

16th Annual Report
2009-10



An Enterprise Solutions Company
www.niharinfo.com

INDEX

<u>Contents</u>	<u>Page No.</u>
Notice	4
Directors' Report	7
Report on Corporate Governance	11
Management Discussion and analysis	18
Auditors' Report	21
Balance Sheet	25
Profit and Loss Account	26
Schedules to the Balance Sheet and P & L	27
Notes on Accounts and Significant Accounting Policies	31
Cash Flow	34
Attendance Slip & Proxy Form	37

Board of Directors:

1. BSN Suryanarayana
2. B. Divyesh Nihar
3. P.J. Sudhakar
4. N. Shiva Prasad

Managing Director
Whole time Director
Director
Director

Registered Office:

"Nihar House", Plot No:34
Ganesh Nagar,
West Marredpally,
Secunderabad-500026.

Banker:

Union Bank of India
Jubilee Hills Branch
Hyderabad-500033

Auditors:

M/s. C.Ramachandram & Co,
Chartered Accountants
Lingapur LA Buidle Complex,
Himayat Nagar, Hyderabad-500029.

Share Transfer Agents:

Aarathi Consultants Pvt Limited,
1-2-285, Domulguda,
Hyderabad-500029

Notice of the 15th Annual General Meeting

Notice is hereby given that the 16th Annual General Meeting of Nihar Info Global Limited will be held on Saturday, the 30th September, 2010 at Hotel Pearl Regency, Red Hills, Lakdikapool, Hyderabad-500004 at 03:00 PM to transact the following business

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as on 31st March, 2010 and the Profit and Loss Account for the year ended on that date together with the Directors' Report and Auditors' Report thereon.
2. To appoint a director in place of Mr. P.J. Sudhakar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting on such remuneration as may be decided by the Board of Directors. M/s C. Ramchandram & Company, Chartered Accountants, the retiring Auditors of the Company, being eligible, offer themselves for re-appointment.

Special Business :

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

"RESOLVED THAT Mr. N. Siva Prasad who was appointed as an Additional Director of the Company and who holds office until the date of this Annual General Meeting, pursuant to Section 260 of the Companies Act, 1956 and Article 85 of the Articles of Association of the Company, and in respect of whom the Company has received a notice from a member under section 257 of the Companies Act, 1956, proposing the candidature, be and is hereby appointed as a Director of the Company, liable to retire by rotation."

By order of the Board of Directors

(Sd/-)

BSN Suryanarayana
Managing Director

Place :Secunderabad,
Date : 01-09-2010

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. However, the proxy form, in order to be effective, must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share transfer Books will be closed from 25.09.2010 to 30.09.2010 (Both dates are inclusive)
3. The Members are requested to notify promptly any change in their addresses to the Company's Registrar and Share transfer Agents, Aarthi Consultants Private Limited, 1-2-285, Domulguda, Hyderabad-500029.

4. Members / Proxies are requested to bring Annual Reports along with the attendances slips filled in for attending the meeting.
5. Explanatory statement pursuant to Section.173 (2) of the Companies Act, 1956 is annexed hereto and forms part of the notice.
6. Pursuant to Clause-49 of the listing agreement, particulars of Directors seeking appointment at this meeting are annexed hereto.

By order of the Board of Directors

(Sd/-)

BSN Suryararayana
Managing Director

Place : Secunderabad,
Date : 01-09-2010

Explanatory Statement

(Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 4

Mr. N. Siva Prasad was co-opted as an Director of the Company in the Board Meeting held on 27th October, 2009. Pursuant to section 260 of the Companies Act, 1956, read with Article 84 of the Articles of Association of the Company, he holds office upto the date of the ensuing Annual General Meeting.

Mr. N. Siva Prasad has an engineering degree in Electronics and hands on experience of over 17 years in industry. He is the Managing Director of LAMPEX Electronics Limited and also the president of Electronic Industries Association of Andhra Pradesh. He is a director on Board of various companies i.e. CD Technologies Pvt. Ltd., Magnus Constructions Pvt. Ltd., Spur Constructions Pvt. Ltd., Evolutia Technologies Pvt. Ltd., Spectra Smart Solutions Pvt. Ltd, Access Solar Ltd.

The Company has received a notice in writing from a member along with deposit of Rs. 500/- proposing the candidature of Mr. N. Siva Prasad for the office of the Director under the Provisions of Section 257 of the Companies Act, 1956.

The Board recommends the resolution set forth under item no. 4 for the approval of the members.

None of the Directors of the Company, except the appointee, are in any way concerned or interested in the said resolution.

By order of the Board of Directors

(Sd/-)

BSN Suryanarayana
Managing Director

Place : Secunderabad,
Date : 01-09-2010

Brief Profile of the Directors seeking appointment:

1. P.J. Sudhakar, who is a Citizen of Singapore is an Engineering Graduate with 26 Years of Experience in IT and managed various IT Projects in China, Japan, Malaysia, Australia, Rome, Taiwan, Singapore and India. He is a Certified TOGAF Architect and Certified in Business Process Re-engineering.
2. Mr. N. Siva Prasad has an engineering degree in Electronics and hands on experience of over 17 years in the Industry. He is the Managing Director of LAMPEX Electronics Limited and also the president of Electronic Industries Association of Andhra Pradesh. He is a director on Board of various companies i.e. CD Technologies Pvt. Ltd., Magnus Constructions Pvt. Ltd., Spur Constructions Pvt. Ltd., Evolutia Technologies Pvt. Ltd., Spectra Smart Solutions Pvt. Ltd, Access Solar Ltd.

DIRECTORS' REPORT

Your directors are pleased to present the 16th Annual Report on the business and operations of the Company together with the statement of Accounts for the financial year ended 31st March, 2010.

FINANCIAL RESULTS

Your Company's results for the year in comparison with the previous year are given below in a summarized form: (Rs: in lakhs)

Particulars	2009-10	2008-09
Gross Revenue	30.26	70.02
Profit before interest, Depreciation & Taxes	(346.50)	(45.47)
Interest	7.85	10.14
Depreciation & Amortisation	12.52	34.98
Profit After Tax	(357.76)	(36.00)

Results of operations and future outlook:

The financials of the current year are not comparable to the previous year. The turnover the Company for the year has fallen considerably as it came down from Rs. 70.02 lakhs (consolidated for 2008-09) to Rs. 30.26 lakhs for 2009-10. The Company recorded a loss of Rs. 357.76 lakhs as against Rs. 36 lakhs during the previous year.

The Company has received a work order from Department of Atomic Energy for its division AMD, Hyderabad and Sify Technologies Limited, Chennai for implementation of IBM FileNet solution. Andhra Pradesh Industrial Infrastructure Corporation Limited (APIIC), Hyderabad has also shown their trust in us by giving a work order of maintenance of their website for one year. The management is pleased to announce that we are successfully running the projects.

