



# Company Information

## Board of Directors

Mr. Sanjay Govil	Chairman
Mr. Upinder Zutshi	Managing Director
Mr. Navin Chandra	Whole Time Director
Mr. N.K. Agrawal	Independent Director
Mr. Ravindra Turaga	Independent Director
Mr. Ajai Kumar Agrawal	Independent Director

## Auditors

**M/s Amit Ray & Company**

**Chartered Accountants,**

102/103, Third Cross, Silver Oak Garden, J.P. Nagar,  
7th Phase, Puttenahalli East, Bangalore-560 078

## Registrar and Share Transfer Agent

**Bigshare Services Pvt. Ltd.**

E-2 & 3, Ansa Industrial Estate, Sakivihar Road, Sakinaka,  
Andheri (East), Mumbai- 400 072  
Tel. No: 022-4043 0200 | Fax: 022-2847 5207

## Company Secretary

Rajat Kalra

## Registered Office

155, Somdutt Chambers II, 9, Bhikaji Cama Place,  
New Delhi - 110 066, India  
Tel. No: 011-4615 0845 | Fax No: 011-4615 0830

## Corporate Office and Development Centre

Plot No.157, EPIP, Phase 2, Kundalahalli, Whitefield,  
Bangalore- 560 066, Karnataka, India.  
Tel. No: 080-4193 0000 | Fax No: 011-4193 0009

**Website:** [www.infinite.com](http://www.infinite.com)



## Infinite Identity



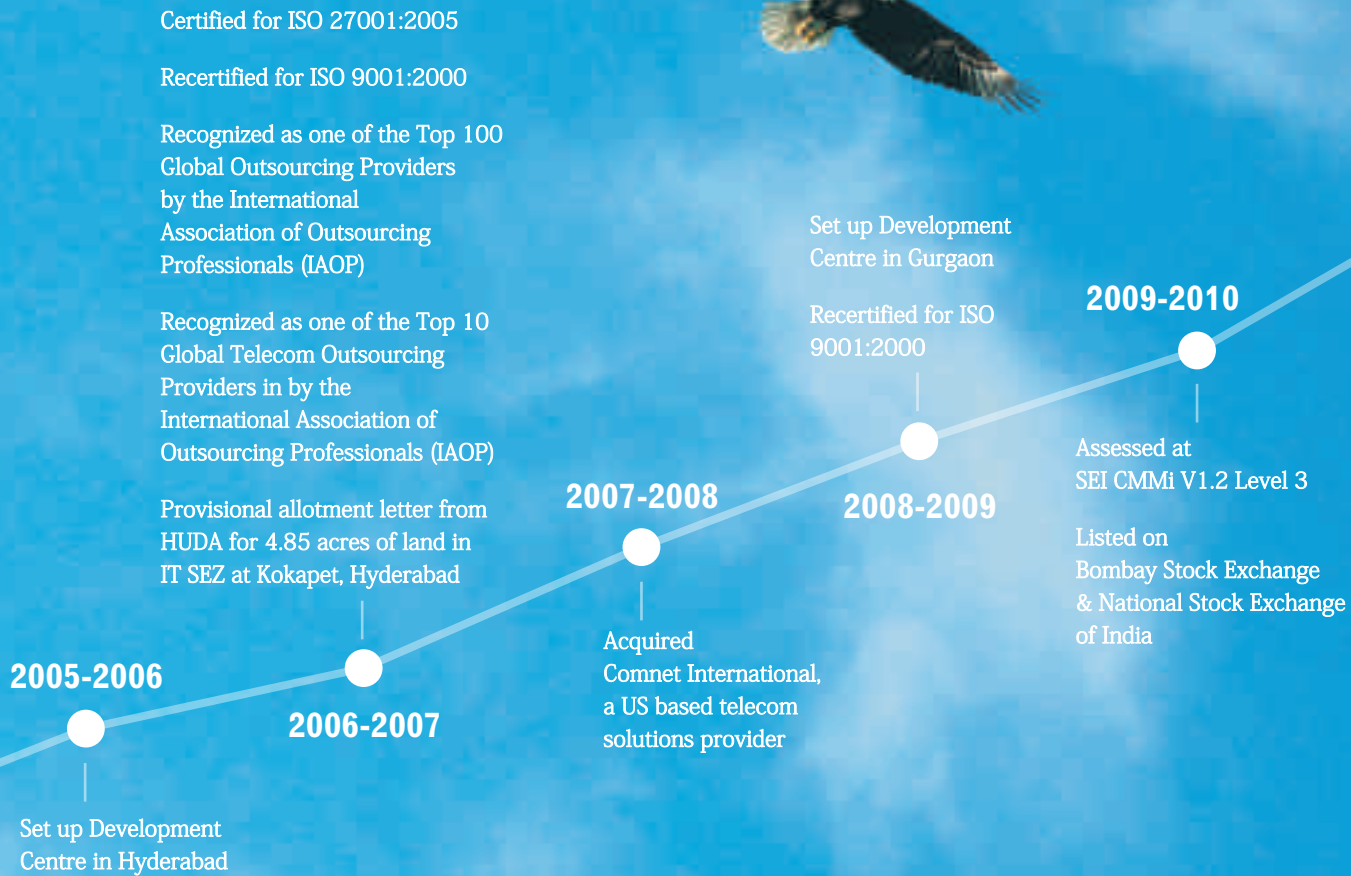
The “Infinite Triangle” is the living symbol of our focus on the customers, shareholders and employees, to make each a winner. It also reflects reaching towards a pinnacle from a strong base. The colour Cobalt Blue has been chosen to reflect our philosophy of knowledge, depth, expertise and stability.

The three stripes, emanate from the base triangle and tilt upward and forward, pointing to the future and embodying our six values that come under the three drivers of Integrity, Innovation and Intellect. The Aqua Green color reflects growth, harmony and the constant freshness of ideas.

The ellipse embodies synergy between all the above entities. It originates from, and fades into, infinity denoting our never-ending energy and dynamism.

# Infinite Journey....Decade in Focus





# Infinite Edge

Entrepreneurially innovative...with transformational potential



## Vision

Be the first choice of customers worldwide, for high quality IT solutions and services.

## Mission

**Maximize value for customers by delivering high quality solutions and services; driven by Intellect, Innovation and Integrity; in a fun, and healthy environment.**

We at Infinite believe in building profitable and lasting partnerships, to make every association mutually profitable, rewarding and enjoyable, thus enhancing the scope of engagements by expanding the breadth of services, cross-selling opportunities, delivering end-to-end solutions and addressing new areas for clients.

Our strength to attract, train, motivate and retain our people, enhancing their technical and leadership skills along with aggressive performance-based compensation plans, our highly entrepreneurial culture, with requisite flexibility for the employees, has been our long-term investment to develop tomorrow's leaders

Today, we very proudly attribute our success to our culture of innate curiosity and an obsession with understanding the customer holistically. Our focus on higher value added services tend to be long term in nature, based on in-depth knowledge of client industries and processes. Our reliable, affordable and high quality services are delivered by qualified professional teams with

substantial value addition by way of good and timely execution and management. Through strategic and truly collaborative relationships with top technology providers, Infinite brings its business insight, accelerated methods and greater convenience to customers. Our willingness to see bigger ideas has led to our accelerated double digit growth. We have relished opportunities as interesting challenges and we hope to retain the spirit and speed of our origins, while we explore the advantages of our growing size.

Disruptive innovations especially in the areas of technology, revenue and delivery models have created a level playing opportunity for players globally, where a reflection of strong understanding of the business, customer centricity, and desire to constantly innovate and do all this with simplicity & trust, has been the Infinite Edge. We are a Company built on people and people's ideas, who've helped us define how we work today.

## Infinite Values

Infinite instills a strong sense of values amongst employees, through the spirit of I-N-F-I-C-S, where each letter has a strong meaning.

These values are shared across the organization, where we live and relive the stories which are created by the employees, who have travelled through the trends of technology, to be leaders in their personal and professional spheres of life; it is these stakeholders who have contributed to create a new milestone each time for us.

Infinite's Edge has been in creating opportunities where there may be none and identifying solutions to daunting challenges with an unwavering commitment. These are the drivers of success at Infinite that differentiate us from others, enabling us, year on year, to create our niches through the values we cherish.



**Ignite** thought leadership, passion and innovation

**Nurture** a positive and creative environment for holistic development of human capital

**Foster** freedom of thought, expression and action

**Inspire** integrity and strength of character in interactions with customers

**Challenge** 'I' the individual and 'We' the team, to achieve excellence

**Support** social causes through compassion and collaboration.



# Exciting Times...Infinite Possibilities...

Infinite Computer Solutions (India) Limited is a global service provider of Infrastructure Management, Intellectual Property (IP) leveraged solutions and IT services, with focus on Telecom, Media, Energy, Manufacturing and Healthcare Industries. Our services span from Application Management Outsourcing, Packaged Application Services, Independent Validation & Verification, Product Development & Support, to higher value-added offerings, including Managed Platform and Product Engineering Services.

Our current clientele includes leading names such as Verizon Communications, IBM, ACS and Fujitsu to cite a few examples. We collaborate with our clients in their IT services, infrastructure management and IP initiatives and offer solutions as a strategic business partner rather than a technology vendor.

Our global clients have gained significantly in terms of revenue, business profitability, faster time-to-market and well-aligned business growth models.

Our integrated network of delivery facilities across India is complemented by onsite, offsite and near-shore capabilities in major international markets.

leveraged solutions, resulting in greater and long term involvement with our clients' businesses.

## Long Term Relationships

We have consistently and successfully demonstrated the ability to manage key client relationships, with our successful track record of managing large, multi-year engagements with global clients.

## Quality of Service

Our relationships with large global clients depends on our accessibility, flexible approach & agility to meet customer expectations. Our business models that enable closer business alignment between ours and that of our customers, give us leverage in gaining new clients and grow our business.

## Differentiated Business Models

Our sustainable engagements with clients using innovative risk-reward, revenue-sharing models, acquiring proven revenue generating IP or creating our own, together with our improved value offerings, allow our customers to better align their R & D



We have offices across the globe, including multiple locations in the US, UK, India, China, Malaysia and Singapore and five delivery centres in India.

As we move ahead in our endeavor to offer pioneering solutions we have crossed several milestones that take us one step closer to excellence. Our quality certifications, delivery methodologies and path-breaking growth are statements of the incessant efforts we have put in to deliver more value to our clients.

## Competitive Strengths

We believe our key competitive strengths enable our differentiation in the IT service industry.

## Domain Expertise

Our domain knowledge has allowed us to steadily advance our offerings from the conventional IT services to high end, higher value added services such as telecom infrastructure management projects, managed platform services and intellectual property (IP)

spend, extend flexible multi vendor product portfolios to their end clients, with reduced risks.

## Global Delivery with Excellent Infrastructure

Our ever expanding global footprints have established our aggressive presence in most large telecom & IT Services markets of the world.

## Commitment to Quality Process Execution

Our sophisticated process management methodology ensures timely, consistent and accurate delivery of solutions. Our many industry certifications are the landmarks, of our continuous efforts to benchmark and adhere to global standards.

## Experienced Leadership Team

Our pursuit of corporate excellence, market leadership and technological innovations is led by a very experienced team of professionals, whose in-depth knowledge, vision and diverse experience across geographies, defines our progress.



# Infinite Service Offerings

## Application Management Outsourcing

Our Application Management Outsourcing (AMO) services take care of development, management and maintenance of IT applications for our clients. We provide various levels of support and enhancement ranging from handling initial service desk queries and correcting application errors, to preventive maintenance, for both packaged and custom application systems.

Our global delivery model and offshore transition methodologies ensure customers enjoy all the benefits. We work with a variety of engagement models, to help customers with those most suited to their specific needs.

## Infrastructure Management Services

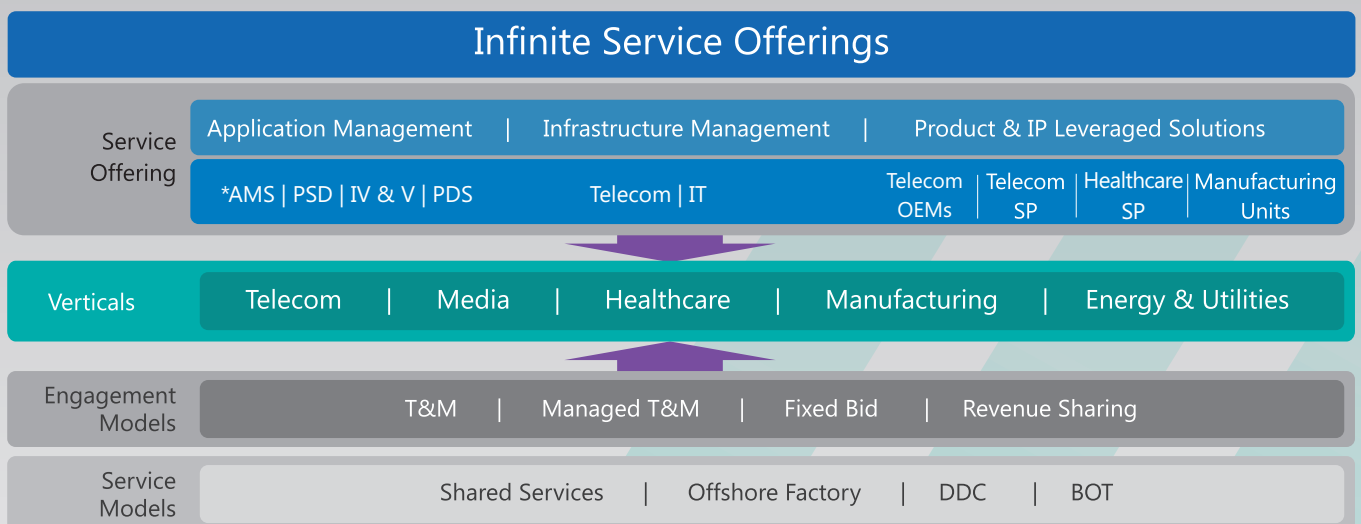
We provide onsite as well as remote Telecom and IT infrastructure management and technical support to enterprises, in order to help reduce their cost of operations and provide continuous monitoring and management services. Our full range of services for remote management include hardware & network infrastructure,

applications & telecom infrastructure platforms and products. We offer multi-channel and multi-level support.

