30	2,280.85
Info-Drive Software Pte Ltd., Singapore (205,600 shares of S \$ 1 each fully paid up)	66.08	68.48
Info-Drive Software Limited, Canada (100 shares of S \$ 0.01 each fully paid up)	0.01	0.01
Other subsidiaries (Unquoted)		
Info-Drive Software LLC., Dubai (240 shares of Dirhams 1000 each fully paid up)	416.33	470.80
Precision Infomatic (Madras) Private Limited (124,900 equity share of Rs.10/- each fully paid up)	900.00	900.00
	3,631.81	3,772.02
SCHEDULE - H		
INVENTORIES		
Stock of Bharatanatyam CDs	15.23	15.23
Stock in hand at agent	0.92	1.94
(at cost and as certified by the Management)	16.15	17.17

SCHEDULES FORMING PART OF THE BALANCE SHEET

	<i>Rs.Lacs</i>	
	31.03.2010	31.03.2009
SCHEDULE - I		
SUNDRY DEBTORS		
(Unsecured and considered good)		
a. Debts outstanding for a period exceeding six months	359.69	-
b. Other debts	618.48	942.80
	978.17	942.80
SCHEDULE - J		
CASH & BANK BALANCES		
a. Cash on hand	2.38	4.11
b. Cheques on hand	183.64	190.72
c. With Banks - in Current Account and Deposit Account	722.22	8.54
	908.24	203.37
SCHEDULE - K		
LOANS AND ADVANCES (Unsecured and considered good)		
Advances (recoverable in cash or in kind or for value to be received)		
a. Deposits & Advances (Govt & others)	128.61	50.89
b. Staff Advances	0.88	2.53
c. Prepaid Taxes	13.97	12.02
d. Intercorporate Loans	535.70	393.23
e. Security Deposit with BSE	-	12.00
	679.16	470.67
SCHEDULE - L		
CURRENT LIABILITIES		
Sundry Creditors		
- Trade & Others	544.37	404.40
- Advance received for supply of services	-	187.06
- Outstanding Liabilities	117.20	9.94
- Unclaimed Dividend	5.19	2.83
	666.76	604.23

SCHEDULES FORMING PART OF THE BALANCE SHEET

	<i>Rs.Lacs</i>	
	31.03.2010	31.03.2009
SCHEDULE - M		
PROVISIONS		
- Provision for Taxation & FBT	5.49	57.28
- Proposed Dividend	146.19	146.19
- Provision for tax on proposed dividend	24.86	24.86
	176.54	228.33
SCHEDULE - N		
MISCELLANEOUS EXPENDITURE		
Issue Expenses	56.65	58.10
Less: Written off during the year	6.96	6.46
	49.69	51.64

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

Rs.Lacs

	2009-2010	2008-2009
SCHEDULE - O		
INCOME FROM OPERATIONS		
Sales and Services	1,638.45	1,364.84
	1,638.45	1,364.84
SCHEDULE - P		
OTHER INCOME		
Interest Income	20.31	39.68
	20.31	39.68
SCHEDULE - Q		
COST OF GOODS SOLD/SERVICES		
Opening Stock	17.17	15.23
Purchase of materials/services	449.81	591.49
Less: Closing Stock	16.15	17.17
	450.83	589.55
SCHEDULE - R		
EMPLOYEES COST		
Staff Salaries	174.00	142.18
Provident Fund	3.78	3.19
Gratuity	4.29	4.61
Jt Managing Director (JMD) Remunertion	-	3.50
Medical Reimbursement	5.60	4.96
Staff Welfare	3.29	5.61
	190.96	164.05

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT

Rs.Lacs

	2009-2010	2008-2009
SCHEDULE - S		
ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Communication Expenses	12.69	15.49
Rent, Rates & Taxes	31.91	13.28
Business Development expenses	1.28	10.20
Travelling & Conveyance	33.78	40.22
General Expenses	1.51	4.18
Printing & Stationery	6.63	6.60
Repairs & Maintenance		
- Vehicle Maintenance	0.89	0.57
- Office Maintenance	3.03	3.12
- Computer Maintenance	0.69	1.01
- Others	2.97	2.57
Professional & Legal Expenses	21.59	21.36
Donations		0.04
Electricity Expenses	4.61	4.37
Insurance	0.67	0.64
Issue Expenses written off	6.96	6.46
Auditors remuneration		
- Statutory Audit	1.75	1.00
- Tax Audit	0.50	0.40
- Others	0.25	0.10
Advertisement	0.34	2.68
	132.05	134.29
SCHEDULE - T		
FINANCE CHARGES		
Interest & Bank Charges	55.14	18.58

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

Rs.Lacs

	2009-2010	2008-2009
Cash flow from operating activities		
Profit before taxes	672.58	533.95
Adjustments for		
Depreciation	23.73	21.14
Interest Income	(20.31)	(39.68)
Miscellaneous Expenses	6.96	6.46
Interest paid	55.14	18.58
Exchange Fluctuation	133.47	(57.04)
Operating profit before working capital changes	871.57	483.41
Adjustments for increase/ (decrease) in		
Sundry Debtors	(35.37)	(756.22)
Loans & Advances	(208.49)	(80.81)
Inventories	1.02	(1.94)
Current Liabilities & Provisions	10.74	517.28
Cash generated from/(used in) operations	639.47	161.72
Adjustment for Misc. Exp. written off	(5.00)	-
Exchange Fluctuation	(133.47)	57.04
Taxes paid	48.66	(57.79)
Net cash from operating activities	A 549.66	160.97
Cash flow from investing activities:		
Investment in Subsidiary Companies	(9.94)	-
Purchase of Fixed Assets	(102.49)	(269.07)
Interest Income	20.31	39.68
Interest paid	(55.14)	(18.58)
Net cash flow from/(used in) investing activities	B (147.26)	(247.97)
Cash flow from financing activities:		
Long term borrowings (Net)	349.79	5.94
Short term borrowings (Net)	123.73	(3.56)
Dividend including distribution tax	(171.05)	(171.05)
Net cash from financing activities	C 302.47	(168.67)
Net increase/decrease in cash and cash equivalents	704.87	(255.67)
Cash & Cash equivalents (Opening Balance)	203.37	459.04
Cash & Cash equivalents (Closing Balance)	908.24	203.37
Component of Cash and Cash equivalents		
Cash on hand	2.38	4.11
Balance with Banks		
i. Available with the company for day to day operations	900.67	196.44
ii. Amount available in unclaimed dividend accounts	5.19	2.82