The world and India has been going through turbulent times economically. The Company is taking sound steps towards re-aligning itself to emerging markets of future and diversification.

IBM Technologies

IBM FileNet: Your Company is an IBM Business Partner and IBM ValueNet Partner for FileNet. IBM FileNet is a world leader in Enterprise Content Management. It is widely used in all the sectors like Banking, Insurance, and Government etc.

Your company has got projects on IBM FileNet in various government organizations like Atomic Minerals Directorate for Exploration and Research, Department of Atomic Energy (A Central government Organization) and NEDCAP Limited (Non conventional Energy Development Corporation of Andhra Pradesh). Your company has also got a project from Sify Technologies for IBM FileNet implementation. Your company with its expertise in IBM FileNet has built a very strong IBM certified team in delivering IBM FileNet solutions. We are also developing solutions on IBM FileNet for government clients.

Lotus: IBM Lotus portfolio contains products related to collaboration and mailing like Lotus Notes and Lotus Domino. Your Company has also built a strong team in IBM Lotus for delivering mailing solutions. Your company has also got a project for Lotus Mailing from APIIC Limited (Andhra Pradesh Industrial Infrastructure Corporation), a state government organization.

DB2, Websphere, Cognos : IBM DB2 is also a very popular database (RDBMS), Websphere is also popular application server and Cognos is a world leader in Business Intelligence. All these products are implemented in all major industries throughout the world. Your Company has also built a strong team in all these technologies.

Diversification into Solar Power : Jawaharlal Nehru National Solar Mission which was announced in January, 2010., is a major initiative of the Government of India and State Governments to promote ecologically sustainable growth while addressing India's energy security challenge.

India is endowed with vast solar energy potential. About 5,000 trillion kWh per year, energy is incident over India's land area with most parts receiving 4-7 kWh per sq. m per day. Hence both technology routes for conversion of solar radiation into heat and electricity, namely, solar thermal and solar photovoltaics, can effectively be harnessed providing huge scalability for solar in India. From an energy security perspective, solar is the most secure of all sources, since it is abundantly available. While, today, domestic coal based power generation is the cheapest electricity source, future scenarios suggest that this could well change.

The objective of the National Solar Mission is to establish India as a global leader in solar energy, by creating the policy conditions for its diffusion across the country as quickly as possible. The Mission will adopt a 3-phase approach, spanning the remaining period of the 11th Plan and first year of the 12th Plan (up to 2012-13) as Phase 1, the remaining 4 years of the 12th Plan (2013-17) as Phase 2 and the 13th Plan (2017-22) as Phase 3.

To achieve this, the Mission targets are :

- To create an enabling policy framework for the deployment of 20,000 MW of solar power by 2022.
- To ramp up capacity of grid-connected solar power generation to 1000 MW within three years - by 2013; an additional 3000 MW by 2017 through the mandatory use of the renewable purchase obligation by utilities backed with a preferential tariff. This capacity can be more than doubled - reaching 10,000MW installed power by 2017 or more, based on the enhanced and enabled international finance and technology transfer. The ambitious target for 2022 of 20,000 MW or more, will be dependent on the 'learning' of the first two phases, which if successful, could lead to conditions of grid-competitive solar power. The transition could be appropriately up scaled, based on availability of international finance and technology.
- To create favorable conditions for solar manufacturing capability, particularly solar thermal for indigenous production and market leadership.
- To promote programmes for off grid applications, reaching 1000 MW by 2017 and 2000 MW by 2022.
- To achieve 15 million sq. meters solar thermal collector area by 2017 and 20 million by 2022.
- To deploy 20 million solar lighting systems for rural areas by 2022.

Dividend

In view of the loss during the year under review, your directors regret their inability to recommend any dividend.

Auditors

The present Auditors of the Company M/s. Ramachandram & Co., Chartered Accountants, hold office until the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment.

Report on Corporate Governance

We believe that the corporate governance is at the heart of the shareholders value creation. The Company has taken requisite steps to comply with the recommendations concerning the corporate governance. The disclosure as required under the corporate governance standards have been furnished as a part of this report separately. A certificate from the Auditors of the Company regarding compliance of clause 49 of listing agreement with Bombay Stock Exchange is attached to this Report.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of the provisions of section 217(2AA) of the Companies Act, your directors confirm as under:

- "In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations and disclosures relating to material departures.
- "The relevant accounting policies are applied consistently and the directors' have made judgments and estimates that are reasonable and prudent so as to give a true and fair view to the state of affairs of the Company as on 31st March, 2010 and of the profit of the Company for the period.
- "Proper and sufficient care has been taken in the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- "The annual accounts have been prepared on a going concern basis.

Particulars of conservation of energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The Particulars with respect to conservation of energy, technology observation and foreign exchange earnings and outgo as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) Rules, 1988 are given below:

- "Conservation of Energy: The operations of the Company are not energy intensive and every effort has been made to ensure the optimal use of energy, avoid waste and conserve energy by using energy efficient computers and equipment with latest technologies.
- "Technology Absorption: Your Company is constantly upgrading its technological excellence with emerging technologies.
- "Foreign Exchange Earning and outgo: There was no Foreign Exchange Earnings and outgo during the year.
- "Research and Development: No amount was spent in Research and Development during the year 2009-10.

● "Particulars of Employees pursuant to Section 217(2A)

As required by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 no employee is drawing remuneration at or above the limits mentioned therein.

Changes in Composition of Board :

The following are the changes in the composition of the Board of Directors :

1. Mr. V. Satyanaraya, Director of the Company has resigned from the Directorship of the Company with effect from 1st September, 2009 due to the Personal Reasons.
2. Mr. Vishram Naniwadekar, Director of the Company has resigned from the Directorship of the Company with effect from 1st September, 2009 due to the Personal Reasons.
3. Ms. B. Vijaya Lakshmi, Director of the Company has resigned from the Directorship of the Company with effect from 1st September, 2009 due to the Personal Reasons.
4. Mr. B. Divyesh Nihar is appointed as the Whole time Director of the Company with effect from 1st September, 2009.
5. Mr. P. J. Sudhakar is appointed as the Director of the Company with effect from 1st September, 2009.
6. Mr.N. Siva Prasad is appointed as the Director of the Company with effect from 27th October, 2009.

Fixed Deposits

The Company has not raised any Fixed Deposits during the year so as to attract the provision of Section 58A of the Companies Act, 1986, read with Companies (Acceptance of deposits) rules, 1975 as amended from time to time.

Acknowledgement

The Directors sincerely appreciate the contributions made by all the employees associations and business partners who have contributed towards the success of the Company. The Directors are also thankful for the Company-operation, support and assistance received from the business partners, banks, investors, customers, central and state government departments, local authorities, vendors, stock exchange and all other associated with the activities of the Company. The directors would also like to acknowledge the continuous support of the Company shareholders.