## Product and IP Leveraged Solutions

We have significantly moved our revenue base to IP based revenue sharing model. This shift has been made with a combination of customer IP in exchange for a revenue share model and our own investment in IP creation, that we bundle in with our service offerings to enhance customer time to service initiation or significantly reduce their operating costs. We provide full lifecycle R&D support in exchange for revenue share on the business. This allows us to work on a more profitable business model, with increased value offerings that help our customers better align their R&D spend and reduce their risks.

Products developed by us or through acquisition of customer IP, are segmented to target telecom OEM/ISVs, service providers, content distribution enterprises, healthcare providers and technology companies.



\* AMS – Application Management Service | PAS – Packaged Application Service | IV&V – Independent Verification & Validation  
PDS - Product Development Services

What makes our story as many times more convincing, is our spirit of tenacious ingenuity to everything we convey, each interaction an assurance of our direction

# Infinite Scale

Our broad experience, world-class delivery, talent and vision have enabled us, to deliver superior customer value, as the alternate service provider worldwide

Infinite today has established its presence in most of the large Telecom & IT Services markets of the world with offices in the U.S. at multiple locations, as well as in the U.K., India, Singapore, Malaysia and China, thus increasing our geographical footprint in an aggressive manner.

We have also been growing our delivery centers in India. Including our subsidiaries, we currently have five delivery centers in India – with two in Bangalore, one each in Chennai, Gurgaon & Hyderabad. Our Corporate campus in India is housed in Whitefield, Bangalore in an area of about 4.48 acres. We have also been allocated 4.87 acres of land in the Special Economic Zone (SEZ) in Hyderabad for our plans to build a second campus.

Our technology services to client specific requirements are performed onsite / onshore and off shore through our various offices and 100% subsidiaries.

Our Information Technology Services Group (ITSG) manages our network and IT infrastructure across 2,15,259 sq ft of space across

14 locations, with our stringent privacy and security systems, designed with tools that ensure security of data across facilities.

Our technology infrastructure is future ready to deliver solutions globally to our clients, who enjoy the advantages of our creativity & productivity with high quality standards, responsiveness and a business environment which is developed to suit their requirements.

Our network expansion, disaster recovery plans equipped to anticipate and handle security threats, enhanced bandwidth, increased fiber connectivity, antivirus toolkits help us to deliver advanced communications and convergence offerings.

Our scalable technology, extensive automation of work flows, de-risked business operations, 24/7 support across time zones and web based platform like Spandan (Infinite portal) have strengthened our global execution excellence.

# Infinite Process Excellence

Being in a highly competitive knowledge industry, we benchmark our success and are driven by our focus to deliver high quality products and services. It's been our endeavor to ensure customer satisfaction and to add value to their overall business objectives.

Our Quality Management System (QMS) ensures quality of our products and is designed to develop applications and solutions not only with the intention of meeting our clients' specifications but also in accordance with statutory and other industry-wide standards. Our QMS is ever-evolving and incorporates the collective learning of our employees, who work on diverse assignments across the globe.

To enhance our solutions by reducing defects and cycle times in support function processes, our in-house QMS fondly called the ROOTZ, endeavors to inculcate quality across the organization.

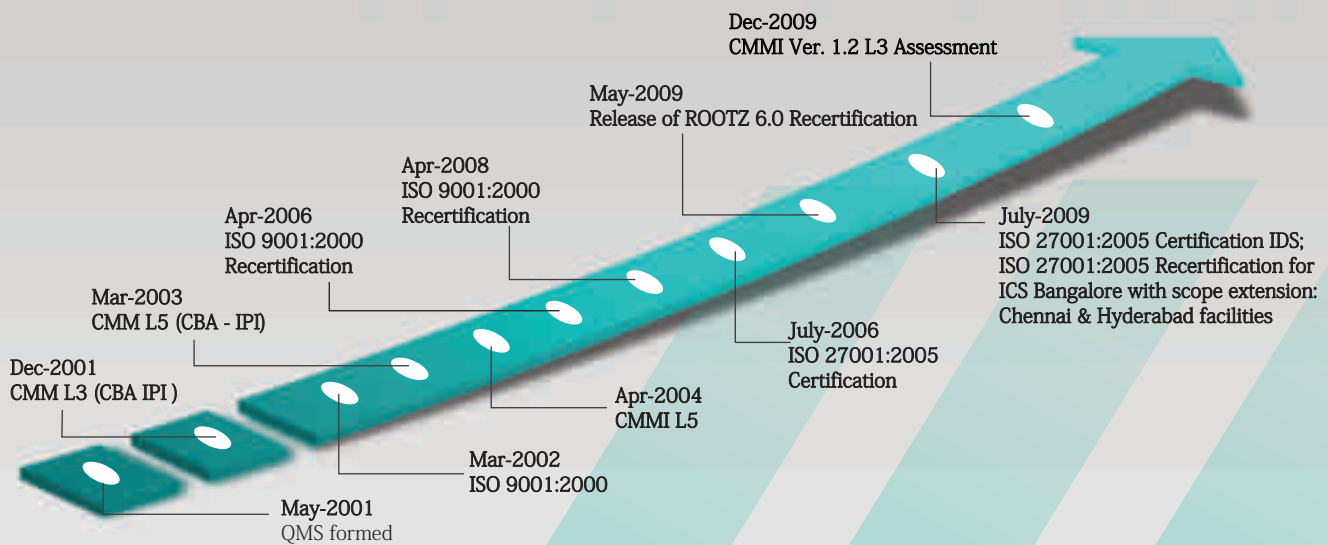
Our various quality improvement initiatives include CMMI v 1.2 L5 - that enables process maturity & provides the organization with the essential elements of effective processes that ultimately improve the performance, TL 9000 - that enables focus on supply chain directives for the international telecommunications industry, CMMi SVC V 1.1 L5 and ISO/IEC 20000 - specifically aim at IT Service Management & describe an integrated set of management processes for the effective

delivery of services, PCI DSS - aims at providing the highest level of data confidentiality to our clients.

Spandan, our intranet portal also integrates various tools implemented at par with the industry best practices and bench marked against international standards such as CMMI Level 5, ISO 9001:2000, Balanced Scorecard, and ISO 27001:2005.

The Continuous Improvement Request (CIR) automation tool on our portal ensures the appropriate improvement proposals of process, tools & technology, with adequate reviews & approvals to be a part of the QMS, thus enabling select, incremental and innovative improvements that measurably improve our processes and technologies. The Customer portal of Spandan provides an analytical view of the status of the projects including the periodic dashboards, the health of the project & the Risk Index, for proactive monitoring and resolution.

Our senior management gets complete visibility through the customized information from the Executive Dashboard, which has the comparative quantitative performance analysis of all the projects and support functions, also highlighting the Process Compliance Index, Customer Satisfaction Index, major risks and improvement areas.



**“Commitment to continuously improve our processes, quality standards and provide best-in-class services and solutions, to meet and exceed customer satisfaction”**

## Infinite Minds

Our growth has empowered us, sometimes educating us on the way, while exhibiting our strengths to the business world



We strive to achieve seamless integration of employee development on both professional and personal front. Our employee development plans contain the precise sequence of activities, initiatives and programs, aimed to improve, and enhance employee capabilities.

We are proud to offer employees a workplace, infused with positivity and laced with a feeling of “happiness”. Our employee recognition program is a combination of informal and formal acknowledgement of a person’s/teams’ performance, efforts or business results that support the organization’s goals and values. Employee recognition is, therefore, a potent communication at Infinite with our Awards like the Eagle of the Year, Star Performers, Best Project/ Best Department Awards, Best Quality Person of the Year and many more special recognitions.

At Infinite, we believe that workplace celebration is an opportunity to relive accomplishments – both personal and professional, providing a platform to celebrate them is integral to the “Infinite Spirit” which is reflected in our annual event Umang.

Celebration of success at Infinite is not only about employee recognition, but is also about building a happy and fun-filled work culture. I-serve - Infinite’s Employees’ Club represents the collective energy of the organization, which apart from infusing an element of fun and frolic also works towards social causes.

Our I-engage initiatives are focused on conceptualizing and organizing activities to deliver engaging and compelling communication for employees and the community. This initiative facilitates pro-active conversations between the employees, their managers, buddies and mentors.

Our focus on unique people management initiatives has been enviably electrifying and it’s been our constant endeavor to build Infinite into a ‘great’ place to work. At Infinite, we have never subscribed to a hierarchical system and in our unique open work environment, authority is shared equally. Being so proud of our DNA, we would never want anything impact our unique leadership style, knowing there is no single way to develop workplace trust.

# Infinite Minds Speak

Entrepreneurship is neither a science nor an art, it's a practice and I learnt this when I joined Infinite. It is this deeply ingrained spirit of entrepreneurship with focus on imagination, inventiveness and openness to the new that has been my greatest learning here. Our most fundamental values are grounded in timeless traditions. It is with these values, our entrepreneurial spirit makes a decisive difference.

**Shruthi B R**  
Eagle of the Year 2010

Eagle Awards are Infinite's attitude awards given to those who reflect predefined attributes of the Bird

When I came on board, I had limited conception of my own capabilities but my Managers were quick and experienced enough to identify them. I was given opportunities and ownership at every step. I made mistakes, but with their support, I turned them into learning experiences. Today, I have rich employee experience

**Bharathi M**  
Shakti Sutra Award

Award conferred to recognize a female team member who faces life's challenges, is respected for her demeanor & dedication to work



I am fortunate to have found a Company that cared for progression and development of my career. Each project has been a knowledge gainer for me, that has enhanced my leadership skills, thus preparing me for greater responsibilities ahead.

**Tanuj Srivastava**  
Quality Person of the Year 2010

Award conferred for demonstrable contribution to a process initiative, with passion to quality

Infinite is in a year of transition, as we assess & reflect on where we are today, and what lies ahead. A time for us to create our future growth through bold ideas and rigorous execution of our pursuits, to be a dominant player in our markets - strengthened by our insatiable desire to learn, stretch and improve. I am glad to be a part of our exciting times...

**Satyamev Kumar**  
Star Performer 2010

Award conferred for exceptional individual performance



Infinite has given me refreshing challenges to explore, where I have not just discovered my potential but with the help and support of my teammates, I have redefined the boundaries of my own abilities.

**Punit Tandon**  
Star Performer 2010

Award conferred for exceptional individual performance

Way back in 1999, our Founder believed Infinite could fit in well as an alternate service provider in a realm, which so far was dominated by global IT giants, helping our clients, with best of services that could significantly improve or change the way our clients conducted their businesses. I am glad this differentiator has proved its merit many times more than we anticipated.

**Manish Agarwal**  
Winner Eagle Award 2007

## Infinite Initiatives

As much as we remain indebted to the society, we constantly seek to return through some of our social initiatives. The employees of Infinite largely support, conduct and manage the activities aimed towards social causes through the Infinite Employees' Club called I-verse, which enables participation of one and all in activities like drought relief, blood donation camps, supporting students of Parikrama- a program that involves contributing financially and in kind towards the welfare of under privileged children, helping them gain adequate nutrition, healthcare and education. Infinite sponsors some of the students of Parikarma.

We understand that real contribution comes when communities are enabled in a manner that has a sustained developmental impact. We take up whatever is relevant to the communities and constituencies in which we function.

Our womens' network 'Wired Women' enables women employees in various aspects of their professional and personal lives including career development, financial management, work-life balance and social empowerment.

Our business and social responsibilities are closely aligned, yet we believe we have just made a small beginning. We can do more, and we're fully committed to doing just that.

An implicit sense of ethical business conduct has been the cornerstone of Infinite's way on corporate governance. On issues ranging from customer care and business excellence to financial propriety and more, explicit rules and regulations, supplement the traditional values on which we have shaped our Company.

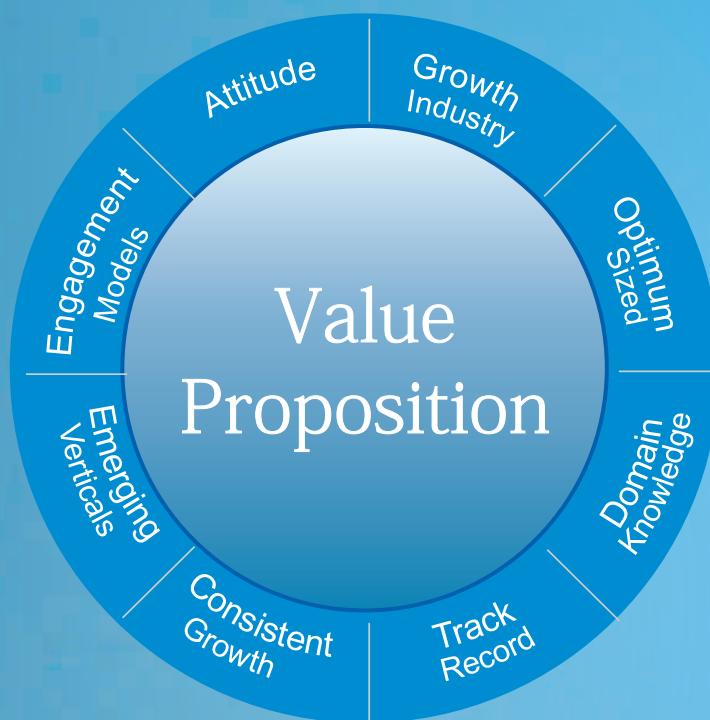
Our essence of corporate governance remains uncomplicated - ethical business behavior in every sphere and with all its constituents is vivid in all our dealings. This crystal-clear characterization has been the bedrock, on which we have built Infinite as an enterprise.