Notes:
 1. Previous year figures have been re-arranged/regrouped wherever necessary
 2. Figures in bracket represents outflow

For and on behalf of Info-Drive Software Limited
 Sd/-
K.Chandrasekaran
 Managing Director & CEO

Sd/-
N.T.Shivkumar
 Director & COO

Sd/-
V.Gopal Rao
 Director & Company Secretary

Sd/-
ANL Madhavann
 Chief Financial Officer

Auditor's Certificate:

The above cash flow statement has been prepared on the basis of audited accounts by the Board of Directors and is in agreement with the Profit and Loss Account and Balance Sheet.

for **K.S. REDDY ASSOCIATES**
 Chartered Accountants
 FRN 009013S
 Sd/-
K. SUBBA REDDY (Proprietor)
 M.No.208754

Chennai
 27.08.10

NOTES ON ACCOUNTS - PROFIT AND LOSS

SCHEDULE – U

NOTES ON ACCOUNTS Notes attached to and forming part of the Balance Sheet as at March 31, 2010 and the Profit and Loss Account for the year ended March 31, 2010.

General Information

Info-Drive Software Limited (the Company) is a juristic person incorporated under the Companies Act, 1956. The address of its Registered Office and principal place of business is Buhari Buildings, No.3, Moores Road, Chennai – 600 006. The principal activities of the Company are development of computer software, business process outsourcing (BPO), hardware and software consultancy services. The Company is a software exporter registered under Software Technology Parks of India (STPI).

Significant Accounting Policies

a. Basis of Preparation

The financial statements are prepared under the historical cost convention under accrual method of accounting and as a going concern, in accordance with the Generally Accepted Accounting Principles (GAAP) prevalent in India and the mandatory accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and according to the provisions of the Companies Act, 1956.

b. Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts. Revenues from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

Software services: Where the outcome of a turnkey contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the Balance Sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion.

c. Fixed Assets

Fixed assets are stated at historical cost of acquisition and improvements thereon less accumulated depreciation.

d. Depreciation

Depreciation on fixed assets have been provided on Straight Line Method at the rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956 and on pro-rata basis of the assets acquired during the year.

e. Investments

Investments are classified as current or long term in accordance with Accounting Standard 13 on 'Accounting for Investments'.

- Long term investments are stated at cost to the company. The company provides for diminution in the value of long term investments other than those temporary in nature.
- Current investments
Info-Drive Software Inc.,USA : Rs.9,93,877/- (Nil)

- In case of foreign investments
 - the cost is the rupee value of the foreign currency on date of balance sheet.
 - the face value of the foreign investments is shown at the face value reflected in the foreign currency of that country.

f. Employee benefits

Short term employee benefits are measured at cost. Long term employee benefits and post employment benefits such as gratuity are reviewed and provided at each balance sheet date.

g. Taxation

Income Tax: The Company is entitled to tax exemption U/s.10A of the Income Tax Act, 1961 and the Provision for Income Tax is made based on the available exemption under the said section. Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or exempt in other years and it further excludes items that are never taxable or exempt. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax: Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit and are accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred Tax resulting from timing difference between book profits and taxable profits are accounted for to the extent deferred tax liabilities are expected to crystallise with reasonable certainty. However in case of deferred tax assets (representing minimum alternate tax) are recognised, if and only if there is virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised. Deferred tax is recognised on adjustments to revenue reserves to the extent the adjustments are allowable as deductions in determination of taxable income and they would reverse out in future periods.

h) Secured Loans

- a. Secured loans include Term loan and vehicle hire-purchase loan from Union Bank of India which are secured by hypothecation to the bank by way of first charge on all computers, un-interrupted power supply equipments, vehicles and the term loan is further secured by a third party guarantee.
- b. Secured loans include Working Capital (Cash Credit facility) from Axis Bank Ltd against bills receivable/foreign bills discounting.

i) Inventories

Inventories are stated at lower of cost and net realisable value. Cost comprises direct costs and those overheads that have been incurred in bringing the inventories to their present condition. Net realizable value represents the estimated realisation less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

j) Segment reporting

The company operates only in one segment viz. Information Technology.

k) Related Party Disclosures

List of related parties where control exists and other related parties with whom the company had transactions and their relationship is as below.

Sl.No.	Name of the related party	Nature of relationship
1.	Info-Drive Software Inc. USA	Subsidiary Companies
2.	Info-Drive Software LLC, Dubai	
3.	Info-Drive Software Pte, Ltd., Singapore	
4.	Info-Drive Systems Sdn Bhd, Malaysia	
5.	Info-Drive Software Limited, Canada	
6.	Precision Infomatics (Madras) Pvt Ltd	
7.	Precision Techconet Private Limited	Fellow Subsidiary Companies (Subsidiaries of Precision Infomatics (Madras) Private Limited)
8.	Legend Systems Pvt.Ltd	
9.	Precision Techserve Private Limited	
10.	Precision Galaxy Private Limited	
11.	Technoprism LLC, USA	Fellow Subsidiary Company (Subsidiary of Info-Drive Software Inc, USA)
12.	K. Chandrasekaran	Key Management personnel
13.	K. Shivakumar	
14.	N.T. Shivkumar	