For and on behalf of the Board of directors

Place : Secunderabad
Date : 01-09-2010

(Sd/-)
BSN Suryanarayana

(Sd/-)
B. Divyesh Nihar

REPORT ON CORPORATE GOVERNANCE
1. Company's philosophy on code of conduct:

The corporate governance philosophy of your Company is to ensure fairness and in all dealings and in the functioning of the management and the Board. Corporate governance is not merely compliance and not simply a matter of creating checks and balances. It is an ongoing measure of superior delivery of Company's objects with to translate opportunity in to reality. Code of conduct is the integral part of Company's governance policy. The Company's activities are carried out in accordance with the good corporate governance practices and the Company is consistently striving to improve upon them and adopt the best practice. It is firmly believed that good governance practices would ensure efficient conduct of affairs of the Company and help the Company achieve its goal of maximizing its value for all stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly global software Company, while upholding the core values of transparency, integrity, honesty and accountability which are fundamentals to the Company.

2. BOARD OF DIRECTORS

The present strength of the Board of Directors of the Company consists of four members. Composition and category of Directors are as follows:

Sl. No.	Name	Category	Designation
1	Mr. BSN Suryanarayana	Non-Independent	Managing Director
2	B. Divyesh Nihar	Non Independent	Whole Time Director
3.	N.Siva prasad	Independent	Director
4	Sudhakar Pitta Joseph	Independent	Director

None of the Directors on the Board are members in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

Board Meetings:

The meetings of the Board of Directors are held at the registered office of the Company. Six Board Meetings were held during the Financial Year 2009-10. The dates on which the said meetings were held are as follows:

- i) 30.04.2009
- ii) 31.07.2009
- iii) 01.09.2009
- iv) 27.10.2009
- v) 31.10.2009
- vi) 30.01.2010

Details of the number of Board Meetings attended by the Directors, attendance at the last AGM and all other details are given below:-

Details of Attendance:

Name of the Director	No. of Board meetings	Board meetings attended	Whether attended last AGM
BSN Suryanarayana	06	06	Yes
B. Divyesh Nihar	06	03	Yes
N.Siva prasad	06	03	No
Sudhakar Pitta Joseph	06	0	No

Vishram Naniwadekar **	06	03	No
V. Satyanarayana **	06	03	No
B. Vijayalakshmi **	06	03	No

(**) The Directors have resigned from the Directorship of the Company with effect from 1st September, 2009.

Shareholding details of non-executive directors:-None of the non-executive directors of the Company holds any share of the Company nor has any material pecuniary relationship or transactions with the Company.

Board Committees

There are three committees viz. Audit Committee, Remuneration Committee and Share Transfer & Shareholders Grievance Committee. Details of which are given below:

Audit Committee

The Audit Committee of the Company is constituted in line with the provisions of clause 49 of the listing agreement read with the section 292A of the Companies Act, 1956.

Composition, name of members and number of meetings held during the Financial Year 2009-10 are as follows:

Name of the Director	Category	No. of Meetings during the year 2009-10	
		Held	Attended
BSN Suryanarayana	Non-independent, Executive	04	04
Vishram Naniwadekar(**)	Independent, Non Executive	04	02
V. Satyanarayana(**)	Independent, Non Executive	04	02
N.Siva prasad	Independent, Non Executive	04	02
Sudhakar Pitta Joseph	Independent, Non Executive	04	00

(**) The Directors have resigned from the Directorship of the Company with effect from 1st September, 2009.

Mr. N. Siva Prasad is the Chairman of the Audit Committee. The Company Secretary acts as a secretary to the committee. The necessary quorum was present in all the meetings during the year.

Mr. Vishram Naniwadekar and V. Satyanarayana resigned from the Board in the Board Meeting held in the month of September, 2009, hence new directors Mr. N. Siva prasad and P.J. Sudhakar were appointed in their place.

The meetings are usually held at the Registered office of the Company and Manager-Finance and representatives of Statutory Auditors are invited to the meetings.

Terms of Reference:

The terms of reference for the Audit Committee are broadly as follows:

Reviewing the periodical and the Annual Financial Statements before their submission to the Board of Directors, focusing primarily on:

- Any change in the accounting policies and the practices.
- Qualification in draft audit report.
- The going concern concept.
- Compliance with accounting standard.

- Compliance with the requirement of stock exchanges and legal requirements concerning financial statements.
- Recommend to the board the appointment and removal of statutory auditors, fixation of audit fees and also approve payment for any other service.
- Reviewing related party transactions.
- Reviewing of Company's financial and risk management policies.
- The audit committee can seek information from any employee and can obtain from outside any legal or other professional advice.
- Review the adequacy of internal audit function, including the structure of internal audit department, reporting structure and frequency of internal audit. The audit committee also reviews the findings of any internal investigations by the internal control systems of a material nature and report the matter to the Board.

The chairman of the Committee would attend the Annual General Meeting of the Company to provide any clarification on matters relating to the queries raised by the members of the Company.

Remuneration Committee

The members of the Remuneration Committee of the Board of Directors of the Company are Mr. N. Siva Prasad, Mr. Sudhakar Pitta Joseph. As there were no changes in the remuneration of the Directors in the said year hence there was no requirement of Committee Meeting.

Mr. N. Siva Prasad is the Chairman of the Remuneration Committee.

Terms of Reference

The terms of reference of the Remuneration Committee are:

- To review and approve/recommend the remuneration for the corporate officers and managing directors of the Company
- To review and recommend to the board the remuneration policy for the Company.
- To approve grant of stock options to the employees and/or directors of the Company and subsidiary.
- To discharge such other functions or exercise such powers as may be delegated to the committee by the Board from time to time.

Share Transfers and Shareholders Grievance Committee

Mr. B. Divyesh Nihar, Mr. BSN Suryanarayana and Mr. P.J. Sudhakar are the members of the share transfer and shareholders grievance committee.

Mr. BSN Suryanaraya is the chairman of the said Committee.

The Company met 08 times during the year to approve share transfers and to review matters connected with the shareholders' complaints, grievances and other related issues.

Mr. B. Divyesh Nihar is the Compliance officer.

Terms of reference :

In view of the SEBI Corporate Governance norms, which have been incorporated in the listing agreement, the Share Transfer and Shareholder Grievance Committee has been constituted to undertake the following activities:

To review and take all necessary actions for redressal of investor's grievances, and complaints as May be required in the interest of the investors.

To approve request for share transfers, transmission, transpositions, Rematerialisation, split and duplicate share certificates.

To oversee the performance of the share transfer agents (M/s Aarthi Consultants Private ltd.) and recommend measures for overall improvement in the quality of investor's services.