**We at Infinite define our corporate responsibility strategically, which encompasses not only what we do as a Company with our profits, but also how we make them. It goes beyond philanthropy and compliance and addresses how the Company manages its economic, social, and environmental impacts, as well as its relationships in all key spheres of influence**

# Infinite Advantage

Unceasing curiosity and relentless drive, unparalleled technical foundation, direct customer interfaces, global scale and low capital intensity - The Infinite Advantage



With Indian IT industry pegged to grow significantly year on year and off-shoring increasingly being accepted as large global corporations consolidate and review their vendor list, putting higher emphasis on specialization, flexibility, agility & focus, with growth in R&D and IMS Services, the market looks interesting and challenging too.

As the world-wide industry comes out of recession, the outlook for growth of the Indian IT industry looks strong and Infinite is well positioned to grow ahead of the industry average.

Infinite's impressive growth story is based on strong fundamentals viz. our presence in the long-term growth Industry with strong demand for Offshore Application Outsourcing, Infrastructure Management & R&D Services, our optimum-size and a track record of working with large global corporations.

We have achieved substantial and consistent growth in revenues with rapid profit margin expansion. Our enviable client base provides us a great opportunity to significantly increase business from the existing base and also leverage our track record to acquire new clients.

We help clients attain a competitive advantage and gain an unprecedented agility to deal with change with our targeted services, technology expertise, proven quality methodologies and a global delivery model. Our large global clients have gained significantly in terms of revenue, business profitability, faster time-to-market and a well-aligned business growth model, as we collaborate with them.

Each client is different and so are their needs, business objectives and engagement requirements. At Infinite, we understand these nuances and offer the flexibility and a superior level of attention that the client demands.

We have also improved our global differentiators by providing customers across the world with an innovative and unmatched value proposition. As a part of this effort, we have strengthened our software product and intellectual property development initiatives.

Our experienced management team from leading global & Indian telecom & IT companies, an enviable client base, multi-year engagements with very large clients with strong order-book and engagement in areas that are core to our clients, facilitates our growth, thus giving sustainable value prospects to our investors too.

Infinite personifies the Eagle in all its magnificence, elegance, drive and ferocity - its demonstrable characteristics and attitude driven by aggressiveness and agility, decisiveness and prompt execution. It is our belief that our vision and extraordinary insight, ensures the strength in our relationships. Eagle symbolizes the Company's approach to spot and seize opportunities to the best of corporate advantage.

We continue to position ourselves as the alternate service provider by leveraging our experience and broad portfolio of services and Intellectual Property leveraged business models, with a goal to build a high growth Company that is globally admired.

# Infinite Spirit

The ethos, the very spirit of Infinite is ingrained in our attitude and culture, which revolves around our unique characteristics that have defined our path, our progress



## Entrepreneurial Spirit

For Infinite, entrepreneurial management means moving ahead with a clear vision, always seeking new opportunities, to continuously focus on building long term value and always endeavoring to translate complex underpinnings of human motivation and behavior, into enhanced leadership effectiveness and organizational performance.

Since our rapid scale-up phase, we have realized the need to transform attitudes, approach and our people orientation. From being good implementers, to good thinkers and decision makers, we have made that critical transition with our unprecedented levels of synergy between assets, processes and people. We believe essentially in value creation for all our stakeholders- customers, employees and shareholders, as our guiding principle.

We proudly attribute our success to a culture of innate curiosity and an obsession with understanding the customer holistically. Led by our entrepreneurial instinct, we have developed smart, technology-enabled solutions to solve our clients' toughest challenges, demonstrating a commitment to excellence and a passion for exceeding expectations.

## Empowering Spirit

For Infinite as an enterprise, it all begins with a self-conscious effort to build our team, have the right leadership with people who could be innovative, creative and smart about the world we are trying to influence.

Empowering for us is to create a common mindset and culture, a united vision for the future of the enterprise with people who have effective communication abilities, impeccable integrity and diverse experience; those who can understand & appreciate our strategy and can map it out to define the Company's trajectory.

Empowering at Infinite, is to maintain the fantastic camaraderie, the ever-energizing and empowering spirit alive even while scaling up. To carry our vision, ideas, strategy, methods, to those who are one, two, maybe three steps removed – and yet have the ability to create a common set of values and norms that will define us in future. What has become our clearly articulated empowering culture today, is based on what we valued the most over our growing years - leading us into our rituals, celebrations and affirmations.



Our strength lies in knowing each one in the team is a definer and a consumer of our culture- all at the same time, the very reason of our sustenance - the soul of our creation.

## Competitive Spirit

We at Infinite, have keenly differentiated ourselves in multiple aspects from early years into what is now our tenth anniversary. Our differentiators have been driven by our culture of entrepreneurship, where the key stakeholders - the customers, the shareholders and the employees have worked in synergy in an ecosystem, where Intellect, Innovation and Integrity remain equally important to the Company's ethos.

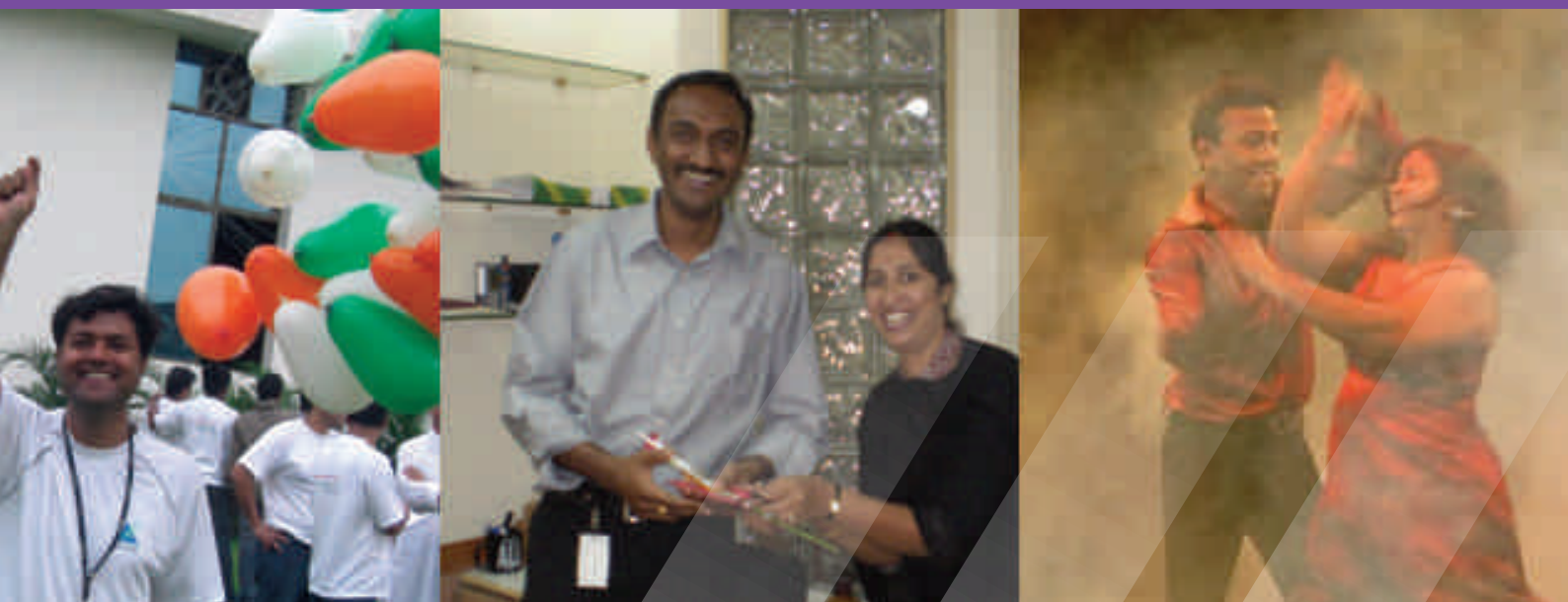
Today we provide a wide range of IT services and have systematically nurtured our growth in a very competitive industry, where quality of services is paramount. We very proudly boast of our enviable track record, while constantly investing in new frontiers and leveraging global clients, with strong local front end large account management strengths and global delivery model.

We believe in innovation to enhance our range of products and services, to provide greater convenience to customers. Despite realizing, measures that improve profitability often hold back top-line growth, while measures that drive revenue growth require investments that can drag down profitability, we have still maintained the right balance to break free and keep up the momentum.

Our success in business and particularly our global exposure, our quality processes focused on making our customers successful, provide us reasons enough to engage innovatively with the world around us, and continue to capitalize on emerging opportunities, across businesses and across geographies.

## Global Spirit

Our global expanse is a competitive advantage, where characteristics of our business allow us to sometimes outperform our competitors. Over the years, Infinite has perfected scalable localization, through enhanced services and strong partnerships across the globe.



Having rallied our business model around large clients, Infinite today is positioned as an alternate service provider with differentiated offerings. Despite tough competition, Infinite has achieved substantial and consistent growth in revenues with rapid profit margins. We aim to be among the most admired companies globally, known for our customer satisfaction, people practices, knowledge management and corporate governance.

With humble beginnings a decade ago, Infinite's journey all along has been exciting and deeply invigorating. Over the years, our core has not changed and our competitive spirit is well entrenched in our high aspirations.

## Innovative Spirit

We have sought to be adaptable and flexible, anticipating and responding to the changing needs of the economy, the dynamic business environment and the expectations of our stakeholders. These values and beliefs continue to be the foundation of our strategy.

Innovative solutions are a means of contributing to the success of our customers, thus our focus is always on the uniqueness in approach. We aim for industry leadership by continuing our investments in developing new businesses, new skills and new markets - being true to our Innovative Spirit.

Infinite today conducts business across three continents, where presence of our local teams is driving scalable growth. Our global diversity is key, as it diversifies revenues and also our risks.

Our competency today is to nurture and cultivate, learn and share the world's best practices from across the Company and around the world.

Through global admiration and in our transformation, we have defined the parameters that have earned us sobriquets'. Infinite will always invest, to win globally and keep our focus on our global business, clients, geographical expanse and diverse work force.

## Celebrative Spirit

A high spirited Company, where people are free to dream, achieve and celebrate, where every day is big, by not just what we do but how we do it. A place, where integrity & trust are at the heart of the informality we cherish. Informality is an operating philosophy, as well as, a cultural characteristic at Infinite.

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## Year at Glance

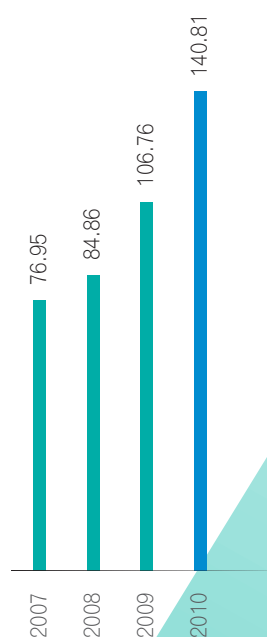
Figures in Rs. Millions, except per share data

Particular	March 31, 2010	March 31, 2009	Growth (%)
<b>For the year</b>			
Income	6663	4961	34
Export income	6374	4653	37
Operating profit (PBIDTA)	1150	641	79
Operating profit / Total revenue (%)	17.25%	12.92%	
Profit after tax and before exceptional item	840	457	84
PAT before exceptional item / Total revenue (%)	12.60%	9.22%	
Profit after tax and exceptional item	792	457	73
PAT after exceptional item / Total revenue (%)	11.88%	9.22%	
Return on average net worth (%)	24.21%	30.02%	
Capital expenditure	507	75	577
Dividend per share (excluding one-time special dividend)	0	0	
Dividend amount (excluding one-time special dividend)	0	0	
One-time special dividend per share	0	0	
One-time special dividend amount	0	0	
EPS before exceptional item (par value of Rs. 10 each)			
Basic	21.40	11.96	
Diluted	21.40	11.96	
<b>End of the year</b>			
Total assets	6541	4112	59
Fixed assets - net	930	485	92
Cash and cash equivalents (including liquid mutual funds)	1313	243	440
Net current assets	1434	770	86
Debt	477	207	131
Net worth	3270	1523	115
Equity	440	382	15
Market capitalization	8390	NA	NA

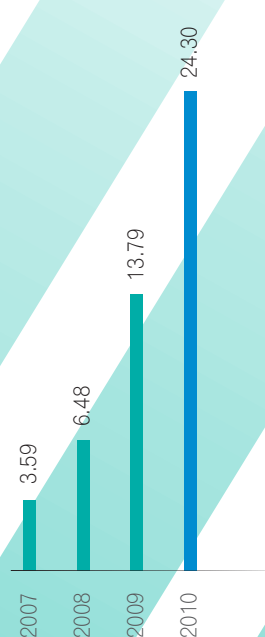
Figures above are based on Consolidated Indian GAAP Financial Statements.

Figures in USD Millions

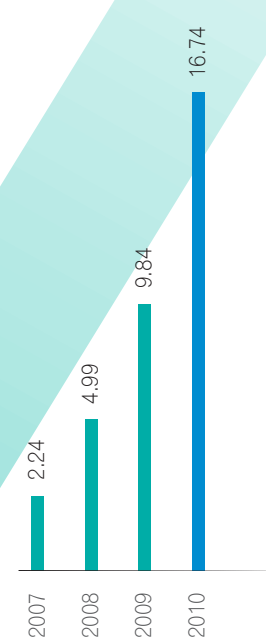
### REVENUE



### EBITDA



### PAT



## Letter to Shareholders

“ At the threshold of the next decade of our being- it’s time to reinvent Infinite. Time to look into our future, equip our strategies with clear focus on priorities and processes. A time for our entrepreneurially brilliant team to transform, to revive and rebuild our capabilities, empower our resilience; strengthen our core competence, plan our robust financial growth with impeccable execution prowess. All this to make the grand leap into the next decade that awaits Infinite’s next moves.”