Sl.No.	Nature of Transaction	Name of the related party	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
1.	Investment in Equity	Info-Drive Software Inc.,	55,09,315/-	51,87,822/-
		Info-Drive Software LLC.,	4,16,32,768/-	4,70,79,800/-
		Info-Drive Software Pte Ltd.,	66,07,984/-	68,47,775/-
		Info-Drive Systems Sdn Bhd.,	21,94,30,987/-	22,80,85,758/-
		Precision Infomatic (M) Pvt. Ltd.,	9,00,00,000/-	9,00,00,000/-
		Info-Drive Software Ltd., Canada	44/-	40/-
2.	Advance given	Info-Drive Software Inc.,	2,34,31,454/-	2,13,61,620/-
		Info-Drive Software LLC.,	37,15,353/-	9,74,556/-
		Precision Infomatic (M) Pvt. Ltd.,	74,57,609/-	20,96,044/-
		Precision Techserve Pvt. Ltd.,	73,32,013/-	69,15,119/-
		Precision Techconet Pvt. Ltd.,	9,14,312/-	9,14,312/-
		Legend Systems Pvt. Ltd.,	34,25,927/-	31,81,749/-
		Info-Drive Software Ltd., Canada	39,371/-	34,877/-

Sl.No.	Nature of Transaction	Name of the related party	31.03.2010 (in Rs.)	31.03.2009 (in Rs.)
3.	Advance taken	Info-Drive Software Pte Ltd., Info-Drive Systems Sdn Bhd.,	16,07,000/- 1,30,45,421/-	16,65,315/- 6,04,755/-
4.	Sales & Others	Info-Drive Software Inc., Info-Drive Software LLC.,	82,63,335/- 1,87,30,319/-	1,10,11,924/- 1,92,95,251/-
5.	Purchase & Others	Info-Drive Software LLC.,	94,48,788/-	4,92,32,389/-
6.	Interest received	Precision Infomatic (M) Pvt. Ltd., Precision Techserve Pvt. Ltd., Precision Techconet Pvt. Ltd., Legend Systems Pvt. Ltd.,	5,82,818/- 4,98,631/- Nil 3,34,280/-	2,79,151/- 5,02,055/- 1,95,110/- 3,39,720/-
7.	Guarantee given	Precision Infomatic (M) Pvt. Ltd., Precision Techconet Pvt. Ltd.,	Nil Nil	12,64,00,000/- 2,10,00,000/-
8.	Commission paid	Info-Drive Software LLC.,	24,597/-	9,64,763/-
9.	Dividend paid	K. Chandrasekaran N.T. Shivkumar K. Shivakumar	7,30,450/- 1,75,000/- 2,29,545/-	7,30,450/- 1,75,000/- 2,29,545/-
10.	Remuneration	K. Shivakumar	Nil	3,50,000/-

l) Foreign Currency Translation Reserve

Exchange differences on account of fluctuations in foreign currency rates are treated as under:

- Exchange difference gain/ (loss) recognised in the Profit and Loss Account relating to exports/services during the year.
- Exchange difference gain/ (loss) recognised in the Balance Sheet relating to investments as Foreign Currency Translation Reserve.

m) Managerial Remuneration

	2010	2009
Remuneration	Nil	3, 50,000/-
Perquisites	Nil	Nil

n) Auditors Remuneration

	2010	2009
As auditors	1,50,000/-	1,00,000/-
As tax auditors	75,000/-	40,000/-
For other services	25,000/-	10,000/-

o) Contingent Liabilities not provided for

- On guarantees and counter guarantees given to bankers Rs.Nil (March 31, 2009 - Rs.1474 lacs)
- Bills discounted with Company's bankers for Rs 486 lacs (Rs Nil on March 31, 2009)

p) Due to SSI's

As at 31st March 2010 the company has no outstanding dues to Micro Enterprises, Small Enterprises and Small Scale Industrial Undertakings.

q) Foreign Currency Transactions

Monetary current assets and current liabilities relating to foreign currency transactions remaining unsettled at the end of the year are translated at the exchange rates prevailing at the date of balance sheet.

	2010	2009
Earnings in Foreign Currency	735.34	448.12
Expenditure in Foreign Currency	303.64	565.92
Investment in Foreign Currency	9.94	9.89
Remittance in Foreign Currency (Purchase of shares payable)	201.22	Nil
Remittance in Foreign Currency for Dividend	13.75	13.75

r) Unclaimed Dividend

For the years 2007-2008 and 2008-2009 the total unclaimed dividends amounted to Rs. 518,793/- comprising of Rs. 282,299/- (2007-2008) and Rs. 236,494/- (2008-2009) respectively.

s) Sundry Debtors, Creditors, Loans and Advances

Confirmation of balances from Sundry Debtors, Creditors and Deposits are yet to be received in few cases though the company has sent letters of confirmation to them. The balances adopted are as appearing in the books of accounts of the Company.

t) Earnings Per Share

In determining the earnings per share, the company considers the net profit after tax and extraordinary items.

Particulars	31.03.2010	31.03.2009
Profit after tax and extraordinary items	6,61,64,125/-	Rs. 5,21,97,116/-
No. of equity shares outstanding during the year	2,92,38,890	2,92,38,890
Basic & Diluted Earnings Per Share	Re.2.26	Re.1.79

u) Quantitative information

The Company is engaged in computer software, dealing with computer peripherals, accessories, networking and others. Quantitative information including value as required under Part II of Schedule VI of the Companies Act, 1956 is given below as the company is dealing with both trading and services:

	Op.Stock	Purchases	Sales	Cl.Stock
Computers, Peripherals & Accessories				
-Quantity (Nos)	1475	15	24	1466
-Value (in lacs)	17.17	3.36	4.92	16.15

- v) The figures for the current year and previous year have been rounded off to the nearest lac.
- w) Previous year figures have been rearranged or regrouped wherever necessary to conform with current year's classification.