Remuneration and Sitting fees

The details of remuneration and sitting fees paid or provided to each of the directors during the year 2009-10

Name of the Director	Designation	Commission	Sitting Fees
Mr. BSN Suryanarayana	Managing Director	Nil	Nil
Mrs. B Vijaya Lakshmi	Director	NIL	3,000
B. Devyesh Nihar	Whole Time Director	Nil	Nil
N.Siva prasad	Director	Nil	5,000
PJ. Sudhakar	Director	Nil	Nil
Vishram Naniwadekar	Director	Nil	5000
V. Satyanarayana	Director	Nil	5000

(**) The Directors have resigned from the Directorship of the Company with effect from 1st September, 2009.

No other benefits, bonuses, stock options, pensions or performance-linked incentives are paid to directors except as mentioned above.

Annual General Meeting :

Details of the last three annual general meetings:

Number	Year	Day, Date & Time	Location
13th	2006-07	Saturday, 29th September, 2007 at 3.00 P.M.	Hotel Pearl Regancy, Red Hills, Ladkidapool, Hyderabad-500004
14th	2007-08	Monday, 29th September, 2008 at 3.00 P.M.	Hotel Pearl Regancy, Red Hills, Ladkidapool, Hyderabad-500004
15th	2008-09	Monday, 29th September, 2009 at 3.00 P.M.	Hotel Pearl Regancy, Red Hills, Ladkidapool, Hyderabad-500004

No business was transacted through postal ballot at the last three AGMs and no business is required to be transacted through postal ballot on the forthcoming Annual General Meeting. The special resolution in the last AGM was passed with regard to make investment in excess of 60% of paid up capital and free reserves and/or 100% or more of free reserves of the Company as per the limits prescribed under section 372A in the body corporate engaged in the power sector. The required form was filed with ROC.

Disclosures

- There are no materially significant transactions with the related parties viz., Promoters Directors of the Company, their subsidiaries or relatives conflicting with the interests of the Company.

- There are no pecuniary relationships or transactions of non-executive directors viz-a-viz the Company, which has potential conflict with the interest of the Company at large.
- The Company has complied with all the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital markets during the last three years. No penalties have been imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.

Means of Communication

The Quarterly, Half Yearly and Annual Financial Results of the Company have been furnished to the stock exchange where the shares have been listed as per the listing agreement and are also published in 'Business Standard' (An English daily) and in 'Andhra Prabha' (vernacular Telugu daily). It is also displayed on the Company's website, www.niharinfo.com. In addition to these, our Company's information can be found in the official website of the Bombay Stock Exchange, i.e. www.bseindia.com

GENERAL SHAREHOLDERS INFORMATION**(a) Annual General Meeting:**

Date : 30th September 2010
Day : Saturday
Time : 3.00 p.m.
Venue : Hotel Pearl Regency, Red Hills, Lakadipool, Hyderabad-500 004

(b) Financial Year : 01.04.2009 to 31.03.2009
First Quarter Results : 31.07.2009
Second Quarter Results : 31.10.2009
Third Quarter Results : 31.01.2010
Fourth Quarter Results : 30.04.2010

(c) Date of Book Closure

From : 25.09.2010 to 30.09.2010
(both days are inclusive)

(d) Listing on Stock Exchange :

Bombay Stock Exchange BSE

Stock code : 531083 at BSE

ISIN Number in NSDL and CDSL: INE876E01025

Electronic Connectivity:

1. National Securities Depository Limited
Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel
Mumbai- 400 013
2. Central Depository Services (India) Limited
Phiroze Jeejeebhoy Towers

28th floor, Dalal Street,
Mumbai- 400 023

Registrar and Share Transfer Agents:
Aarthi Consultants Private Limited
1-2-285, Domulguda,
Hyderabad-500 029

share Transfer System:

Equity share lodged for transfer in physical mode are normally registered within 15 days from the date of receipt. The share transfer agent is handling all the share transfer and related transactions.

Market Price Data:

Table below shows the monthly high and lows of the company's shares on the Bombay Stock Exchange Limited (BSE):

Sl. No.	Month	High(Rs.)	Low(Rs.)
1.	April	3.10	2.45
2.	May	2.86	2.36
3.	June	3.80	2.76
4.	July	3.43	3.10
5.	August	3.39	2.68
6.	September	4.23	2.88
7.	October	3.81	2.81
8.	November	3.23	2.65
9.	December	3.29	2.61
10.	January	4.33	3.11
11.	February	4.71	3.32
12.	March	5.44	4.05

Share holding pattern as on 31 March 2010

Category	No. of shares	% of share holding
Promoters	295640	4.78%
NRI/OCB	Nil	Nil
FII/Banks	Nil	Nil
Mutual Funds and UTI	Nil	Nil
Foreign Institutional Investors	Nil	Nil
Body Corporate	956406	51.45%
Indian Public	4936421	79.77%
Total	6188467	100%

CERTIFICATION

To
The Board of Directors,
NIHAR INFO GLOBAL LIMITED

I, the undersigned, in my capacities as the Finance Incharge of Nihar Info Global Limited. ("The Company"), to the best of my knowledge and belief certify that:

- a) I have reviewed the Financial Statements and the Cash Flow Statements for the Year Ended 31st March, 2010 and based on our knowledge and belief:
 - a. These statements do not contain any materially untrue statements or omit any material fact or contain statements that might be misleading;
 - b. These statements together present a true and fair view of the Company's affairs and are in compliance with the existing Accounting Standards, applicable Laws and Regulations.
2. I further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year which are fraudulent, illegal or violating the Company's Code of Conduct.
3. I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the Financial Reporting of the Company and have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps we have taken or propose to take to rectify these deficiencies.
4. I have indicated, based on my most recent valuation, wherever applicable, to the Auditors and audit Committee;
 - a. Significant changes, if any, in internal control over financial reporting during the year.
 - b. Significant changes, if any, in Accounting Policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. Instances of significant fraud of which I 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.

For Nihar Info Global Limited

Y. Gopal Rao
Finance Incharge

Place: Secunderabad
Date: 01.09.2010

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**POWER sector:****Industry Structure and Development of Power Sector:**

India had been traditionally depending on thermal power as a major source of power generation, which constitutes about 65% of current capacity. Balance is contributed by Hydel power (26%), Nuclear (3 %) and Renewable energy (6%). Over 87% of the current installed capacity in the country is by the government, the state governments having lion's share of over 52% and the balance by central (federal) government. Due to the initiative of government of India to encourage Public Private Partnerships in power sector, share of private companies has gone up to about 13 % of the installed capacity. According to CEA, the country faced peaking shortage of more than 12% and energy shortage of about 11% during 2008-09. To bridge the demand supply gap, the government has introduced policies and reforms to promote competition and make the sector open to all players. The government has also set ambitious targets for capacity addition for the XI and XII Plans. According to experts the private sector would play a greater role in power generation and foreign investments would increase considerable in his sector.