### Dear Shareholders,

It is a proud and a historic occasion for me to share with you, our shareholders, the first Annual Report of the publicly listed Infinite Computer Solutions (India) Limited. I would like to take this opportunity to thank you for believing in us and making our IPO a success. We are delighted that your Company’s IPO has been inclusive of both small and large investors, with record subscriptions across all portions allocated for respective categories.

As we move in the public domain, we understand our new responsibilities and I would like to reiterate our commitment to all our owners, that Infinite will continue to focus on good governance with integrity, transparency, enhanced communication and will strive to maintain its track record of operating projects in an efficient manner, deliver superior service and continue to grow, using differentiated offerings and business models. We assure you that in pursuing our mission, we will always be mindful of our responsibilities to our shareholders, our employees, our customers and our business partners. With the investments you have made in our tomorrow, we will execute against our stated objectives to further our measure of success. We look forward to a long and hopefully prosperous relationship with you, our new owners.

As this is my first communication to you, I would like to share with you our brief history and the story of our journey thus far. We began our operations in the year 1999, with integrity, transparency and value creation for all our stakeholders as our guiding principles and with hope and confidence, that we will be able to create a differentiated position for ourselves in the market place. Our competency in the telecom domain, gave us the initial headway and remains the major strength of your company even today. While we continue to build our capabilities in the Telecom vertical, we have also expanded our offerings to other industry verticals. Our strong domain knowledge in the Telecom industry has enabled us to steadily increase our offerings from conventional services to higher value added services. This capability has been seamlessly augmented by the integration of the R&D capabilities of Comnet, which your Company acquired in FY 2008. This acquisition brought us the ability to provide software research and development services, as well as full life cycle support for products and systems in the telecom arena.

Today, your Company provides a wide range of Application Management Outsourcing, Infrastructure Management Services and R&D and IP Leveraged Solutions to its clients in select verticals including Telecom, Media, Healthcare, Manufacturing, Energy and

Infrastructure. Our telecom specific offerings include product engineering and lifecycle management services related to telecom equipments used in transmission, switching and operational support systems.

Your Company has in its decade of infancy, developed a quiet recognition for itself with large global clients, by successfully deploying flexible delivery and business models, built on multiple revenue streams. This is demonstrated by a strong track record of sustained and profitable growth that your Company has built with global clients like Verizon, IBM, Fujitsu, Alcatel Lucent, Tellabs, GE, AOL, Motorola, and ACS among others. Your Company has gained credibility with its clients who have strengthened their engagements with us, leveraging our flexibility and attitude to address their specific requirements. We have successfully transitioned our business model to incorporate a strong platform for incremental growth via scalability with our marquee long-term clients to ensure sustained revenue and margin growth.

Our continued focus on and successful engagements with large corporations, has positioned your Company as the alternate service provider to tier 1 IT companies from India. Despite tough competition, we have been able to achieve substantial and consistent growth in revenues with rapid profit margin expansion. We believe, your Company offers the right size, the right commitment, the right expertise and the right focus while partnering with its global clients.

Finally, over the last few years, we also rationalized our business portfolio and decided, to either exit or cap the growth of low margin accounts / businesses including staff augmentation. In addition to the prevailing revenue models in the IT field, your Company also engaged with its customers using high-margin, innovative risk reward, revenue sharing models, thereby enabling closer business alignment between customer's business and our own. This shift is being achieved via a combination of acquiring sustainable revenue generating customer IP in exchange for a revenue share model and our own investment in IP creation that we bundle in our service offerings. This portfolio rationalization impacted our revenue growth but helped increase our profitability quite significantly. Our revenue grew at a CAGR of 24% from FY 07 to FY 10 while our net margin grew at a CAGR of 98% during the same period.

The financial year 2009-10 has been the most remarkable year in your Company's history. It is the year when we started our journey as a publicly listed Company. It has also been the year of growth and consolidation for Infinite. It is heartening that in such a challenging year for the industry, your Company grew its revenue to INR 666.25 crores; a growth of 32% in USD terms and 34.3% in INR terms. We continued to expand our margins and achieved a net margin of INR 79.17 crores; a growth of 71% in USD terms and 73.2% in INR terms.

Besides continuing to focus on growing our existing client relationships in the US, we aggressively diversified into new geographies specially Europe and India, by expanding our relationship with existing global clients as well as acquiring new clients. During the year, we made a strategic acquisition of Intellectual Property and several organic investments for accelerated growth.

We also continued to grow our business with all our large global clients by expanding our existing relationships as well as acquiring new ones. Our largest client grew by 19% and our top ten clients grew by 16%.

Your Company has improved its global differentiators by providing customers across the world with an innovative and unmatched value proposition. As a part of this effort, we have strengthened our services and intellectual property development/acquisition initiatives. Though this industry may still be in its nascent stage, we expect it to evolve as an important driver and the third wave of growth for India's IT industry.

Your company this year also implemented major organization restructuring, entered new market segments, invested in new growth areas while simultaneously strengthening the existing growth engines, set up new business units and new roles for its leaders, as part of its ongoing strategic initiatives to help in sustaining its value creation potential for customers, employees and shareholders alike.

We, the People, of Infinite, have an entrepreneurial zeal to develop our teams and organization in ways that contribute to and reflect upon the essential character and culture of Infinite beyond the affairs of business. Global businesses demand compliance to Corporate Social Responsibility and we've set forth with a mandate, to enable the ecosystem we participate in at corporate and grass roots level to provide assurance and best practices. At an organizational level, the employees continue to give back to the less privileged and to our environment. Infinite teams have supported displaced communities, children's education, earthquake victims and disaster-hit States in coastal India.

I am especially proud of our women's network, Shakti-Sutra, which extends its support in the extended community to hapless women who toil in the hopes of making a living to support their families. The ethos that is promoted by this group is in celebration of the women who stay back as homemakers and supporters and equally, for those who set-up and enrich India with their unique professional contributions.

In a decade of our existence, we have learnt that to build sustainable value, we need to stay close to our customers and constantly reinvent ourselves. We have repeatedly managed our progress by anticipating our future, remaining alert to changing customer needs and emerging market trends and quickly aligning ourselves. Net result of all these initiatives is that your Company now has a strong portfolio of businesses and services, which can lead our growth and create superior value over time. Some of the benefits of the initiatives are beginning to reflect in our operations and operating results.

Looking ahead, we will continue to focus on engaging with large global clients, position ourselves as the alternate service provider by leveraging our track record and our broad portfolio of services and Intellectual Property leveraged differentiated business models. Our goal is to build a high growth company that is admired globally.

As our history will look back, at this remarkable period when an amazing landmark changed everything for us, we now prepare ourselves to continuously chronicle more such groundbreaking achievements and live up to the promise that growing pressure of expectations has now placed on us. We shall strive to live up to our vision with a degree of excellence that has shaped us, strengthened us and distinguished us. It shall be your Company's targeted goal to maintain a degree of excellence, as we venture into our next decade.

Even though our journey of transformation has just begun, with our dream of leadership far from fulfilled, I am confident many of you, as our long-term partners, will witness our transformation, as we move forward together.

Upinder Zutshi  
Managing Director & CEO

# Infinite Board

Mr. Sanjay Govil ▶  
Promoter and Non-Executive Chairman

Mr. Upinder Zutshi  
Managing Director ▼



▲  
Cmdr. Navin Chandra  
Whole-Time Director

▲  
Mr. N. K. Agrawal  
Independent Director



◀  
Mr. Ravindra Turaga  
Independent Director



◀  
Mr. Ajai Kumar Agrawal  
Independent Director



## Infinite Leaders



Mr. Upinder Zutshi  
MD & CEO



Mr. Neeraj Tewari  
President & COO



Mr. Ravi  
Ravichandran,  
President - Comnet



Mr. Rohan Rodrigues  
EVP, Global Head-  
Non Telecom BU



Ms. Aparna Challu  
SVP, Global Head-  
IMS BU



Mr. Vabhav  
Bhatnagar  
SVP, Global Head-  
Telecom BU



Mr. Sanjeev Gulati  
SVP - Finance



Mr. Ashoka Tankala  
SVP- Finance &  
Operations USA



Mr. Rajan N V  
SVP - Operations  
India



Mr. Sunil Kand  
SVP - Business  
Excellence



Mr. Pankaj Jaiswal  
VP- Global Head-  
Energy & Utilities BU



Mr. Vamsee Chepur  
VP - Verizon BU



Mr. Subbarao Badeti  
AVP - IBM BU



Mr. Michael Bonn  
VP - R&D Services



Mr. Kanthasamy  
Pandian  
VP-Delivery & Sales -  
Comnet



Mr. Sanjay Koul  
VP - Operations  
Fujitsu GDC



Mr. John Antuna  
VP - R&D Services



Mr. S. K. Mishra  
VP - Compliance



Ms. Meenakshi  
Chopra  
AVP - Quality



Mr. Manish Agarwal  
AVP - Corporate  
Functions



Mr. Srinivas  
Vadlamani  
AVP - Resource  
Mgmt. US



Mr. Guruprasad  
Subbarao  
AVP - ESG



Mr. Rajat Kalra  
Company Secretary

## Directors' Report

### To the Members,

Your Directors take pleasure in presenting the 11th Annual Report and Audited Accounts of the Company for the year ended March 31, 2010.

### Financial Results

#### Consolidated Financials of the Company and its Subsidiaries

	Amount in Rs. Millions	
	March 31, 2010	March 31, 2009
Total Sales and Income	6,662.50	4,960.73
Total Expenses	5,525.56	4,334.88
Total Income before Tax & Depreciation	1,136.94	625.85
Depreciation	65.57	48.21
Profit/(Loss) before Tax (PBT)	1,071.37	577.64
Profit/(Loss) after Tax (PAT)	791.66	457.22

#### Standalone Financials of the Company

	Amount in Rs. Millions	
	March 31, 2010	March 31, 2009
Total Sales and Income	1,877.93	1,367.63
Total Expenses	1,225.21	887.70
Total Income before Tax & Depreciation	652.72	479.93
Depreciation	42.08	36.36
Profit/(Loss) before Tax (PBT)	610.64	443.57
Profit/(Loss) after Tax (PAT)	439.23	368.87

### Result of Operations

#### Consolidated Accounts

Consolidated revenue for the fiscal year 2009-10 was Rs. 6,662.50 million, a growth of 34 % over the previous year. Net Profit before Tax grew by 85 % to Rs. 1,071.37 million. Net Profit after Tax increased by 73 % to Rs. 791.66 million.

#### Standalone Accounts

Standalone revenue for the fiscal year 2009-10 was Rs. 1,877.93 million, a growth of 37 % over the previous year. Net Profit before Tax grew by 38 % to Rs. 610.64 million. Net Profit after Tax increased by 19 % to Rs. 439.23 million.

### Dividend

After careful assessment of the funds required by the Company for expansion, your Directors have recommended that the earnings of the Company are to be ploughed back and hence do not wish to recommend any dividend for the Financial Year ended March 31, 2010.

### Initial Public Offering (IPO)

During the year under review, your Company completed its Initial Public Offering (IPO) for 1,15,03,000 equity shares of Rs.10/- each, comprising of a fresh issue of 57,33,600 equity shares and an offer for sale of 57,69,400 equity shares by WhiteRock Investments (Mauritius) Limited, Mr. Vaibhav Bhatnagar and Mr. Sanjay Govil, through the Book Building Process. The Issue constituted 26.17 % of the fully diluted post issue paid-up capital of the Company. The issue was offered at a price band of Rs. 155/- to Rs. 165/-, and the issue price was fixed at Rs. 165/- per share.

Your Directors would like to state with great pleasure that the issue received an overwhelming response from the investing community and was oversubscribed by over 36 times with the QIB portion getting oversubscribed by 35.07 times, HNI portion by 98.04 times and the Retail portion by 10.77 times.

The shares were allotted on January 27, 2010 and trading in shares commenced on February 03, 2010 at the Bombay Stock Exchange and The National Stock Exchange of India.

Post the IPO the paid up equity share capital of the Company stands at Rs. 439,599,950/- consisting of 43,959,995 equity shares of Face Value of Rs. 10/- each.

The details pertaining to the utilization of the IPO Proceeds till March 31, 2010 are provided in the notes forming part of the annual accounts of the Company.

### Incorporation of a Wholly Owned Subsidiary

Infinite Convergence Solutions Inc, was incorporated during the year as a Wholly Owned Subsidiary of the Company, to enter into a strategic alliance with Motorola, to further develop and support Motorola's software enabled short message service (SMS) and multi-media messaging service (MMS) messaging solutions.

Mr. Sanjay Govil, Chairman of your Company, was nominated and appointed as a Director of the new subsidiary.

### Directors

Pursuant to Section 256 and Article 145 of Articles of Association of the Company, Mr. Narendra Kumar Agrawal retires by rotation and being eligible offers himself for re-appointment.

None of the Directors of the Company is disqualified in terms of Section 274(1)(g) of the Companies Act, 1956 and the Rules made thereunder.

Brief resume and other details related to the Director who is to be re-appointed as stipulated under Clause 49(IV)(G) of the Listing Agreement is furnished in the Notice convening the Eleventh Annual General Meeting of the Company.