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 0090135
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

Chennai
27.08.10

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

I. Registration Details

Registration No. : 15475 State Code : 18
Balance Sheet Date : 31 - 03 - 2010

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousand)

Public Issue : Nil Rights Issue : Nil
Bonus Issue : Nil Private Placement : Nil

III. POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS (Amount in Rs. Thousand)

Total Liabilities : 582,575 Total Assets : 582,575

Sources of Funds:

Paid up Capital : 292,389
Reserves & Surplus : 201,746
Secured Loans : 38,734
Unsecured Loans : 47,547
Deferred tax liability : 2,159

Application of Funds:

Net Fixed Assets : 40,583
Investments : 363,181
Net Current Assets : 173,842
Misc. Expenditure : 4,969

IV. PERFORMANCE OF THE COMPANY (Amount in Rs. Thousand)

Turnover : 165,876 Total Expenditure : 98,618
Profit before tax : 67,258 Profit After Tax : 66,164
Earnings per Share in Rs. : 2.26 Dividend rate % : 5%

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

Item Code : 85241000
Product Description : Software

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Chennai
27.08.10

As per my report of even date
for K.S. REDDY ASSOCIATES
Chartered Accountants
FRN 009013S
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

CONSOLIDATED FINANCIAL STATEMENT

To the Board of Directors of INFO-DRIVE SOFTWARE LIMITED

I have audited the attached Consolidated Balance Sheet of INFO-DRIVE SOFTWARE LIMITED, and its subsidiaries as at March 31, 2010 and the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. My responsibility is to express an opinion on these financial statements based on my audit.

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

I did not audit the financial statements of subsidiaries whose financial statements reflect total assets Rs. 9,246.81 lakhs as at March 31, 2010, total revenues of Rs. 19,855.81 lakhs and cash inflows amounting to Rs. 2,412.01 lakhs for the year ended on that date. These financial statements and other financial information have been audited by other auditors whose reports have been furnished to me, and my opinion is based solely on the report of other auditors.

I report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of the Accounting Standards (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

Based on my audit and on consideration of reports of other auditors on separate financial statements and on the other financial information of the components, and to the best of our information and according to the explanations given to me, I am of the opinion that the attached consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i) in the case of the Consolidated Balance Sheet, of the state of affairs of the company as at March 31, 2010;
- ii) in the case of the Consolidated Profit and Loss Account, of the profit for the year ended on that date; and
- iii) in the case of Consolidated Cash Flow Statement of the cash flows for the year ended on that date.

For **K. S. Reddy Associates**
Chartered Accountants
FRN 009013S

Chennai
27.08.10

K. Subba Reddy (Proprietor)
M.No.208754

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2010

Rs.Lacs

	Schedule	As at 31.03.2010	As at 31.03.2009
SOURCES OF FUNDS:			
SHARE HOLDERS' FUNDS			
Share Capital	A	2,923.89	2,923.89
Advance towards Share Capital		55.13	55.13
Reserves & Surplus	B	4,419.25	3,676.19
LOAN FUNDS			
Secured Loans	C	2,383.56	1,949.01
Unsecured Loans	D	4,130.14	2,975.81
Minority Interest		42.03	(26.83)
Deferred Tax Liability	E	48.68	-
Total		14,002.68	11,553.20
APPLICATION OF FUNDS:			
FIXED ASSETS			
Gross Block	F	2,303.04	2,231.15
Less: Depreciation		910.47	790.56
Net Block		1,392.57	1,440.59
Goodwill (on consolidation)		5,537.15	5,667.15
INVESTMENTS			
In Mutual Funds	G	25.00	10.50
Deferred Tax Asset	E	-	27.27
CURRENT ASSETS, LOANS & ADVANCES			
a. Inventories	H	370.83	495.47
b. Sundry Debtors	I	7,269.36	5,412.87
c. Cash & Bank Balances	J	2,412.01	606.91
d. Loans & Advances	K	885.10	779.31
e. Other Current Assets	L	803.41	637.45
		11,740.71	7,932.01
LESS: CURRENT LIABILITIES			
a. Current Liabilities	M	4,317.04	3,178.23
b. Provisions	N	448.62	421.93
Net Current Assets		6,975.05	4,331.85
MISCELLANEOUS EXPENDITURE			
Preliminary & Issue Expenses (to the extent neither written off nor adjusted)	O	72.91	75.84
		14,002.68	11,553.20
Notes on Accounts	V		

The Schedules referred to above and the notes thereon form an integral part of these financial statements

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Chennai
27.08.10

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S

Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2010

Rs.Lacs

	Schedule	2009-2010	2008-2009
INCOME:			
Income from operations	P	21,336.79	19,981.26
Other Income	Q	54.46	185.76
		21,391.25	20,167.02
EXPENDITURE:			
Cost of goods sold/services (COGS)	R	15,798.83	14,109.12
Employees Cost	S	2,669.05	3,326.07
Administrative, Selling & Other Expenses	T	1,168.21	1,272.79
Finance Charges	U	361.43	391.33
Exchange Fluctuation		138.40	-
Depreciation	F	227.86	239.03
		20,363.78	19,338.34
Profit for the year before taxation		1,027.47	828.68
Less: Provision for Taxation (incl FBT)		113.74	66.66
Provision for Deferred Tax		18.81	(49.49)
		894.92	811.51
Add: Prior Period items		19.19	-
		914.11	811.51
Less: Minority Interest		-	9.80
		914.11	801.71
Less: Proposed dividend including distribution tax		171.05	171.05
Balance carried to Balance Sheet		743.06	630.66

Notes on Accounts

V

The Schedules referred to above and the notes thereon form an integral part of these financial statements

For and on behalf of Info-Drive Software Limited
Sd/-

K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Chennai
27.08.10

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

SCHEDULES FROMING PART OF CONSOLIDATED BALANCE SHEET

	<i>Rs.Lacs</i>	
	As at 31.03.2010	As at 31.03.2009
SCHEDULE - A		
SHARE CAPITAL		
Authorised:		
7,00,00,000/6,00,00,000 equity shares of Rs.10/- each	7,000.00	6,000.00
Issued, Subscribed and Paid up:		
2,92,38,890/2,92,38,890 equity shares of Rs.10/- each fully paid up	2,923.89	2,923.89
SCHEDULE - B		
RESERVES & SURPLUS		
Share Premium Account	1,562.11	1,562.11
Opening Balance	2,114.08	1,483.42
Add: Profit for the year	743.06	630.66
	4,419.25	3,676.19
SCHEDULE - C		
SECURED LOANS		
From Banks & Financial Institutions	2,383.56	1,949.01
	2,383.56	1,949.01
SCHEDULE - D		
UNSECURED LOANS		
a. Loans from others	2,621.99	1,052.88
b. Optionally Convertible Debentures	27.56	27.56
c. Loans from directors	58.87	-
d. Overdraft accounts	-	13.17
e. Deferred Credits	1,421.72	1,882.20
	4,130.14	2,975.81
SCHEDULE - E		
DEFERRED TAX ASSET - NET		
a. Depreciation - Liability	48.68	27.73
b. MAT - Asset	-	55.00
	48.68	(27.27)