Opportunities, Threats, Risk and Concerns:*Opportunities:*

Since the private companies in the power sector are going to play a major role in the capacity additions of Eleventh Plan (2007-12) and Twelfth Plan (2012-17), the power sector holds a major potential in the coming future.

Threats, Risk and concerns:

Also, entering into the power generation business requires heavy investment initially. The other barriers are fuel linkages, payment guarantees from state governments that buy power and various government clearances. Your company is aware of all these things and is also designing a strategic road map to achieve all the necessary things and to go aggressively into this sector.

Outlook:

Since there is huge potential in the power sector, we are also building our capability and bringing in the industry experts to build a successful roadmap into the power sector.

IT sector:**Industry Structure & Development:**

As per the industry predictions, India would continue to dominate as an offshore destination in the foreseeable future. Global Corporations have adopted offshore outsourcing as their ready choice for cost effectiveness. Large clients are now more knowledgeable in evaluating and recognizing the true value of working with the smaller but competent vendor than before. Therefore the opportunities for special and niche service is now more abundant than before.

Opportunities, Threats, Risk and Concerns:

While the global IT market is growing at competitive phase it also has the risk and threats associated with it. We highlight hereunder the opportunities and ~~associated risks existing~~ in the market and your company's capabilities in brief. They are:

Opportunities:

The opportunities in the global market for special and niche services that your company is offering are plenty. Your company appears to be in good position to add the new clients and good projects that many others of similar size. Company intends to consolidate its domestic and overseas operations.

Threats, Risk and concerns:

Some of the risk and threats associated are discussed in brief:

- Competition from other vendors. Your company has established strong differentiators where possible in certain areas to minimize the competition from the other firms.
- Your company has adopted the best methods to mitigate the threats and concerns, which are common to the IT industry in general. It shall continue to do so depending on the business needs from time to time.

Outlook:

The quality of the revenues, profile of new clients that we acquire, and the average size of orders from new clients will improve in the coming year. We anticipate higher percentage of gross profits from the new projects that we undertake during the next year.

Human Resources:

The company understands the significance of human resources in the growth of an organization and is committed to build a highly motivated and committed human resources team especially when we are in growth mode. Your company looks for quality human resources with great skills and advancement of their abilities to be able to adapt the fast changing industry demands successfully.

Financial performance:

The information under this head is given in the Directors Report

Internal controls:

The internal control systems of the company are implemented with a view to achieve good ethical culture in the organization. The internal control systems of the company would ensure that any vulnerability in the achievement of the company's objectives caused by the risk factors whether internal or external, existing or emerging, is detected and reported in a timely manner and is met out with appropriate corrective action.

Cautionary Statement:

Comments in this Management Discussion and Analysis outlining the company's strategies, approaches and objectives are believed by the management to be true to the best of its knowledge at the time of preparation of this report. Actual results may vary materially from those expressed or implied and hence the company and the management shall not be held responsible for any loss that may arise as a result of any action taken on the basis of the information contained herein.

C.Ramachandram & CO.,
Chartered Accountants

3-6-237, Unit # 606,
Lingapur house,
Himayat nagar,
Hyderabad,
Ph: 23223787.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Nihar info Global Limited

We have examined the compliance of conditions of corporate governance NIHAR INFO GLOBAL LIMITED for the year ended 31st March, 2010, as stipulated in clause 49 of the Listing Agreement of the Company with Stock Exchanges.

The compliance of the conditions of the corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor expression of the opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances were pending for a period exceeding one month against the Company as per the records maintained by the Company.

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

Place : Hyderabad
Date :01.09.2010

For C. Ramachandram&CO
Chartered Accountants
Firm Reg. No. 002864S

C.Ramachandram&CO
Partner
Membership No – 25834
Lingapur house
Hyderabad
Ph: 23223787

Auditors' Report

To the Members of NIHAR INFO GLOBAL LIMITED for 2009-10

1. We have audited the attached Balance Sheet of Nihar Info Global Limited, as at March 31, 2010, and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India ('the Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
Attention is required to point 2(g) and (h) of schedule K of the attached balance sheet.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors, as on March 31, 2010 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
 - (f) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act 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 loss for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For C. Ramachandram & Co
Chartered Accountants
Firm Reg. No. 002864S

(Sd/-)
C. Ramachandram
Partner
Membership No - 25834

Place: Hyderabad.
Date: 01.09.2010

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE to the members of Nihar Info Global Limited on the financial statements as at and for the year ended March 31, 2010

1. (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 (b) The fixed assets are physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
 (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed of by the company during the year.
2. The company has taken interest free unsecured demand loan from one party covered in the register maintained under section 301 of the companies act. The terms & conditions are prime faces not prejudicial to the interest of the company and shareholders.
3. 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 Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanation that certain items purchased are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of fixed assets, inventory and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, there have been no contracts or arrangements referred to in Section 301 of the Act during the year to be entered in the register required to be maintained under that section. Accordingly, commenting on transactions made in pursuance of such contracts or arrangements does not arise.
6. The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. (a) *According to the records, during the year, the company is not regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Income-tax, Service Tax, applicable to it and there have been substantial delays in all cases.*
 (b) *In our opinion and according to the information and explanations given to us, the following arrears are outstanding as at 31st March,2010 for a period of more than six months from the date they became payable except P.F.*

<u>Particulars</u>	<u>Amount / Rs.</u>
Provident Fund Penalty	1713375/-
Provident Fund	196808/-
Professional Tax	193278/-
Income tax deducted at source	42307/-
Service Tax	1381103/-

9. *The company has been registered for a period of not less than five years, its accumulated losses at the end of the financial year are more than 50% of its net worth and it has incurred cash losses in the financial year 2009-10 and in the immediate preceding financial year 2008-09.*
10. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. *The Company has defaulted in repayment of dues to Union Bank of India amounting Rupees 5,147,331 which became due on 31.03.2010.*
12. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments.
13. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
14. The company has not obtained any term loans during the year.
15. On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis which have been used for long-term investment.
16. 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 during the year.
17. The company has not raised any money by public issues during the year.
18. During the course of examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
19. The other clauses (ii), (iii) (b), (iii)(c), (iii)(d), (iii)(f), (iii)(g), (viii), (xi), (xiii), and (xix) of paragraph 4 of the Companies (Auditor's Report) Order 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable in the case of the company for the current year, since in our opinion there is no matter which arises to be reported in the aforesaid order.