### Subsidiaries

For the Financial Year ended March 31, 2010, the Company has following subsidiaries:

- (i) Infinite Computer Solutions Inc., USA
- (ii) Infinite Computer Solutions Pte. Ltd., Singapore
- (iii) Infinite Computer Solutions Sdn. Bhd., Malaysia



- (iv) Infinite Computer Solutions (Shanghai) Co. Ltd., China
- (v) Infinite Computer Solutions Limited., UK
- (vi) Infinite Australia Pty. Ltd., Australia
- (vii) Comnet International Company; USA (Wholly owned subsidiary of Infinite Computer Solutions. Inc. USA)
- (viii) India Comnet International Private Limited (Wholly owned subsidiary of Comnet International Company, USA)
- (ix) Infinite Data Systems Private Limited, India
- (x) Infinite Infosoft Services Private Limited, India
- (xi) Infinite Data Systems UK Limited. (Wholly owned subsidiary of Infinite Data Systems Private Limited)
- (xii) Infinite Convergence Solutions, Inc., USA

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Directors' Report, Balance Sheet and Profit & Loss Account of its subsidiaries. The Company had applied to Ministry of Corporate Affairs seeking exemption from such attachment, as the Company presents the audited consolidated financial statements in the Annual Report. The Ministry of Corporate Affairs has granted exemption from complying with Section 212. Accordingly, the Annual Report does not contain the financial statements of these subsidiaries. The Company will make available the audited annual accounts and related information of the subsidiary companies, where applicable upon request by any investor of the Company and of its subsidiary companies. These documents will also be available for inspection during business hours at the registered office of the Company and that of the subsidiary companies concerned. The Company has given the necessary details requested by the Ministry of Corporate Affairs along with the statement regarding Subsidiary Companies under Section 212 of the Companies Act, 1956, elsewhere in the Annual Report for this Financial Year 2009-10.

## Corporate Governance

The report of Board of Directors of the Company on Corporate Governance is given as a separate section titled "Report on Corporate Governance" which forms part of this Annual Report.

Certificate of the Statutory Auditors of the Company regarding compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges is annexed with the Corporate Governance Report.

## Management Discussion and Analysis

A detailed review of the operations, performance and future outlook of the Company and its business is given in the Management Discussion and Analysis, which forms part of this Annual Report.

## Fixed Deposits

Your Company has not accepted any deposits during the year under review and, as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

## Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed, and that no material departures have been made from the same.
- (b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (d) they have prepared the annual accounts on a going concern basis.

## Auditors

M/s. Amit Ray & Co., Chartered Accountants, the auditors of your Company who retire in the forthcoming Annual General Meeting, being eligible, offer themselves for re-appointment. A Certificate under Section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them.

Further the Auditors Report being self explanatory, does not call for any further comments by the Board of Directors.

## Information Pursuant to Section 217(2A) of the Companies Act, 1956

As required under the provisions of Section 217(2A) of the Companies Act 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended, the names and other particulars of employees are set out in the Annexure and forms an integral part of this Report.

## Conservation of Energy and Technology Absorption

In view of the nature of activities that are being carried on by your Company, Rules 2A and 2B of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988, concerning conservation of energy and technology absorption, respectively, are not applicable to your Company. Your Company being a software solutions provider requires minimal energy consumption and every endeavor has been made to ensure the optimal use of energy, avoid wastage and conserve energy as far as possible.

## Foreign Exchange Earnings and Outflows

The information on Foreign Exchange earnings & outgo is included in Note 5 & 6 under the heading "Additional Information pursuant to the provisions of Part II of Schedule VI of the Companies Act, 1956" of the Notes to Accounts to the Balance Sheet.

## Additional Information-Balance Sheet Abstract and Company's General Business Profile.

Information pursuant to the Department of Company Affairs notification dated May 15, 1995, relating to Balance Sheet Abstract and Company's general business profile, is provided in the Annual Report for your information.

## Acknowledgement

Your Directors wish to place on record their appreciation to the contribution made by the employees of the Company and its subsidiaries during the year under review. Your Company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your

Directors thank the customers, clients, vendors and other business associates for their continued support towards the Company's growth. The Directors also wish to thank the Government Authorities, Financial Institutions and Shareholders for their cooperation and assistance extended to the Company.

Place : Bangalore  
Date : May 12, 2010

**For and on behalf of the Board of Directors**

**(Upinder Zutshi)**  
Managing Director

**(Navin Chandra)**  
Wholetime Director

## Annexure to Directors' Report

Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies Particulars of Employees Rules, 1975 and forming part of the Directors' Report for the year ended March 31, 2010

S.No.	Name	Age (Yrs)	Qualifications	Experience in years	Date of Joining	Designation	Gross Remuneration	Previous Employment
<b>A</b>	<b>Employed for part of the year</b>							
1	Sunil Kand	45	Master of Engineering (Computers)	22	24-Aug-09	Sr. Vice President - Business Excellence	2,576,549	Tech Mahindra Ltd.
<b>B</b>	<b>Employed throughout the year</b>							
2	Guruprasad Rao	43	B.E. Computers	22	4-Aug-03	Assistant Vice President	2,657,116	AG Technologies
3	Manish Agarwal	39	Advance Diploma in Systems Mgmt	17	29-Aug-00	Assistant Vice President	3,277,628	Carrier Aircon Ltd., ICS, US
4	Pankaj Jaiswal	42	B.E. (Electronics)	22	15-Nov-06	Vice President & Head Enterprise Solutions	4,946,612	Intel Corp
5	Rajan N.V.	51	PGD (PM & IR)	25	5-Oct-06	Senior Vice President - Human Resources	4,090,613	Future Software Ltd.
6	Rohan Rodrigues	39	B.E. (Industrial)	16	8-Oct-01	Executive Vice President - Sales & Business Development	7,582,535	Thermax Ltd.
7	Sanjeev Gulati	52	B.Com. (Hons), CA, PGDBA	28	1-Jan-07	Senior Vice President - Finance	4,070,346	Khanna Gulati & Associates
8	Shankar Bhatt	46	PGDCA	21	2-May-05	Assistant Vice President	2,662,364	EDS India Ltd.
9	Upinder Zutshi	48	B.E. (Hons)	26	1-Feb-03	Managing Director	15,475,000	Velocient Technologies Inc.

### Notes:

1. Remuneration comprises basic salary, allowances incentive and taxable value of perquisites.
2. All appointments are contractual and other terms and conditions are as per Company rules.
3. None of the employees are related to any Director of the Company
4. None of the employees except Mr. Upinder Zutshi hold by himself or along with his spouse and dependent children 2% or more of equity shares of the Company.
5. None of the above other than Mr. Upinder Zutshi are Directors on the Board of the Company.
6. Designation indicates nature of duties.

Place : Bangalore  
Date : May 12, 2010

For Infinite Computer Solutions (India) Limited

**(Upinder Zutshi)**  
Managing Director

**(Navin Chandra)**  
Wholetime Director

## Report on Corporate Governance

### Company's philosophy on Code of Corporate Governance

Infinite's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, accountability and equity in all facets of its operations and its interaction with its stakeholders including shareholders, employees, lenders and the Government. The Company's philosophy is built on a rich legacy of fair and transparent governance and disclosure practices, many of these were in existence even before they were mandated by the legislation. The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the Company endeavors continuously to improve upon these aspects. This is done by adopting innovative approaches for leveraging resources and converting opportunities into achievements through proper empowerment and motivation, thereby fostering a healthy growth and development of its human resources.

#### I. Board of Directors

##### A. Composition of Board

Your Company's Board has an optimum combination of Executive, Non-Executive and Independent Directors with considerable experience in their respective fields. Your Company has a Non-Executive Chairman who is also the Promoter of the Company and the number of Independent Directors are three, which is half the total strength of the Board as required under the provisions of the Listing Agreement.

The composition of our Board and the number of Directorships held by each Director is detailed below in Table 1.

##### B. Non Executive Directors' Compensation and Disclosures

Non-Executive Directors are not entitled to any remuneration except sitting fees being paid to Independent Directors for attending the Board and Committee Meetings. The details of the sitting fees paid for the Financial Year 2009-10 and the number of

shares held by the Non-Executive Directors in the Company is as follows:

Table 2

Name of the Director	Sitting Fee (in Rs.)	No. of Shares held
Mr. Sanjay Govil	-	25,831,436
Mr. Ravindra RamaRao Turaga	1,20,000	NIL
Mr. Narendra Kumar Agrawal	1,30,000	NIL
Mr. Ajai Kumar Agrawal	1,10,000	NIL

#### C. Other provisions as to Board and Committees

##### 1. Board Meetings Schedule

The Board meets atleast four times a year and the maximum gap between two meetings is not more than four months. During the Financial Year 2009-10, Nine Board Meetings of the Company were held on May 27th, July 10th, August 07th, November 03rd, December 28th, 2009, January 08th, January 15th, January 27th and February 23rd, 2010.

Table 3

Attendance of Directors at Board Meetings and at the Annual General Meeting (AGM)		
Name of the Director	No. of Board Meetings Attended	Whether Attended the AGM held on August 25, 2009
Mr. Sanjay Govil	2	No
Mr. Upinder Zutshi	8*	Yes
Cmdr. Navin Chandra	9	Yes
Mr. Ravindra RamaRao Turaga	8	Yes
Mr. Narendra Kumar Agrawal	8	Yes
Mr. Ajai Kumar Agrawal	9	Yes

\*In addition, participated in one meeting through teleconference.

Table 1

Name of the Director	Category	Number of Directorships held in other companies*	Number of Board Committee memberships held in other companies	Number of Chairmanship of Board Committees held in other companies
Mr. Sanjay Govil, Promoter & Chairman	Non-Executive	-	-	-
Mr. Upinder Zutshi, CEO & Managing Director	Executive	3	-	-
Cmdr. Navin Chandra, Whole Time Director	Executive	3	-	-
Mr. Ravindra RamaRao Turaga	Independent	-	-	-
Mr. Narendra Kumar Agrawal	Independent	-	-	-
Mr. Ajai Kumar Agrawal	Independent	-	-	-

\*excludes Private, Foreign Companies and Companies registered under Section 25 of the Companies Act, 1956.

As of March 31, 2010 none of the Directors are related inter-se.

## 2. Membership of Board Committees

None of the Directors of the Company hold membership of more than ten committees nor is any Director a Chairman of more than five committees of boards of all the Companies where he holds Directorships. (Please refer Table No. 1 for the details about their Committee Memberships)

## 3. Review of Compliance Reports

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any.

## 4. Code of Conduct

The Company has adopted a Code of Conduct for its Board Members and Key Managerial Personnel (KMP) and this Code has been posted on the Company's website. All the Board Members and KMP's affirm the compliance with the Code on an annual basis and a declaration to this effect signed by the Managing Director & CEO is provided elsewhere in this Annual Report.

## II. Committees of the Board

Currently, the Board of the Company has three sub-committees namely Audit Committee, Remuneration Committee and Shareholders'/Investors' Grievance Committee. All these committees are Chaired by an Independent Director.

Draft minutes of the meetings are circulated to the members of the committees for their comments and thereafter, confirmed in the next meeting. The Board of Directors of the Company also take note of the minutes of the committee meetings at its meetings.

### A. Audit Committee

Audit Committee comprises of four directors of whom two-thirds including the Chairman are Independent Directors. The Chairman of the Committee is Mr. Ravindra RamaRao Turaga. He is a member of the Institute of Chartered Accountants of India and into practice since last 29 years. He heads a practicing CA firm T. Rama Rao & Co., providing professional services in the field of Audit, Taxation, Accountancy, Company Law, Finance, Investments and Capital Market Services

The terms of reference and role of the Audit Committee are as per the provisions set out in the Listing Agreement of the Stock Exchanges read with Section 292A of the Companies Act, 1956 and includes such other functions as may be assigned to it by the Board, from time to time.

The Company invites such executives as it considers appropriate, to be present at the Audit Committee meetings. The Sr. Vice President Finance ( "Head of Finance" ), Statutory and the Internal Auditors are invited to attend and participate in these meetings. The Company Secretary of the Company acts as the Secretary to the Committee.

### Powers of the Audit Committee

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

## Terms of Reference of the Audit Committee

- i) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- ii) Recommending the appointment, reappointment and removal of external auditor, fixation of audit fee and also approval for payment for any other services.
- iii) Reviewing with management, the annual financial statements before submission to the board, with particular reference to:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act.
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by the management.
  - d) Significant adjustments made in the financial statements arising out of audit findings.
  - e) Compliance with listing and other legal requirements related to financial statements.
  - f) Disclosure of any related party transactions.
  - g) Qualifications in the draft audit report.
- iv) Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- v) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- vi) Reviewing with the management, performance of statutory and internal auditors and the adequacy of internal control systems.
- vii) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- viii) Discussing with internal auditors any significant findings and follow up thereon.
- ix) Reviewing the findings of any internal investigations by the internal auditors into matters, where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- x) Discussing with statutory auditors before the audit commences, nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.

- xi) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- xii) To review the functioning of the Whistle Blower Mechanism, in case the same exists.
- xiii) Any other function(s)/responsibilities as may be delegated by the Board from time to time.

## Composition

The Board of Directors in their meeting held on February 23, 2010 reconstituted the Audit Committee by inducting Mr. Ajai Kumar Agrawal, Independent Director as a Member of the Committee.

The composition of the Audit Committee is as follows:

Table 4

Name of the Director	Category of Director	Chairman/Member
Mr. Ravindra RamaRao Turaga	Non Executive Independent Director	Chairman
Mr. Narendra Kumar Agrawal	Non Executive Independent Director	Member
Mr. Ajai Kumar Agrawal	Non Executive Independent Director	Member
Cmde. Navin Chandra	Executive Director	Member

## Meetings of the Committee

During the Financial Year 2009-10, three meetings of the Committee were held on July 10, November 03, 2009 and January 27, 2010.