SCHEDULES FROMING PART OF CONSOLIDATED BALANCE SHEET

Rs. Lacs

SCHEDULE - F

Net Block as at 01.04.2009	Particulars	Gross Block as at 01.04.2009	Additions	Deletion	Translation Exchange Difference	Gross Block as at 31.03.2010	Depreciation				Net Block as at 31.03.2010	
							As at 01.04.2009	For the year ended	Withdrawn	Exchange Difference		
16.21	Plant & Machinery	37.57	0.95	-	-	38.52	21.36	3.07	-	-	24.43	14.09
210.08	Furniture & Fittings	361.78	10.75	27.55	(0.76)	344.22	151.70	49.05	-	(0.37)	200.38	143.84
115.06	Office Equipments	177.79	15.63	-	(0.46)	192.96	62.73	21.09	-	0.06	83.88	109.08
2.35	Electrical Installations	2.50	0.33	-	-	2.83	0.15	0.12	-	-	0.27	2.56
205.16	Buildings	215.18	-	-	(2.56)	212.62	10.02	4.95	-	(0.12)	14.85	197.77
109.44	Vehicles	261.00	8.08	105.40	(0.51)	163.17	151.56	31.69	86.88	(0.36)	96.01	67.16
239.66	Systems	602.28	53.25	30.55	(0.63)	624.35	362.62	90.81	22.34	(0.21)	430.88	193.47
41.24	Software Package	49.29	-	-	(0.02)	44.40	8.05	5.85	-	-	13.90	30.50
315.25	Intangible Assets	337.62	72.53	-	-	410.15	22.37	21.23	-	-	45.87	364.28
186.14	Advance for Assets	186.14	83.68	-	-	269.82	-	-	-	-	-	269.82
1,440.59		2,231.15	245.20	163.50	(4.94)	2,303.04	790.56	227.86	109.22	(1.00)	910.47	1,392.57

Rs. Lacs

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - G		
INVESTMENTS		
Investments in Mutual Funds	25.00	10.50
Franklin Templeton Fixed Tenure Fund 100,000 units @ Rs 10/- each}	25.00	10.50
SCHEDULE - H		
INVENTORIES		
Closing Stock	369.90	493.53
Stock in hand at agent	0.93	1.94
(at cost and as certified by the Management)	370.83	495.47
SCHEDULE - I		
SUNDRY DEBTORS		
(Unsecured and considered good)		
a. Debts outstanding for a period exceeding 6 Months	2,259.20	1,381.41
b. Other debts	5,010.16	4,031.46
	7,269.36	5,412.87

SCHEDULES FROMING PART OF CONSOLIDATED BALANCE SHEET

Rs. Lacs

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - J		
CASH & BANK BALANCES		
a. Cash on hand	11.65	19.63
b. Cheques on hand	183.64	190.72
c. With Banks - in Current Account	1,679.29	76.49
- in Deposit Account	537.43	320.07
	2,412.01	606.91
SCHEDULE - K		
LOANS AND ADVANCES (Unsecured and considered good)		
Advances (Recoverable in cash or kind or for value to be received)		
a. Deposits & Advances (Govt & others)	756.43	704.32
b. Staff Advances	6.52	14.42
c. Prepaid Taxes	13.98	12.03
d. Intercorporate Loans	108.17	48.54
	885.10	779.31
SCHEDULE - L		
OTHER CURRENT ASSETS		
Deposit-Earnest Money & Others	803.41	637.45
	803.41	637.45
SCHEDULE - M		
CURRENT LIABILITIES		
Sundry Creditors		
- Trade & Others	3,276.43	2,316.26
- Advance received for supply of services	-	187.06
- Outstanding Liabilities	730.14	516.24
- Unclaimed dividend	5.19	2.82
- Other Liabilities	305.28	155.85
	4,317.04	3,178.23

SCHEDULES FROMING PART OF CONSOLIDATED BALANCE SHEET

Rs. Lacs

	As at 31.03.2010	As at 31.03.2009
SCHEDULE - N		
PROVISIONS		
- Provision for Taxation & FBT	277.57	250.88
- Proposed Dividend	146.19	146.19
- Provision for tax on proposed dividend	24.86	24.86
	448.62	421.93
SCHEDULE - O		
MISCELLANEOUS EXPENDITURE		
Issue Expenses	80.17	82.30
Less: Written off during the year	7.26	6.46
	72.91	75.84

SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

	<i>Rs.Lacs</i>	
	2009-2010	2008-2009
SCHEDULE - P		
INCOME FROM OPERATIONS		
Sales & Services	21,336.79	19,981.26
	21,336.79	19,981.26
SCHEDULE - Q		
OTHER INCOME		
Interest Income	6.60	45.42
Other Income	26.96	82.89
Exchange Fluctuation	-	57.45
Profit on sale of assets	20.90	-
	54.46	185.76
SCHEDULE - R		
INCREASE/DECREASE IN STOCK		
Opening Stock	495.47	609.80
Purchases/Services	15,674.18	13,994.79
Less: Closing Stock	370.82	495.47
	15,798.83	14,109.12
SCHEDULE - S		
EMPLOYEES COST		
Salaries & Wages	2,460.67	3,057.75
Managerial Remuneration	-	21.92
Employer's Contribution to PF, ESI	150.36	161.85
Staff Welfare and recruitment	58.02	84.55
	2,669.05	3,326.07