For C. Ramachandram & Co
Chartered Accountants
Firm Reg. No. 002864S

(Sd/-)
C. Ramachandram
Partner
Membership No – 25834

Place : Hyderabad.
Date : 01.09.2010

Balance Sheet as on 31.03.2010

Particulars	Schedules	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
I SOURCES OF FUND			
1. Share holders funds			
a) Share capital	A	61,884,670	61,884,670
b) Reserves & Surplus	B	7,083,352	7,083,352
2. Deferred Tax Liability		686,101	1,597,330
3. Loan funds			
Secured Loans		5,147,331	4,690,527
	C		
Un-Secured Loans		795,557	1,788,976
Total		<u><u>75,597,011</u></u>	<u><u>77,044,854</u></u>
II. APPLICATION OF FUNDS			
1. Fixed Assets	D		
Gross Block		13,354,588	22,703,632
Less : Depreciation		<u>10,207,454</u>	<u>13,335,950</u>
Net Block		3,147,134	9,367,682
2. Investments	E	36,779,873	25,550,000
3. Current Assets, Loans & Advances	F	831,168	40,629,629
Less : Current Liabilities and Provisions	G	<u>7,452,507</u>	<u>3,981,877</u>
Net current Assets		<u>(6,621,339)</u>	36,647,752
4. Miscellaneous Expenditure (To the extent not written off)			
Profit & Loss Account		42,291,343	5,479,419
Total		<u><u>75,597,011</u></u>	<u><u>77,044,854</u></u>
Accounting Policies & Notes on Accounts	K		

C. Ramachandram & Co.,
Chartered Accountants
Firm Reg. No. 002864S

(Sd/-)
C. Ramachandram
Partner
Membership No - 25834

(Sd/-)
BSN Suryanarayana
Managing Director

For and on behalf of the Board

(Sd/-)
B Divyesh Nihar
Whole Time Director

Place : Hyderabad
Date : 01.09.2010

Profit & Loss Account for the year period ended 31-03-2010

Particulars	Schedules	Year Ended	Year ended
		31.03.2010	31.03.2009
		Rs.	Rs.
INCOME			
Software Sales & Services			
Sales - Export		-	1,776,672
Sales - Domestic		2,990,304	5,172,880
Other Income	H	35,309	52,400
Total A		<u>3,025,613</u>	<u>7,001,952</u>
EXPENDITURE			
Personnel expenses	I	3,860,128	3,271,222
Operating, Administration other expenses	J	1,596,992	2,137,408
Loss on Sale of Investments		-	681,601
Bad Debts W/o		25,905,789	-
Advances W/o		1,775,000	-
Loss on Sale of Fixed Assets		4,538,020	-
Interest & Finance charges		785,202	1,013,920
Depreciation	D	1,251,883	3,498,157
Total B		<u>39,713,014</u>	<u>10,602,308</u>
Profit/(Loss) before tax		<u>(36,687,401)</u>	<u>(3,600,356)</u>
Provision for FBT		-	35,301
Provision for current year deferred tax liability		<u>(911,229)</u>	<u>(813,248)</u>
Profit/(Loss) after tax		<u>(36,811,924)</u>	<u>(2,822,408)</u>
Tax refund written off		<u>(1,035,752)</u>	-
Balance brought forward		<u>(5,479,419)</u>	<u>(2,657,009)</u>
Balance carried to balance sheet		<u>(42,291,343)</u>	<u>(5,479,419)</u>
Basic & Diluted Earnings per share of Rs. 10/- each (Rs.)		(5.78)	(0.45)

C. Ramachandram & Co.,
Chartered Accountants
Firm Reg. No. 002864S
(Sd/-)

For and on behalf of the Board

C. Ramachandram
Partner
Membership No – 25834

(Sd/-)
BSN Suryanarayana
Managing Director

(Sd/-)
B Divyesh Nihar
Whole Time Director

Place : Hyderabad
Date : 01.09.2010

Particulars	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
SCHEDULES		
Schedule A :		
SHARE CAPITAL		
Authorized:		
1,40,00,000 equity shares of Rs.10 each	140,000,000	140,000,000
Issued, Subscribed & paid-up :	61,884,670	61,884,670
61,88,467 Equity Shares of Rs.10/- each fully paid	<u>61,884,670</u>	<u>61,884,670</u>
Schedule B		
Reserves & Surplus		
Capital Reserve	246,125	246,125
Share Premium	5,800,000	5,800,000
Share warrants forfeited	945,000	945,000
General Reserve (for change in Depreciation policy)	92,227	92,227
	<u>7,083,352</u>	<u>7,083,352</u>
Schedule C		
Secured/Un-secured Loans		
Secured Loans		
Term Loan from Union Bank of India	684,708	640,736
Principal due in next 12 months Installments(139,220)		
Interest accrued & due (84,680)		
Principal due (600,028)		
Working Capital Loan from Union Bank of India	4,462,623	4,049,791
Interest accrued & due (462,623)		
	<u>5,147,331</u>	<u>4,690,527</u>
Un-Secured Loans		
Car Loan from Union Bank of India	-	197,643
Car Loan from ICICI Bank	-	159,804
From Director's	795,557	1,431,529
	<u>795,557</u>	<u>1,788,976</u>

in Rupees.

**2009-10
SCHEDULE D - FIXED ASSETS**

Description	GROSS BLOCK			Depreciation			NET BLOCK			
	As At 1-04-2009	Addi- tions	Deletions	As at 31.03.2010	Up to 01.04.2009	For the Year	Deletions	Up to 31.03.2010	As at 31.03.2010	As at 31.03.2009
Tangible Assets										
Plant & Machinery - Computers	9,739,781	-	3,000,000	6,739,781	6,802,115	192,519	1,144,029	5,850,605	889,176	2,937,666
Plant & Machinery - Others	4,544,193	-	2,169,034	2,375,159	3,116,403	78,730	660,705	2,334,428	40,731	1,427,790
Electrical Equipment	1,235,498	-	1,235,498	-	523,861	-	523,861	-	-	711,637
Office Equipment	366,920	-	366,920	-	210,996	-	210,996	-	-	155,924
Furniture & Fixtures	1,924,625	-	1,500,000	424,625	1,377,982	26,879	1,289,963	114,908	309,717	546,633
Vehicles	1,077,592	-	1,077,592	-	350,826	-	350,826	-	-	726,766
Intangible Assets :										
Website builders	3,815,023	-	-	3,815,023	953,756	953,756	-	1,907,512	1,907,511	2,861,267
Total	22,703,632	-	9,349,044	13,354,588	13,335,949	1,251,683	4,380,380	10,207,454	3,147,136	9,367,683
Previous Year	22,664,362	39,270	-	22,703,632	9,837,793	3,498,157	-	13,335,950	9,367,683	12,826,570