Table 5

Name of the Member	No. of meetings attended
Mr. Ravindra RamaRao Turaga	3
Mr. Narendra Kumar Agrawal	3
Cmde. Navin Chandra	3

## B. Remuneration Committee

### Terms of Reference

- i. Deciding the Company's policy on remuneration packages for Executive Directors including pension rights and any compensation payment
- ii. Reviewing the remuneration policy followed by the Company, taking into consideration the performance of senior executives on certain parameters.
- iii. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended by the Remuneration Committee.

### Remuneration Policy

The Remuneration Policy of the Company for managerial personnel is based on the following criteria:

- Performance of the Company, its division and units;

- Track Record, potential and performance of individual managers and
- External Competitive Environment

## Composition & Attendance

The composition of the Remuneration Committee is as follows:

Table 6

Name of the Director	Category of Director	Chairman/Member
Mr. Narendra Kumar Agrawal	Non Executive Independent Director	Chairman
Mr. Ravindra RamaRao Turaga	Non Executive Independent Director	Member
Mr. Ajai Kumar Agrawal	Non Executive Independent Director	Member

During the Financial Year 2009-10, one meeting of the Remuneration Committee was held on July 10, 2009 which was attended by all its members

## C. Shareholders'/ Investors' Grievance Committee

### Terms of reference

- i. To approve share transfers and transmissions.
- ii. To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of split/consolidated certificates.
- iii. Issue of duplicate share certificates in lieu of lost, mutilated and destroyed certificates.
- iv. Matters related to dematerialization of shares and securities.
- v. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interests, non receipts of balance sheet etc or any other matter as the Board may think fit/delegate to the Committee.

## Composition and Attendance

The Board of Directors in their meeting held on February 23, 2010 reconstituted the Shareholders'/Investors' Grievance Committee by inducting Mr. Ravindra RamaRao Turaga, Independent Director as a Member of the Committee.

The composition of the Shareholders'/Investors' Grievance Committee is as follows:

Table 7

Name of the Director	Category of Director	Chairman/Member
Mr. Ajai Kumar Agrawal	Non Executive Independent Director	Chairman
Mr. Narendra Kumar Agrawal	Non Executive Independent Director	Member
Mr. Ravindra RamaRao Turaga	Non Executive Independent Director	Member
Cmde. Navin Chandra	Executive Director	Member

During the Financial Year 2009-10, one meeting of the Shareholders'/ Investors' Grievance Committee was held on July 10, 2009 which was attended by all members.

Mr. Sanjeev Gulati, Sr. Vice President Finance acted as the Compliance Officer and Mr. Rajat Kalra as the Company Secretary of the Company for the Financial Year 2009-10.

### III. Subsidiary Companies

The Company does not have any material non-listed Indian Subsidiary, whose turnover or net worth exceeds 20% of the consolidated turnover or net worth respectively of the Company.

However the Company does provide updates on major decisions of its unlisted subsidiary companies to the Audit Committee. The minutes of the unlisted subsidiary companies, wherever applicable, as also any significant transaction or arrangement entered into by any of its unlisted subsidiary companies, are placed before the Board for its noting.

### IV. Disclosures

#### A. Basis of Related Party Transactions

The related party transactions are placed before quarterly audit committee meetings.

#### B. Disclosure of Accounting Treatment

The Company has not followed any differential treatment from that prescribed under accounting standards, for preparation of financial statements during the year.

#### C. Board Disclosures – Risk Management

The Company has laid down systems to inform Board about the risk assessment and minimization procedures. The risks and Company's mitigation strategies are periodically discussed and reviewed by Board of Directors to ensure effective controls.

#### D. Proceeds from Public Issues, Rights Issues, Preferential Issues etc

The details pertaining to the utilization of the proceeds of the fresh issue of equity shares under the Initial Public Offering of the Company in the Financial Year 2009-10 are specified herein below:

Particulars	Projection in Prospectus	Actual Funds utilized till March 31, 2010
Capital Expenditure	257.45	-
Acquisition(s)	380.00	232.3
Repayment of Debt	84.97	70.00
General Corporate Purposes	225.00	-
Expenses related to Fresh Issue	71.86	70.72
Internal Accruals (Balancing Figure)	-	72.86
Amount Invested in Mutual Funds	-	572.75
Amount kept in a Separate Bank Account	-	0.65
<b>TOTAL</b>	<b>1019.28</b>	<b>1019.28</b>

### E. Remuneration of Directors

The table below shows the amount paid to the Executive Directors of the Company for the Financial Year 2009-10:

Table 9

Name	Upinder Zutshi	Navin Chandra
Designation	Managing Director	WholeTime Director
Salary & Allowances	76,00,000	12,00,000
Bonus/Performance Incentive	78,75,000	-
Perquisites	-	-
Retiral Benefits*	9,360	-
Stock Options	-	-
Tenure	Upto March 31, 2013	Upto March 31, 2011
Notice Period & Severance Pay	2 months notice period & severance pay of 12 months salary plus 1.5 months salary, for every year of service from start day of this employment contract i.e April 01, 2008	2 months notice period with no severance pay

\*The above figures do not include provisions for encashable leave, gratuity and premium paid for Group Health Insurance as separate actuarial valuation/premium paid is not available.

Non-Executive Directors are not entitled to any remuneration except sitting fees being paid to Independent Directors for attending the Board and Committee Meetings. The details of the number of shares held by the Non Executive Directors are mentioned in Table 2.

### F. Management

A detailed report on Management Discussion and Analysis is given as a separate section in this Annual Report.

During the year, there have been no material, financial and commercial transactions made by the management, where they have personal interest that may have a potential conflict with the interest of the Company at large.

### G. Shareholders

#### (i) Disclosure regarding appointment or re-appointment of Directors

According to the provisions of the Companies Act, 1956 and Articles of Association of the Company, one-third of the Directors retire by rotation and if eligible offer themselves for re-appointment at the Annual General Meeting. Accordingly Mr. N.K. Agrawal, Director of the Company shall retire at the ensuing Annual General Meeting of the Company. The Board has recommended his re-appointment to the shareholders for their approval.

Detailed resume of Mr. N K Agrawal is provided in the notes appended to the Notice of the Annual General Meeting under the heading “Details of Director seeking re-appointment in the Eleventh Annual General Meeting pursuant to Clause 49 of the Listing Agreement.”

#### (ii) Communication to Shareholders

The Company’s quarterly financial results and any presentation made to the analysts are posted on the Company’s website (www.infinite.com). The quarterly financial results are generally published in the Economic Times and Navbharat Times. Financial Results and all material information are also regularly provided to both the Stock Exchanges.

#### (iii) General Body Meetings

Details in respect of the last three Annual General Meetings (AGMs) of the Company are as mentioned in Table 10.

#### (iv) Special Resolution through Postal Ballot

During the last year, no resolution was passed through postal ballot and presently, no resolution has been proposed to be passed through postal ballot.

#### (v) The details of Shareholders'/Investors' Grievance Committee is given elsewhere in this Report.

#### (vi) The details of Share Transfer Systems is given elsewhere in this Report.

### H. Details of Non-Compliance

There were no non-compliances by the Company, nor were any penalty, strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the period from February 03, 2010 (date of listing of the Company’s equity shares on the Stock Exchanges) to March 31, 2010.

### V. Disclosures

As required under Clause 49 of the Listing Agreement, the CEO/Sr. Vice President Finance ( “Head of Finance” ) Certificate to the Company’s Board is given elsewhere in this Annual Report.

### VI. Compliance

The Company has disclosed all the mandatory requirements under Clause 49 of the Listing Agreement.

Among the non-mandatory requirements, the Company has set up a Remuneration Committee. There are no Audit Qualification in the Company’s Financial Statements and the Company has an established Whistle Blower Mechanism in place and no person has been denied access to the Audit Committee.

Table 10

Year	Date of AGM	Venue	Time	Special Resolutions Passed
2006-2007	September 28, 2007	155, Somdutt Chambers-II, 9, Bhikaji Cama Place, New Delhi - 110066	3:00 P.M.	No Special Resolution Passed
2007-2008	September 24, 2008	201, Mohta Building, 4, Bhikaji Cama Place, New Delhi - 110066	12:00 Noon	No Special Resolution Passed
2008-2009	August 25, 2009	Parkland Hotel & Resorts, A-2/5, Safdarjang Enclave, New Delhi-110029	4:00 P.M.	No Special Resolution Passed

## GENERAL SHAREHOLDER INFORMATION

1	Date of Incorporation	: : September 06, 1999
2	Registration No./CIN No.	: : U72200DL1999PLC171077
3	Corporate Office Address	: : Plot No. 157, EPIP Zone, Phase II, Whitefield, Bangalore-560066
4	Registered Office/Address for Correspondence	: : 155, Somdutt Chambers II, 9, Bhikaji Cama Place, New Delhi-110066 Tel No.: 011-46150845,46,47; Fax No.: 011-46150830; Email Id: shareholder@infinite.com; Website: www.infinite.com
5	Date, Time and Venue of 11th AGM	: : August 09, 2010; 10.00 A.M. Air Force Auditorium, Subroto Park, New Delhi-110010
6	Book Closure Dates	: : August 02, 2010 to August 09, 2010 (both days inclusive)
7	Dividend Payment Date	: : Not Applicable
8	Financial Year	: : April 01, 2009 – March 31, 2010



9	Financial Calendar for 2010-11 (tentative and subject to change)	:	Financial reporting for the first quarter ending June 30, 2010	July 30, 2010
		:	Financial reporting for the second quarter ending September 30, 2010	October 29, 2010
		:	Financial reporting for the third quarter ending December 31, 2010	January 31, 2011
		:	Financial reporting for the year ending March 31, 2011	May 13, 2011
		:	Annual General Meeting for the year ending March 31, 2011	August 2011

10	Listing on Stock Exchanges: The shares of the Company are listed on the following Stock Exchanges			
	The Bombay Stock Exchange Limited	:	Stock Code: 533154	
	National Stock Exchange of India Limited	:	Stock Code: INFINITE	
	ISIN Number of the Company	:	INE486J01014	
	The Company has paid the Annual Listing Fee for the Financial Year 2010-11 to both the Stock Exchanges.			

11	Registrar and Transfer Agent (For share transfers and other communication related to share certificates and change of address)	:	Bigshare Services Private Limited E-2, Ansa Industrial Estate, Sakivihar Road Sakinaka, Andheri (E) Mumbai-400 072 Tel: 022-4043 0200 Fax: 022-2847 5207 Contact Person: Mr. Ashok Shetty Email: info@bigshareonline.com
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12	Share Transfer System		With a view to expedite the process of share transfers, the Shareholders'/Investors' Grievance Committee of the Company has delegated the power of Share Transfer to some of the Directors with appropriate individual limits. The delegated Director(s) attend(s) to and approves the share transfers received by the Company, on atleast once a fortnight basis, and reports the same to the Shareholders'/Investors' Grievance Committee at their periodical meetings.
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13	Dematerialization of Equity Shares	:	The shares of the Company are compulsorily traded in dematerialized form and are available for trading in the depository systems of both NSDL & CDSL. As of March 31, 2010, 39,505,817 equity shares of the Company, forming 89.87% of the share capital of the Company, stands dematerialized.
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14	Shareholding Pattern of the Company as of March 31, 2010		
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Category of Shareholders	No. of Shares Held	% to total
Promoters	28,053,595	63.82
Corporate Bodies	811,721	1.85
Foreign Inst. Investors	7,026,780	15.98
Mutual Funds	1,741,722	3.96
Non Resident Indians	1,828,379	4.16
Indian Public & Others	4,497,798	10.23
<b>TOTAL</b>	<b>43,959,995</b>	<b>100.00</b>

15: Distribution Schedule as of March 31, 2010

No. of Shares			No. of Shareholders	% to total	No. of Shares	% to total
1	-	500	16,742	95.66	1,223,556	2.78
501	-	1000	399	2.28	291,937	0.66
1001	-	2000	135	0.77	198,890	0.45
2001	-	3000	44	0.25	110,505	0.25
3001	-	4000	30	0.17	100,680	0.23
4001	-	5000	25	0.14	118,419	0.27
5001	-	10000	35	0.20	257,369	0.59
10001	-	& above	91	0.52	41,658,639	94.76
<b>TOTAL</b>			<b>17,501</b>	<b>100</b>	<b>43,959,995</b>	<b>100.00</b>

16: Shareholder Complaints received during the year 2009-10

The Company gives utmost priority to the interests of the shareholders. All the requests/complaints of the shareholders have been resolved to the satisfaction of the shareholders within the statutory time limits. The status of the shareholders complaints received during the financial year are as follows:

Source of Complaint	Received	Resolved
Directly from the Investors	35	35
Through SEBI and Stock Exchanges	10	10
<b>Total</b>	<b>45</b>	<b>45</b>

17: Details of shares held in Suspense Account

Pursuant to Clause 5A of the Listing Agreement, every Company that comes with a Public Issue/Initial Public Offering (IPO) shall make the following disclosure of shares, which remain unclaimed and lie in the escrow account of the Company:

S. No.	Description	No. of Shareholders	No. of Shares.
1	Aggregate No. of shareholders & shares pending after the allotment of shares on January 27, 2010	414	20,889
2	No. of shareholders who approached for transfer of shares from suspense account during the year	374	18,977
3	No. of shareholders and shares transferred from suspense account during the year	374	18,977
4	No. of shareholders and shares outstanding at the end of year.	40	1,912

The voting rights on these shares shall remain frozen till the rightful owners of such shares claim the shares.