SCHEDULES TO THE CONSOLIDATED PROFIT AND LOSS ACCOUNT

Rs. Lacs

	2009-2010	2008-2009
SCHEDULE - T		
ADMINISTRATIVE, SELLING & OTHER EXPENSES		
Communication Expenses	133.34	155.53
Rent, Rates & Taxes	285.91	288.46
Business Development expenses	78.42	129.75
Offshore Office expenses	-	65.69
Travelling & Conveyance	265.51	211.02
General Expenses	34.58	66.20
Printing & Stationery	22.36	33.14
Repairs & Maintenance		
- Vehicle Maintenance	7.09	5.79
- Office Maintenance	65.36	62.98
- Computer maintenance	0.69	1.01
- Others	28.41	14.38
Professional & Legal Expenses	51.79	86.16
Donations	-	2.58
Electricity Expenses	58.99	58.45
Insurance	22.61	20.56
Issue Expenses written off	7.26	6.46
Audit Fees	14.63	14.41
Advertisement	4.29	8.28
Transportation & Freight	35.66	40.71
Bad debts written off	49.24	1.23
Loss on sale of assets	2.07	-
	1,168.21	1,272.79
SCHEDULE - U		
FINANCE CHARGES		
Interest & Bank Charges	361.43	391.33
	361.43	391.33

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 31, 2010

Rs.Lacs

	2009-2010	2008-2009
Cash flow from operating activities		
Net Profit before tax	1,027.47	828.68
Adjustments for		
Depreciation	227.86	239.03
Miscellaneous expenses written off	7.26	6.46
Interest Income	(6.60)	(45.42)
Profit on sale of assets	(20.90)	-
Loss on sale of assets	2.07	-
Other income	(26.96)	(82.89)
Interest paid	361.43	391.33
Exchange fluctuation	138.40	(57.45)
Prior Period item	19.19	-
Operating profit before working capital changes	1,729.22	1,279.74
Adjustments for increase/ (decrease) in		
Receivables	(1,856.49)	(1,138.24)
Loans, advances, other current assets	(271.75)	(681.77)
Inventories	124.64	114.33
Trade payables/provisions	1,165.50	358.07
Cash generated from/(used in) operations	891.12	(67.87)
Adjustments for Misc. Exp. Written off	(4.33)	(3.38)
Interest Income	6.60	45.42
Exchange fluctuation	(138.40)	57.45
Foreign Currency Translation Reserve	200.00	-
Other income	26.96	82.89
Taxes paid	(56.60)	(66.67)
Net cash from operating activities	A 925.35	47.84
Cash flow from investing activities:		
Acquisition of subsidiaries	-	(2,380.29)
Purchase of Fixed Assets	(245.20)	(476.42)
Sale/withdrawal of Fixed Assets	163.50	5.31
Withdrawal of depreciation	(109.22)	(1.65)
Investment in mutual funds	(14.50)	-
Net cash flow from/(used in) investing activities	B (205.42)	(2,853.05)
Cash flow from financing activities:		
Long term borrowings (Net)	434.55	(546.98)
Short term borrowings (Net)	1,154.33	2,758.65
Share Issue	9.94	0.99
Dividend including Distribution tax	(171.05)	(171.05)
Profit on sale of assets	20.90	-
Loss on sale of assets	(2.07)	-
Interest paid	(361.43)	(391.33)
Net cash from financing activities	C 1,085.17	1,650.28
Net increase/decrease in cash and cash equivalents	1,805.10	(1,154.93)
Cash & Cash equivalents (Opening Balance)	606.91	1,761.84
Cash & Cash equivalents (Closing Balance)	2,412.01	606.91

Notes:

1. Previous year figures have been re-arranged/regrouped wherever necessary
2. Figures in bracket represents outflow

For and on behalf of Info-Drive Software Limited

Sd/-
K.Chandrasekaran
Managing Director & CEO

Sd/-
N.T.Shivkumar
Director & COO

Sd/-
V.Gopal Rao
Director & Company Secretary

Sd/-
ANL Madhavann
Chief Financial Officer

Auditor's Certificate:

The above cash flow statement has been prepared on the basis of audited accounts by the Board of Directors and is in agreement with the Profit and Loss Account and Balance Sheet.

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 0090135
Sd/-
K. SUBBA REDDY (Proprietor)
M.No.208754

Chennai
27.08.10

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2010

SCHEDULE - V

1. GENERAL INFORMATION

Info-Drive Software Limited (the Company) is a juristic person under the Companies Act, 1956. The address of its Registered Office and principal place of business is Buhari Buildings, No.3, Moores Road, Chennai 600 006. The principal activities of the Company and its subsidiaries (the Group) are computer software, business process outsourcing (BPO), hardware and software consultancy services.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles (GAAP) in India and the provisions of the Companies Act, 1956 and on the going-concern basis.

The financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of Consolidated Financial Statements as laid down under the Accounting Standard on Consolidated Financial Statements issued by the ICAI.

a) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries). Control is achieved where the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired during the year are included in the consolidated financial statements.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the holding company.

All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Minority interests in the net assets on consolidation are disclosed separately in the Balance Sheet.

b) Business combinations

The acquisition of subsidiaries have been based on the cost that are measured at the aggregate of the fair values on the date of exchange of assets given, liabilities incurred or assumed, plus any costs directly attributable to the business combination. The acquirer's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition are recognised at their fair values at the acquisition date.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised.

c) Goodwill

Goodwill arising on the acquisition of subsidiaries represent the excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the subsidiaries and is recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses. The exchange translations and fluctuations arising on consolidation are adjusted against Goodwill.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating divisions expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

d) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts.

Revenues from contracts priced on time and material basis are recognised when services are rendered and related costs are incurred.

e) Software services

Where the outcome of a turnkey contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs, except where this would not be representative of the stage of completion.

f) Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in Currency Units, which is the functional currency of the Company, and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising if any on the retranslation of non-monetary items when carried at fair value would be included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of that gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in Currency Units using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the closing exchange rates for the year.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

g) Retirement Benefits

Short term employee benefits are measured at cost.