Particulars	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
Schedule E :		
Investments		
Un-quoted		
Integrated Broad Casting Co. (P) Ltd. (365000 shares @ Rs.70/- per share) & (129079 shares @ Rs.87/- per share)	36,779,873	25,550,000
	<u>36,779,873</u>	<u>25,550,000</u>
Schedule F		
Current Assets, Loans & Advances		
Sundry Debtors		
(unsecured, considered good)		
Debts due over six months	115,746	25,315,741
Other debts	<u>108,032</u>	<u>1,810,389</u>
	<u>223,778</u>	<u>27,126,130</u>
Cash and Bank balances		
Cash on hand	312,019	166,180
Balance with Scheduled Banks		
In current account	506	2,407
Margin money for bank guarantee	53,397	53,397
	<u>365,922</u>	<u>221,984</u>
Loans & Advances		
(Unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be received	82,918	11,421,274
Tax deducted at Source	158,550	1,860,243
Total	<u>241,468</u>	<u>13,281,517</u>
Grand Total	<u>831,168</u>	<u>40,629,631</u>
SCHEDULE G		
Current Liabilities & Provisions		
Creditors for Supplies & Services	7,452,507	3,778,551
Provisions		
F.B.T.	-	203,326
	<u>7452507</u>	<u>3,981,877</u>

Particulars	As at 31.03.2010 Rs.	As at 31.03.2009 Rs.
Schedule H		
Other Income		
Interest Received	-	6,556
Domain Renewal & Misc. Income	35,309	45,844
Other Income	-	-
	35,309	52,400
Schedule I		
Personnel Expenses		
Salaries, Wages, PF, Gratuity & Other Allowances	3,739,988	2,724,857
Remuneration - MD	-	300,000
Sitting Fee	18,000	6,000
Company contribution to PF	69,438	110,317
Staff Welfare Expenses	32,702	130,048
	3,860,128	3,271,222
Schedule J		
Operating, Administration & Other Expenses		
Rent	120,000	120,000
Rates & Taxes	75,257	88,131
Power	116,423	133,286
Repairs & Maintenance	44,039	117,770
Printing & Stationery	58,691	58,197
Domain Registration charges	20,000	37,300
Communication expenses	181,812	291,359
Business Development expenses	98,512	166,689
Travelling & Conveyance	54,187	162,241
Consultancy & Professional Charges	198,758	460,620
Office Maintenance	337,258	231,510
AGM / EGM expenses	7,594	15,655
Miscellaneous expenses	122,129	102,342
Advertisement & Publicity	51,002	44,058
Share Transfer/D-mat Expenses	47,540	49,130
Listing Fee	19,670	15,000
Auditors Remuneration		
Statutory Audit Fee (including Service Tax)	38,605	38,605
Certification Fee (including Service Tax)	5,515	5,515
Total	1,596,992	2,137,408

Schedule K

Notes on accounts annexed to and forming part of the accounts as at and for the year ended March 31, 2010.

1. Statement of Significant Accounting Policies**a. Basis of Preparation :**

The financial Statements have been prepared under the historical cost convention on accrual basis to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

b. Use of Estimates :

The presentation of financial statements in conformity with the generally accepted accounting policies requires estimates and assumptions to be made that affect the reported amount of revenues and expenses during the reporting period. Difference between the actual and estimates are recognized in the period in which the results are known /materialized.

2. Fixed Assets and depreciation :

- i) Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties (net of MODVAT), taxes and any attributable cost of bringing the asset to its working condition for its intended use.
- ii) Depreciation on Fixed Assets is provided on straight-line method at the rates prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

3. Revenue Recognition :

- i) Income from software related services is accounted for on the basis of services rendered and billed to the clients on acceptance and/or on the basis of man days/ man hours spent as per the terms of the contract with the clients. Income from software products is recognized on the basis of the sale to the clients.
- ii) Interest income on funds deployed is accounted for on the basis of applicable interest rates using the time proportion method.
- iii) Income from software training is accounted on accrual basis.
- iv) Revenue from Annual Maintenance Contracts (AMC) is recognized on a pro rata basis over the period in which such services are rendered.
- v) Interest income on term deposits is recognized using the time proportion method, based on interest rates implicit in the transaction.

4. Expenditure :

Expenses are accounted on Accrual basis and the provisions are made for all expected losses and liabilities.

5. Investments :

Long-term investments are carried at cost, and provision is made to recognize any decline, Other than temporary, in the value of such investment.

6. Miscellaneous Expenditure :

- i) Website Builder expenses are written off over a period of five years, the product development is completed and put to commercial use and the first year i.e., 2007.08. Rs.9.54 Lacs have been written off and the similar amount thereafter every year.

7. Retirement Benefits :

Company's contribution to P.F. is charged to P & L account. Provision for accrued gratuity liability in respect of future payments to employees who have put in qualifying services. Provision for accrued gratuity liability is provided for only employees who have put in qualifying services. Leave encashment is provided as per prevailing company's policy on encashment of leave.

8. Deferred Taxes :

Deferred tax is provided, on all temporary differences at the Balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or subsequently enacted at the Balance sheet date.

9. Foreign Exchange Transactions :

- i) Foreign currency transactions arising during the year are recorded at per the prescribed foreign exchange rates prevailing on the date of transaction.
- ii) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are stated at contract rates and / or at the transaction rate.

10. Earning per Share :

In determining earnings per share, the Company considers the net profit after tax and includes the post - tax effect of any extra-ordinary items. The number of shares used in computing the basic earnings per share is the weighted average number of shares outstanding during the year.

2. Notes on accounts :

- a) **Secured Loans :** Term loan from Union Bank of India is secured by equitable mortgage of Land and Buildings of Promoters and hypothecation of other fixed assets of the Company and personal guarantee by two of the directors of the company. Working capital loans from Union Bank of India are secured by equitable mortgage of Land and Buildings of the promoters and hypothecation of other fixed assets and book debts of the Company and personal guarantee by two of the directors of the company. (Hypothecation by way of first Charge in favour of the bank).

As stipulated in AS-28, the company has assessed its potential of economic benefits of its business limits, and is of the view that the assets employed in continuing business are capable of generating adequate returns over their useful life in the usual course of his business. There is no indication to the company and accordingly the management is of the view that no impairment provision is called for in these accounts.

- b) **Quantitative Details :** The Company is engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not practicable to give the quantitative details of sales and certain information as required under paragraphs 3,4C, and 4D of part II of Schedule VI to the Companies Act, 1956.

c) Contingent Liabilities :	31-03-2010	31-03-2009
Claims against the company not Acknowledged as debts	NIL	NIL
Others	Note	Note

Note: The Company has given a corporate guarantee of AED 250,000 to Bank of Baroda, Deira Branch, Dubai (UAE) for Nihar Infoway (Gulf) FZLLC, a wholly owned subsidiary company.