18: Stock Market Data

The equity shares of the Company got listed on February 03, 2010 on The Bombay Stock Exchange Limited and National Stock Exchange of India Limited. The monthly high, low and the market capitalization of equity shares of the Company traded at The Bombay Stock Exchange Limited and National Stock Exchange of India Limited for the month of February and March 2010 and the comparison of share prices of the Company vis-à-vis the Sensex and Nifty Indices are given hereunder:

Month	Bombay Stock Exchange				National Stock Exchange			
	Sensex	High	Low	M Cap* (Rs. in Mn.)	Nifty	High	Low	M Cap* (Rs. in Mn.)
Feb '10	16430	221.80	178.35	8,636	4922	221.70	170.00	8,618
Mar '10	17528	222.90	190.00	8,390	5249	222.80	190.05	8,383

\* Market Capitalization at closing prices of the month.

19 Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion date and likely impact on equity: There are no outstanding GDRs/ADRs/Warrants or any convertible instruments as of March 31, 2010

20 Plant Locations:

The Company is in software business and does not require any manufacturing plants but has Delivery Centres in India and overseas.

## Auditors' Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

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To the members of  
Infinite Computer Solutions (India) Limited

We have examined the compliance of conditions of corporate governance by Infinite Computer Solutions (India) Limited ( "the Company" ) for the year ended on March 31, 2010, as stipulated in Clause 49 of the Listing Agreement of the Company with the Bombay Stock Exchange and National Stock Exchange of India.

The compliance of conditions of 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 corporate governance. It is neither an audit nor an expression of 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 further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Amit Ray & Co.  
Chartered Accountants**

Place : Bangalore  
Date : May 12, 2010

**C V Savit Kumar Rao**  
Partner  
Membership No: 70009  
Firm ICAI Reg No. 483C

## Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct pursuant to Clause 49 of the Listing Agreement

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I, Upinder Zutshi, Chief Executive Officer and Managing Director of Infinite Computer Solutions (India) Limited ( "the Company" ) confirm that the Company has adopted a Code of Conduct ( "Code" ) for its Board Members and senior management personnel and the Code is available on the Company's website.

I, further confirm that the Company has in respect of the financial year ended March 31, 2010, received from its Board Members as well as senior management personnel affirmation as to compliance with the Code of Conduct.

Place : Bangalore  
Date : May 12, 2010

For Infinite Computer Solutions (India) Limited

**(Upinder Zutshi)**  
CEO & Managing Director

## Certificate by the Chief Executive Officer and Senior Vice President (Finance) pursuant to Clause 49 of the Listing Agreement

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We, Upinder Zutshi, Chief Executive Officer & Managing Director and Sanjeev Gulati, Senior Vice President (Finance) certify that:

- a. We have reviewed financial statements and the cash flow statement for the year March 31, 2010 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statements or omit any material facts 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 have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d. We have indicated to the auditors and the Audit committee that-
  - (i) significant changes, if any, in internal control over financial reporting during the year;
  - (ii) significant changes, if any, in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Bangalore  
Date : May 12, 2010

**Upinder Zutshi**  
CEO & Managing Director

**Sanjeev Gulati**  
Senior Vice President (Finance)

# Management Discussion and Analysis

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## Overview

The financial statements have been prepared in compliance with the requirements of the Companies Act 1956, guidelines issued by Securities & Exchange Board of India (SEBI). 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 related to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner, the form and substance of transactions and reasonably present our state of affairs, profits and cash flows for the year.

## Economic Environment

While robust fundamentals ensured that the recession impact on India was relatively moderate, yet in an increasingly globalised environment, it could not escape declining GDP growth, rising unemployment and weakened consumer demand. However, prompt action by governments across the world and stimulus packages, helped to contain this downfall and make way for revival by the end of 2009.

2009 was also instrumental for more ways than one for the Indian IT industry. While the industry displayed tenacity and resilience, it also commenced its journey to achieve its aspirations in view of the altered landscape. It commenced working on its agenda to diversify beyond core offerings and markets, through new business and pricing models, specialized to provide end-to-end service offerings with deeper penetration across verticals, transformed the process delivery through re-engineering and enabling technology, innovated through research and development, to drive inclusive growth in India by developing targeted solutions for the domestic market.

All these measures, along with India's game changing value proposition have helped India widen its leadership position in the global sourcing market. The advent of 2010 has signaled the revival of outsourcing within core markets, along with the emerging markets increasingly adopting outsourcing for enhanced competitiveness. Key demand indicators such as increased deal flow, volume growth, stable pricing, and faster decision making has made the industry post good results. Though full recovery is expected, development of new growth levers, improved efficiency and changing demand outlook signifies early signs.

India's knowledge sector today offers great opportunity for companies like Infinite to join the high growth trajectory and its future. Though the country recorded more than 7% growth over the last 5 years, the next challenge is inclusive growth. There is scope and opportunities in areas of information technology, knowledge and innovations. Our strong domestic investment drivers will support healthy rates of growth over the long term. Indian economy has weathered the global storm with a high degree of resilience and it is expected to have robust growth ahead of other economies. Against this backdrop, Infinite sees before it a wide opportunity spectrum in infrastructure investment potential and the vast Indian diaspora spanning the globe.

## Industry Outlook

As per NASSCOM, the global technology related spending is expected to grow from 2010 onwards, led by growth in outsourcing adoption and despite the unprecedented economic downturn the IT industry will witness sustainable growth. There will be greater focus on cost and operational efficiencies, which is expected to enhance global sourcing. India Inc would remain focused on tactical measures to achieve cost savings and greater productivity. The Services and Software segments are estimated to cross USD 1.2 trillion by 2012. This is more than the 5.2 per cent growth expected in the total IT spending. The industry will continue to diversify in terms of geographies; verticals and service lines & SMBs are expected to emerge as a significant opportunity due to lower IT adoption currently. Lack of working age population in the developed economies and a significant long term cost arbitrage indicates, India's sustained cost competitiveness and service providers are expected to enhance focus on domestic market to de-risk business and tap into the local growth opportunities.

At this year's NASSCOM India Leadership Forum held in Mumbai in mid-February, officials were cheering about how the industry had triumphed over troubled times and reached its USD 50 billion export target. India's software exports for the year ending March were estimated to total USD 49.7 billion. Export growth in 2009-2010 was expected to be 5.5%. Yet according to NASSCOM, the performance of the industry this year is far stronger than what is reflected in the growth numbers. As for next year, the association reports, software and services export revenues should be up 12% to 15% to around USD 56.57 billion. On the domestic front, growth in 2009-2010 is expected to be much higher, at 12% with revenues expected to reach USD 13 billion and rising 15% to 17% next year.

## Business Overview

The financial year 2010 was great for Infinite as the Company listed on Indian bourses, made remarkable progress in business against the backdrop of a slowly recovering economy. Our limited or no exposure to some of the business sectors that underwent the turmoil made a big difference. Our long term relationships with global large clients- a key attribute of our business model, kept us away from the susceptibility.

During the year, we made a strategic acquisition of Intellectual Property and several organic investments for accelerated growth. As part of the recent acquisition, the Company's wholly owned subsidiary Infinite Convergence Solutions Inc. entered into a strategic alliance with Motorola to further develop and support Motorola's software enabled short message service (SMS) and multi-media messaging service (MMS) messaging solutions.

Under this ten year agreement, the Company has acquired a non-transferable, non-assignable, royalty bearing, world-wide non-exclusive license to Motorola's messaging product solutions, in order to reproduce and prepare derivative works of the base license product for the purpose of developing an application product and related services to be sold as a licensed

implementation to Motorola, its clients and third parties. Title to, and the intellectual property ownership of the licensed messaging products remain with Motorola, while we retain all rights, title to, and the intellectual property of all add-on software developed by Infinite.

Motorola and Infinite will share the revenue from the provisions of the messaging platform service to Motorola's current clients and new clients of both Motorola and Infinite, in a pre-defined revenue sharing model. As per our projections, based on the currently available data, our share of revenue per year, in FY 2010-11 is expected to be around USD 20 million, while starting FY 2011-12 it is expected to be upwards of USD 40 million per year.

The increased focus by the Indian enterprises as well as by the Government on IT spends has provided us with an opportunity to cater to the domestic IT market. Our domain knowledge and expertise in the Telecom, Textile and Utility sectors provides us with an opportunity to tap the growing market in India. The Government sector, where we've previously executed complex projects in the State Utilities arena is an area we will continue to tap into, to deliver value and demonstrate capability. We bagged Uttarakand Power Corporation's IT modernization project worth Rs. 125 crores. This project is a part of the larger Restructured Accelerated Reforms Program (R-APDRP), an initiative driven by the Government of India in collaboration with the States. This win testifies our strengths, expertise and track record in the Utility vertical. We are excited to be part of this government initiative that is expected to revolutionize power distribution in the country. We are actively engaged in the bidding process in a number of States and are hopeful of positive results in a few more States.

Our Remote Infrastructure Management Division continued to grow its existing revenue streams as well as acquire new clients. We signed a three-year agreement with iYogi Inc. to set up Service Desk Operations to support iYogi's customers across US, Canada, United Kingdom and Australia. This center is expected to scale between 500 to a 1000 technical support agents in the next twelve months.

Our focus and investment in developing productized solutions for the SME segment in the manufacturing vertical, has in the last year found its niche with our breaking into this segment with an ERP-specific domain competency. During this year, we successfully completed end-to-end implementation of this solution for two of the leading textile manufactures in India.

## Financial Performance

### 1. Share Capital

The authorized share capital of the Company is Rs. 50 crores which includes 4.65 crore equity shares of Rs 10 each and 35 lakh 0% convertible preference shares of Rs 10 each. The paid up share capital stands at Rs. 43.96 crores as on March 31, 2010 compared to Rs. 38.22 crores on March 31, 2009. The increase in paid up capital during the year is due to a fresh allotment of 5,735,952 equity shares on completion of the Company's Initial Public Offering (IPO).

### 2. Reserves and Surplus

#### a) Share Premium Account

The addition to the share premium account of Rs. 88.90 crores during the year is due to the premium received on issue of 5,735,952 equity shares at a premium of Rs. 155 per share. This amount has been reduced by Rs. 7.07 crores being share issue expenses related to the IPO. The net increase to share premium account is Rs. 81.83 crores.

#### b) General Reserve

General reserve stands at Rs. 2.91 crores on March 31, 2010 and there is no change from March 31, 2009.

#### c) Capital Redemption Reserve

Capital redemption reserve stands at Rs. 10.49 lakhs on March 31, 2010 and there is no change from March 31, 2009.

#### d) Profit and Loss Account

The balance retained in the profit and loss account as of March 31, 2010 is Rs. 197.33 crores compared to Rs. 118.16 crores as of March 31, 2009.

#### e) Forex Translation Reserve

The balance retained in the Forex translation reserve as of March 31, 2010 is Rs. 0.16 crores compared to Rs. (7.75) crores as of March 31, 2009.

#### f) Shareholders' Funds

The total shareholders' funds increased to Rs 326.95 crores as of March 31, 2010 from Rs 152.30 crores as of the previous year end. The book value per share increased to Rs 74.37 as of March 31, 2010 as compared to Rs 39.84 as of March 31, 2009.

### 3. Loan Funds

Our working capital related borrowings have reduced to Rs. 14.78 crores as of March 31, 2010 as compared to Rs. 16.76 crores in the previous year.

We have repaid Rs 2.60 crores of our term loan during the year, thereby, bringing the outstanding amount as on March 31, 2010 to Rs 1.30 crores

### 4. Deferred Tax Liabilities

Deferred tax liabilities as on March 31, 2010 were at Rs. 6.41 crores as compared to Rs. 3.70 crores as of March 31, 2009.

### 5. Fixed Assets

During the year we incurred capital expenditure of Rs 50.70 crores comprising of additions to gross block of Rs 39.02 crores. Out of this Rs 5.07 crores was funded from internal accruals and the balance Rs 33.95 crores from the finance lease towards acquisition of IT and Networking equipment by the Company's wholly owned subsidiary – Infinite Convergence Solutions Inc. The expenditure on buildings, computers, office equipments, furniture and fixtures, vehicles was Rs 0.43 crores, Rs 1.07 crores, Rs 0.52 crores, Rs 0.12 crores, respectively.

The movement in the Fixed Assets is shown in the table below:

Assets	Amount in Rs.	
	Gross block as on March 31, 2010	Gross block as on March 31, 2009
Leasehold Land	44,196,800	44,196,800
Buildings	143,334,111	139,041,212
Computers	179,677,832	168,964,314
Office Equipment	69,064,371	63,807,685
Furniture & Fixtures	69,339,744	61,020,466
Vehicles	34,328,040	33,093,343
Leasehold Improvements	5,517,342	5,479,090
Software	138,348,227	124,048,039
IT & Networking Equipments	365,546,358	26,008,261
Plant & Machinery	38,376,116	38,376,116
Electrical Installations	37,735,283	36,215,022
Intangible Assets	2,482,700	2,488,963
Finance Lease - Software	5,043,070	-
<b>TOTAL</b>	<b>1,132,989,994</b>	<b>742,739,311</b>

The net block of fixed assets, capital advances and capital/software work in progress increased to Rs.92.96 crores from Rs. 48.51 crores as on March 31, 2010. Out of the increase, Rs. 11.51 crores and Rs. 33.94 crores relate respectively to software development and networking infrastructure equipment, acquired on finance lease by the Company's new subsidiary Infinite Convergence Solutions Inc.

## 6. Goodwill

The goodwill has increased to Rs. 54.58 crores in March 31, 2010 from Rs 41.01 crores on March 31, 2009. This increase is attributable to an additional consideration of USD 1.50 million paid by Infinite Computer Solutions Inc, USA towards the final settlement of acquisition of Comnet International Company, USA . The balance is attributable to exchange difference on restatement of investment from USD to Rupees.