Payments made to state-managed retirement benefit schemes are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

h) Taxation

Income Tax

Income tax expense represents the sum of the tax currently payable. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred Tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

i) Property, plant and equipment

Plant and Machinery, Fixtures and equipment are stated at carrying amounts less accumulated depreciation and any accumulated impairment losses.

Depreciation is charged so as to write off the cost or valuation of assets over their estimated useful lives, using the straight-line method.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

j) Patents and trademarks

There are no patents and trademarks owned by the company.

k) Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit

or loss, unless the relevant asset is carried at a re-valued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

l) Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct costs and those overheads that have been incurred in bringing the inventories to their present condition. Net realisable value represents the estimated realisation less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

m) Financial instruments

Financial assets and financial liabilities are recognised on the Group's balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Investments in Mutual Funds are stated at the lower of the cost and fair value.

n) Trade receivables

Trade receivables are measured at initial recognition cost. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. No interest is charged on trade receivables till the date of recovery. The directors consider that the carrying amount of trade and other receivables approximates their fair value.

o) Cash and cash equivalents

Cash and cash equivalents comprise of cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

p) Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

q) Trade payables

Trade payables are initially measured at fair value.

r) Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

s) Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date.

t) Share-based payments

The Group has not issued any equity-settled and cash-settled share-based payments to any employee.

u) Critical judgements in applying the entity's accounting policies

In the process of applying the entity's accounting policies, which are described in the notes, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements (apart from those involving estimations, which are dealt with below).

v) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. The carrying amount of goodwill at the balance sheet date was Rs.55.37Crores (Rs.56.67Crores). No impairment has been recognised in view of estimated future cash flows from the activities to which the goodwill has been allocated.

w) Indenting Business

The total revenue earned include revenues from indenting business initiated with HP, Singapore during the year under review.

x) No Provision made

Company has filed a case against an entity for recovery of USD 10,65,714/-towards services rendered, the case has been decided in favour of the company. However the entity has gone for an appeal. The company is confident of winning the case and consequently no provision has been made in the books of accounts of that company (subsidiary in Malaysia).

y) Reconciliation of balances between subsidiaries

Reconciliation of balances between subsidiaries in Malaysia and Dubai are under final stages of completion

z) Debtors, Loans & Advances

Confirmation of balances from Debtors, Creditors and for Loans and Advances are yet to be received in few cases though the company has sent letter of confirmation to them. The balances adopted are as appearing in the books of accounts of the company.

aa) Bank balances and cash

Bank balances and cash comprise cash held by the Group and bank deposits. The carrying amount of these assets approximates their fair value.

ab) Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

The Group has no significant concentration of credit risk, with exposure spread over a large number of counterparties and customers.

Minority Interest

Minority interest is that part of the net profit attributable to third party ownership interests in the company's subsidiaries. The step subsidiaries' minority interest has been reclassified / adjusted against other subsidiaries' minority interest wherever necessary.

3. BUSINESS SEGMENT

The Company operates in only one segment viz Information Technology.

4. INCOME TAX EXPENSES

Domestic Income tax is calculated at the effective rate on the assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the relevant jurisdiction.

5. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share from continuing operations attributable to the ordinary equity holders of the parent entity is based on the following data

Earnings figures are calculated as follows:

	Year ended 31.03.2010	Year ended 31.03.2009
Profit for the year attributable to equity holders of the parent	Rs.914.11 Lacs	Rs.801.71 Lacs
Number of shares	2,92,38,890	2,92,38,890
Earnings per share before extraordinary item	3.13	2.74
Earnings per share after extraordinary items	3.13	2.74

6. SUBSIDIARIES

Details of the Company's subsidiaries as at 31st March, 2010 are as follows:

Name of the Subsidiary	Place of Incorporation & Operation	Proportion of ownership & interest	Type of business
Precision Infomatic (Madras) Pvt Ltd	India	51%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Systems Sdn Bhd.	Malaysia	100%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software Inc.	USA	100%	IT Consulting, Software Development, Hardware, System Integration and BPO Services
Info -Drive Software Pte Ltd.	Singapore	100%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software LLC	Dubai	80%	IT Consulting, Software Development, hardware and System Integration
Info-Drive Software Limited	Canada	100%	IT Consulting, Software Development, Hardware, System Integration and BPO Services

7. TRADE AND OTHER PAYABLES

Trade creditors and accruals principally comprise amounts outstanding for trade purchases and ongoing costs.

The directors consider that the carrying amount of trade payables approximates their fair value.

8. CONTINGENT LIABILITIES NOT PROVIDED FOR:

1. Financial guarantees given to banks aggregates to Rs.327 lacs as at March 31, 2010 (March 31, 2009 - Rs 1,556 lacs)

2. Bills discounted with Company's bankers for Rs 486 lacs (Rs Nil on 31st March, 2009)

9. SHARE-BASED PAYMENTS

Equity-settled share option scheme

The Company does not have a share option scheme for any employees of the Group.

10. RELATED PARTY TRANSACTIONS

The transactions between the company and its subsidiaries which are related parties of the company have been eliminated on consolidation.

11. RECLASSIFICATION AND REGROUPING OF ACCOUNTS

Certain accounts in the financial statements for the year ended 31st March, 2009 have been reclassified and regrouped to conform to the presentation in the financial statements for the year ended 31st March, 2010.