2009-10 **2008-09**

Foreign Exchange Earnings &Expenditure:

Foreign Exchange Earnings:	Nil	Nil
Expenditure in Foreign Currency:	Nil	Nil

e) Investments:

Company has invested Rs. 3,67,79,873 in Integrated Broad Casting Co. (P) Ltd.

f) Related Party Disclosure as required under AS 18

Trasactions with related parties (Subsidiary Company)

1. B. Vijaya Lakshmi received a rent of Rs.1,20,000 during the year against the property leased to the company.
 2. The company owes an amount of Rs. 795,557 as on 31st March, 2010 to B.S.N. Suryanarayana (Managing Director) and the maximum amount due during the year is Rs. 795,557.
- g) Gratuity and leave encashment liability is provided on undiscounted basis for which the company has not taken any policy as the amount of liability is not material.
- h) In view of confirmations not having been obtained from the sundry debtors including interest receivable on overdue payments, deposits, advances and sundry creditors, the accounts are subject to adjustment on receipt of confirmations of balance and/or reconciliation of accounts the impact whereof on accounts cannot be ascertained at this stage.
- i) In the opinion of Board of Directors, the "Current Assets, Loans and advances" have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.
- j) Previous year's figures have been regrouped /rearranged to conform to those of the current year.

C. Ramachandram & Co.,
Chartered Accountants
Firm Reg. No. 002864S

(Sd/-)

C. Ramachandram
Partner
Membership No - 25834

For and on behalf of the Board

(Sd/-)

BSN Suryanarayana
Managing Director

(Sd/-)

B Divyesh Nihar
Whole Time Director

Place : Hyderabad

Date : 01.09.2010

CASH FLOW STATEMENT

Particulars	2009-2010 Rs.	2008-2009 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(loss) before tax and extra ordinary items	(36,687,401)	(3,600,357)
adjustments for :		
Miscellaneous expenses written off		
Depreciation	1,251,883	3,498,157
Loss on Sale of Investments	-	681,601
Loss on Sale of Fixed Assests	4,538,020	-
Operating Profit/(loss) before working capital changes	(31,933,250)	579,402
adjustments for :		
(Increase)/Decrease in Trade and other receivables	26,902,352	15,822,074
(Increase)/Decrease in Inventories & Other current assets	13,040,049	7,530,032
(Decrease)/Increase in Trade payables	3,470,630	741,699
Working Capital Bank (Payments)/Borrowings	412,832	(1,759,059)
Cash generated from operations	12,928,366	22,914,147
Income tax paid	(1,035,752)	-
CASH FLOW FROM OPERATING ACTIVITIES	11,892,614	22,914,147
B CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of fixed assets	-	(39,270)
Sale of fixed assets	430,644	-
Sale of Investments	-	1,101,601
Cash out flow on account of new investments	(11,229,873)	(25,550,000)
NET CASH USED IN INVESTING ACTIVITIES	(10,799,229)	(24,437,669)
C CASH FLOW FROM FINANCING ACTIVITIES:		
(Repayment) /Increase in Term Borrowings	43,972	27,439
(Repayment) /Increase in Unsecured Loans	(993,419)	1,304,144
NET CASH USED IN FINANCING ACTIVITIES	(949,447)	1,331,583
NET INCREASE IN CASH AND CASH EQUIVALENT	143,938	(241,939)
Opening balance	221,984	463,923
Closing balance	365,922	221,984

Notes :

1. Previous years figures have been re-grouped/re-arranged to confirm to those of the current year.

C. Ramachandram & Co., Chartered Accountants Firm Reg. No. 002864S	For and on behalf of the Board
(Sd/-)	(Sd/-)
C. Ramachandram Partner Membership No - 25834	BSN Suryanarayana Managing Director
	(Sd/-) B Divyesh Nihar Whole Time Director

Place : Hyderabad
Date : 01.09.2010

**Additional Information as required under part IV of Schedule VI to the
companies Act, 1956.**

Balance Sheet Abstract and Company's General Business Profile

A. Registration Details

Registration No.	19200	State Code	01
Balance Sheet Date	31-03-2010		

B. Capital raised during the year (amount in Rs.'000)

Public Issue	Nil	Rights issue	Nil
Bonus Issue	Nil	Private Placement	Nil
		Share Deposits	Nil

C. Position of Mobilisation and Deployment of funds (amount in Rs.'000)

Total Liabilities	75597	Total Assets	75597
Sources of Funds		Application of funds	
Paid-up Capital	61884	Net fixed assets	3147
Deferred Tax Liability	686	Investments	36780
Reserves and Surplus	7084	Net Current Assets	(6621)
Secured / Un-Sec. Loans	5943	Accumulated losses	42291

D. Performance of the Company (amount in Rs.'000)

Turnover(Including other income)	3026
Total Expenditure	39713
Profit before tax	(36687)
Profit after tax	(35776)
Earnings per Share in Rs.	(5.78)
Dividend Rate.	-

E. Generic names of three principal products

/ services of company (as per monetary terms)

Item Code No. -

Product Description -Software Development and IT Training

For and on behalf of the Board

(Sd/-)
BSN Suryanarayana
Managing Director

(Sd/-)
B Divyesh Nihar
Whole Time Director

Place : Hyderabad

Date : 01.09.2010

NIHAR INFO GLOBAL LIMITED

Regd. Office : 34, Ganesh Nagar Colony, West Marredpally, Sec'bad - 500 026.

PROXY FORM

Regd. Folio No. _____ No. of Shares Held _____

I/We _____

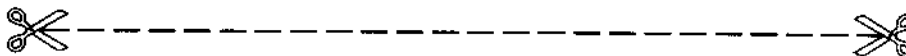
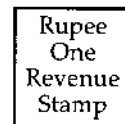
of _____ being a member/
members of **NIHAR INFO GLOBAL LIMITED** hereby appoint
_____ of _____

or failing him/her _____ of _____
as my / our proxy to vote for me/us on my / our behalf at the Annual General Meeting of the Company
to be held on Tuesday the 30th September, 2010 at 3.00 p.m at Hotel Pearl Regency, Red Hills,
Lakadikapool, Hyderabad.

Signed _____ day of _____ 2010.

Signature _____

Note : This form, in order to be effective, should be duly stamped, completed and signed and must
be deposited at the Registered office of the Company, not less than 48 hours before the meeting.



NIHAR INFO GLOBAL LIMITED

Regd. Office : 34, Ganesh Nagar Colony, West Marredpally, Sec'bad - 500 026.

ATTENDANCE SLIP

Regd. Folio No. _____ No. of Shares held _____

I certify that I am a registered shareholder/proxy for the registered shareholder of the Company

I hereby record my presence at the Annual General Meeting of the Company on Tuesday the
30th September, 2010 at 3.00 p.m. at Hotel Pearl Regency, Red Hills, Lakadikapool, Hyderabad.

.....
Member's/ Proxy, name in Block Letters _____ Signature of Member/Proxy _____

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.