12. APPROVAL OF FINANCIAL STATEMENTS

The present financial statements drawn in accordance with Generally Accepted Accounting Principles in India were approved by the Board of Directors and authorised for issue on 27th August 2010

For and on behalf of Info-Drive Software Limited

Sd/-

K.Chandrasekaran
Managing Director & CEO

Sd/-

N.T.Shivkumar
Director & COO

Sd/-

V.Gopal Rao
Director & Company Secretary

Sd/-

ANL Madhavann
Chief Financial Officer

Chennai

27.08.10

As per my report of even date
for **K.S. REDDY ASSOCIATES**
Chartered Accountants
FRN 009013S

Sd/-

K. SUBBA REDDY (Proprietor)

M.No.208754

STATEMENT PURSUANT TO MINISTRY OF CORPORATE AFFAIRS EXEMPTION APPROVAL UNDER SECTION 212(8) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Rs. Lac

Sl.No.	Name of the Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investments other than investments in subsidiary	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed dividend	Country
1	Precision Infomatic (Madras) Pvt Ltd	INR	1.00	24.49	971.43	4,525.21	3,529.29	25.00	15,529.82	(34.77)	101.16	(135.93)	-	India
2	Info-Drive Systems Sdn Bhd	RM	13.79	137.85	635.89	1,007.80	234.06	-	1,581.73	60.83	20.45	40.38	-	Malaysia
3	Info-Drive Software LLC	AED	12.25	36.74	736.96	1,044.11	270.41	-	2,304.15	343.71	-	343.71	-	UAE
4	Info-Drive Software Inc.,	USD	44.97	55.09	156.64	2,617.45	2,405.72	-	440.11	(11.20)	-	(11.20)	-	USA
5	Info-Drive Software Pre Ltd	\$\$	32.14	66.08	(15.96)	50.12	-	-	-	(3.02)	-	(3.02)	-	Singapore
6	Info-Drive Software Limited	CAN \$	44.29	0.01	(1.13)	2.12	3.24	-	-	(0.65)	-	(0.65)	-	Canada

Note: Indian rupee equivalents of the figures given in foreign currencies in the accounts of the subsidiary companies, are based on the exchange rates as at March 31, 2010



Info-Drive Software Ltd.

INFO-DRIVE SOFTWARE LIMITED

Regd. Office: No.3, Moores Road, 'Buhari Building', II Floor,
Chennai - 600 006, India

Dear Shareholder,

SEBI has advised that all companies should use Electronic Clearing System (ECS) facility for distributing dividends or other cash benefits to the investors wherever available. In the absence of availability of ECS facility, the companies may use warrants for distributing the Dividends.

Currently, ECS facility is available at the following locations viz., **Ahmedabad, Bangalore, Bhubaneshwar, Chandigarh, Chennai, Guwahati, Hyderabad, Jaipur, Kanpur, Kolkata, Mumbai, Nagpur, New Delhi, Patna and Thirvananthapuram.** We request all the shareholders residing in the above locations to give their bank details so that all future dividend payments can be remitted through ECS. The bank account details will be used for suffixing along with the name of the shareholder on the dividend warrants issued in future.

Sd/-

V. GOPAL RAO

Director & Company Secretary



ECS MANDATE FORM

(For use of the shareholders holding shares in physical mode only)

To

Cameo Corporate Services Ltd.,
Unit : Info-Drive Software Limited
"Subramaniam Building"
No.1, Club House Road
Chennai 600 002

Place : _____

Date : _____

Dear Sirs,

Change in mode of payments to Electronic Clearing System (ECS)

I hereby give consent to have the amount of Dividend on my equity shares credited through the Electronic Clearing Systems (Credit Clearing) (ECS). The particulars are :

Folio No.

--	--	--	--	--	--	--	--	--	--

Name of the First Holder

--	--	--	--	--	--	--	--	--	--

Bank Name

--	--	--	--	--	--	--	--	--	--

Branch Name

--	--	--	--	--	--	--	--	--	--

Account Number

--	--	--	--	--	--	--	--	--	--

Account Type

Savings Current Cash Credit

Branch

--	--	--	--	--	--	--	--	--	--

(9 Digits Code Number Appearing on the MICR Band of the cheque supplied by the Bank) Please attach a Xerox copy of cheque or a blank cheque of your bank duly cancelled for ensuring accuracy of the bank's name.

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information or any other reason, I would not hold the Company / Registrars & the Share Transfer Agents responsible. I also undertake to advise changes, if any, in the particulars of my account to facilitate updation of records for purposes of credit of Dividend amount through ECS.

Signature of the first named / sole member

- Note:
1. Please complete the form and send it to the Registrars & Share Transfer Agents at the above address, if you are holding shares in physical form.
 2. In case of shares held in dematerialized form, inform / update your information directly with the Depository Participant (DP) with whom you are maintaining Demat Account and not to the Company or its Registrars & Share Transfer Agents.





Info-Drive Software Ltd.

INFO-DRIVE SOFTWARE LIMITED

Regd. Office: No.3, Moores Road, 'Buhari Building', II Floor,
Chennai - 600 006, India

ATTENDANCE SLIP

Twenty Second Annual General Meeting

Regd Folio	:	<input type="text"/>	DP ID*	:	<input type="text"/>
No. of Shares Held	:	<input type="text"/>	Client ID	:	<input type="text"/>

Mr./Ms.: _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company. I hereby record my presence at the **Twenty Second Annual General Meeting** of the Company held at "Mini Hall", Narada Gana Sabha, TTK Road, Alwarpet, Chennai - 600018, India, at 10.30 a.m. on Thursday, the September 30, 2010.

Member's/Proxy's Name (In BLOCK letters)

Member's/Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.



Info-Drive Software Ltd.

INFO-DRIVE SOFTWARE LIMITED

Regd. Office: No.3, Moores Road, 'Buhari Building', II Floor,
Chennai - 600 006, India

PROXY FORM

Twenty Second Annual General Meeting

Regd Folio	:	<input type="text"/>	DP ID*	:	<input type="text"/>
No. of Shares Held	:	<input type="text"/>	Client ID	:	<input type="text"/>

I/We _____
Of _____ being a member(s) of Info-Drive Software Limited
hereby appoint Mr./Ms. _____ or failing him/her _____ of
_____ as my/our proxy to vote for
me/us and on my/our behalf at the **Twenty Second Annual General Meeting** of the Company on **Thursday the September 30, 2010** and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Signature of the Member _____

Affix
1 Rupee
Revenue
Stamp

Signature
(Please sign across the Stamp)

Note: 1 The Proxy need not be a member.
2 The Proxy must be returned so as to reach the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
3 * Applicable for investors holding shares in electronic form.