## 7. Deferred Tax Asset

Deferred tax asset as on March 31, 2010 was Rs. 13.59 crores as compared to Rs. 10.10 crores as of March 31, 2009.

## 8. Investments

The Company has made several strategic investments in a number of wholly owned 100 % subsidiaries, the details of which are as the per table below.

During the year the Company invested Rs 23.23 crores in Infinite Convergence Solutions, Inc., this was invested out of the money received by the Company from the IPO proceeds.

Besides the above investments the Company also has invested Rs 76.44 crores in various mutual funds. Out of these Rs 57.27 crores is from the IPO proceeds and Rs 19.14 crores is from internal accruals.

## 9. Sundry Debtors

Sundry debtors reduced to Rs. 219.43 crores with provision for doubtful debts amounting to Rs. 1.83 crores as of March 31, 2010 from Rs. 246.85 crores with provision for doubtful debts amounting to Rs. 2.15 crores as of March 31, 2009.

Included in the debtors are those pertaining to pass-through revenue – Rs 70.60 crores and Rs 64.90 crores for the year ended March 31, 2010 and 2009 respectively. The Days Sales Outstanding (DSO) is 105 days for the year ended March 31, 2010 as compared to 100 days for the previous year.

## 10. Cash and Bank Balance

The cash and bank balance at the end of March 31, 2010 is Rs 54.84 crores as compared to Rs 24.31 crores as on March 31, 2009.

The bank balances in India include both rupee accounts and foreign currency accounts. The bank balances in overseas current accounts are maintained by overseas subsidiaries of the Company.

## 11. Other Current Assets

Other Current Assets increased to Rs. 92.22 crores as of March 31, 2010 from Rs. 12.81 crores on March 31, 2009. The increase in

S.No.	Name of the subsidiary company	Country of Incorporation	Values in Rs.	
			% of ownership investment	Amount in Rs.
			As on March 31, 2010	
1	Infinite Computer Solutions Pte. Ltd.	Singapore	100%	26,717,648
2	Infinite Computer Solutions Inc.	USA	100%	2,342,000
3	Infinite Computer Solutions Sdn. Bhd.	Malaysia	100%	1,087,500
4	Infinite Computer Solutions (Shanghai) Co. Ltd	China	100%	8,512,775
5	Infinite Computer Solutions Ltd	United Kingdom	100%	16,881,531
6	Infinite Australia Pty. Ltd.	Australia	100%	201,735
7	Comnet International Company	USA	100% Subsidiary of Sr. No. 2	572,068,151
8	India Comnet International Pvt Ltd	India	100% Subsidiary of Sr. No. 7	10,027,667
9	Infinite Infosoft Services Pvt. Ltd.	India	100%	1,000,000
10	Infinite Data Systems Pvt. Ltd.	India	100%	10,000,000
11	Infinite Data Systems UK Ltd.	UK	100% Subsidiary of Sr. no.10	5,105,800
12	Infinite Convergence Solutions Inc.	USA	100%	232,300,000



this is mainly due to increase in unbilled receivables. Unbilled receivables pertain to services provided to customers during the financial year but have been invoiced after March 31, 2010. The unbilled receivables as on March 31, 2010 were Rs 90.04 crores as compared to Rs 12.72 crores for the previous year.

## 12. Loans and Advances

Loans and advances as on March 31, 2010 were Rs. 50.04 crores as compared to Rs. 27.63 crores as on March 31, 2009. The increase is mainly due to advances paid to vendors from whom services will be received during the next financial year.

## 13. Current Liabilities and Provisions

Current liabilities and provisions were Rs. 273.09 crores as of March 31, 2010 as compared to Rs.234.56 crores in March 31, 2009.

## 14. Consolidated Revenue

The financial year 2010 was a great one for Infinite as the Company made remarkable progress in business performance. The year saw Infinite grow its top line by 34.3% in INR terms to Rs. 666.25 crores and about 32% in USD terms to USD 140.9 million.

We have classified our revenues into four geographic segments comprising the Americas, Europe, Asia Pacific and Domestic (India). The geographic breakdown of revenues contained in the following table, is based on the location of the specific client entity for which the project has been executed, irrespective of the location where the invoice is raised or whether the work is performed onsite or from our offshore delivery centres in India.

Geographical location	Rs. in Crores	
	2010	2009
Domestic	26.91	24.53
Americas	583.92	446.53
Europe	39.54	10.04
APAC	13.93	8.76

Of the total revenue for the year ended March 31, 2010 95.95 % were derived from overseas operations as compared to 94.99 % for the previous year.

Our revenues are generated from Time and Material, Fixed Price and Revenue share projects. On time-and-material contracts revenues are recognized as the related services are rendered. Revenue from fixed price contracts is recognized as per the proportionate completion method. Revenue from revenue share contracts is recognized as and when it accrues.

The segmentation of software services by project type is as follows:

Our revenues are also segmented into onsite and offshore

Project Type	2010	2009
Fixed Price	41.95%	42.80%
Revenue Share	7.03%	6.20%
Time and Material	51.02%	52.00%

revenues. Onsite revenues are those where the services are provided at our clients locations while offshore revenues are those where the services are provided from our software development centers located in India. This segmentation is as follows:

The services performed onsite typically generate higher revenues

Revenue Mix	2010	2009
Onsite	66.20%	71.90%
Offshore	33.80%	29.10%

per-capita, but at a lower gross margin in percentage as compared to services performed at our own facilities. Therefore, any increase in onsite effort impacts our margins.

The growth in revenue is due to an all-round growth in various segments of the business mix and is mainly due to growth in business volumes.

## 15. Other Income

Other income for the year ended March 31, 2010 is Rs 1.95 crores, and has reduced by 68.6% over the previous year's income of Rs 6.21 crores. This is mainly because there was an exchange gain of Rs. 4.80 crores in the previous year. In the current year, there is a loss of Rs. 8.33 crores.

## 16. Expenses

The overall expenditure of the company grew by 27.6% over the last year to Rs 559.11 crores. Operating and other expenses mainly include subcontracting costs, travelling expenses, communication expenses, rent, repairs and maintenance, office establishment costs, software expenses and professional fees. The increase is due to increase in business volume, increase in number of office locations in India and overseas and overall growth in business activity.

## 17. Employee Related Expenses

Employee related expenses include salaries, wages and bonus, contribution to provident fund and other funds and staff welfare costs. These expenses grew by 31.9% in the fiscal year 2010 over fiscal year 2009, mainly due to increase in headcount that rose by 40% in the year and also due to annual increments that were paid to eligible employees.

## 18. General and Administration Expenses

The administration & other expenses (excluding the impact of exchange difference) saw a rise of about 17% in the same period.

Increase in depreciation is mainly due to increase in investment in infrastructure and equipment, to service our growing business.

The Company incurred interest expense of Rs. 1.26 crores in fiscal 2010 on borrowings as compared to Rs. 1.48 crores in fiscal 2009.

## 19. EBITDA Margins

This period saw our EBITDA rise by over 79% in INR terms to Rs 114.96 crores and by about 75% in USD terms to USD 24.20 million. EBITDA margins as a percentage of revenue was 17.25% in fiscal 2010 as compared to 12.92% in fiscal 2009.

## 20. Profit before Tax

Profit before tax, prior period and extraordinary items increased by 85.47% to Rs. 107.14 crores in fiscal 2010 from Rs. 57.76 crores in fiscal 2009. Profit before tax as a percentage of revenue was 16.08% in fiscal 2010 as compared to 11.6% in fiscal 2009.

## 21. Taxes

The provision of current tax, deferred tax and fringe benefits tax for the year ended March 31, 2010 is Rs. 23.13 crores as

compared to Rs. 12.03 crores in the previous year. The effective tax rate in these years is 20.73% and 20.76%, respectively.

## 22. Net Profit

The Profit after Tax (PAT), for the year ended March 31, 2010 shot up by about 73.15% in INR terms to Rs 79.17 crores and by 70.74% in USD terms to USD 16.80 million. Profit after tax as a percentage of revenue was 11.9% in fiscal 2010 and 9.2% in fiscal 2009.

## Auditors' Report to the Board of Directors on the Consolidated Financial Statements of Infinite Computer Solutions (India) Limited and its Subsidiaries

1. We have audited the annexed Consolidated Financial Statements of Infinite Computer Solutions (India) Limited, for the year ended March 31, 2010, comprising of the consolidated Balance Sheet, consolidated Profit and Loss Account and the consolidated Cash Flow Statement, for the year ended on that date annexed thereto, which we have signed under reference to this Report. These consolidated financial statements are the responsibility of Infinite Computer Solutions (India) Limited management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these 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 misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3. We did not audit the financial statements of subsidiaries, whose financial statements reflect the Group's share of total assets of Rs. 1636.78 million as at March 31, 2010, and the Group's share of total revenues of Rs. 5407.79 million and net cash outflow amounting to Rs. 123.55 million for the year ended on that date, as considered in the consolidated financial statements. These financial statements and other information of the subsidiaries

have been audited by other auditors, whose reports have been furnished to us, and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of other auditors.

4. We report that the consolidated financial statements have been prepared by the Infinite Computer Solutions (India) Limited's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Infinite Computer Solutions (India) Limited group included in the Consolidated Financial Statements.

5. Based on our audit and on consideration of the reports of other auditors on separate financial statements and on the other financial information of the components, in our opinion and to the best of our information and according to the explanation given to us, we are 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:

- a. in the case of the Consolidated Balance Sheet, of the state of affairs of Infinite Computer Solutions (India) Limited Group as at March 31, 2010;
- b. in the case of the Consolidated Profit and Loss Account, of the profit of Infinite Computer Solutions (India) Limited Group for the year ended on that date; and
- c. in the case of the Consolidated Cash Flow Statement, of the cash flows of Infinite Computer Solutions (India) Limited Group for the year ended on that date.

Place : Bangalore  
Date : May 12, 2010

For and on behalf of  
**Amit Ray & Co.**  
Chartered Accountants

**C V Savit Kumar Rao**  
Partner  
Membership No: 70009  
Firm ICAI Reg No. 483C

## Consolidated Balance Sheet as at March 31, 2010

Amount in Rs.

Particulars	Schedules	March 31, 2010	March 31, 2009
<b>I. SOURCES OF FUNDS</b>			
1. Shareholders' Funds			
(a) Share Capital	A	439,599,950	382,240,430
(b) Reserves and Surplus	B	2,829,908,314	1,140,769,779
		<b>3,269,508,264</b>	<b>1,523,010,209</b>
2. Loan Funds	C		
(a) Secured Loan		160,833,500	206,652,824
(b) Unsecured Loan		315,718,270	-
		<b>476,551,770</b>	<b>206,652,824</b>
3. Deferred Tax liabilities	D	64,092,713	37,002,375
<b>TOTAL</b>		<b>3,810,152,747</b>	<b>1,766,665,408</b>
<b>II. APPLICATION OF FUNDS</b>			
1. Fixed Assets	E		
(a) Gross Block		1,132,989,994	742,739,311
(b) Less : Depreciation		320,133,174	257,596,634
(c) Net Block		812,856,820	485,142,677
(d) Capital Advances		1,670,102	-
(e) Software Development under Progress		115,103,299	-
		<b>929,630,221</b>	<b>485,142,677</b>
2. Goodwill		545,805,347	410,121,776
3. Deferred Tax Assets	D	135,891,541	100,951,402
4. Investments	F	764,435,041	
5. Current Assets, Loans & Advances	G		
(a) Sundry Debtors		2,194,315,097	2,468,526,243
(b) Cash & Bank Balances		548,377,252	243,126,632
(c) Other Current Assets		922,173,712	128,107,663
(d) Loans & Advances		500,444,496	276,343,259
		<b>4,165,310,557</b>	<b>3,116,103,797</b>
Less : Current Liabilities & Provisions	H		
(a) Current Liabilities		2,402,713,524	2,129,958,448
(b) Provisions		328,206,436	215,695,796
		<b>2,730,919,960</b>	<b>2,345,654,244</b>
Net Current Assets		1,434,390,597	770,449,553
6. Miscellaneous Expenditure (To the extent not written off or adjusted)			
(a) Preliminary Expenses	I	-	-
<b>TOTAL</b>		<b>3,810,152,747</b>	<b>1,766,665,408</b>
Notes on Accounts	Q		

As per our report of even date

For and on behalf of the Board of Directors

For Amit Ray & Co.  
Chartered Accountants

(C V Savit Kumar Rao)  
Partner ( M.No.70009)  
Firm ICAI Reg No: 483C

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

(Rajat Kalra)  
Company Secretary

Place : Bangalore  
Date : May 12, 2010

## Consolidated Profit and Loss Account for the year ended March 31, 2010

Amount in Rs.

Particulars	Schedules	March 31, 2010	March 31, 2009
<b>INCOME</b>			
Sales	J	6,642,968,228	4,898,546,785
Other Income	K	19,527,288	62,182,975
		<b>6,662,495,516</b>	<b>4,960,729,760</b>
<b>EXPENDITURE</b>			
Employees Remuneration & Benefits	L	3,209,733,889	2,433,425,043
Administrative & Other Expenses	M	2,285,971,156	1,882,555,583
Interest & Financial Charges	N	29,847,979	18,796,914
Depreciation	E	65,574,406	48,214,771
Miscellaneous Expenditure written off	I	-	101,798
		<b>5,591,127,430</b>	<b>4,383,094,109</b>
<b>PROFIT BEFORE TAX, EXTRAORDINARY ITEMS AND PRIOR PERIOD ADJUSTMENTS</b>		1,071,368,086	577,635,651
<u>Provision For Taxes :</u>			
Provision for Income Tax		256,410,327	127,981,814
Deferred Tax (credit)/charge for the year (Net)	D	(25,084,595)	(12,363,333)
Provision for Fringe Benefit Tax		-	4,671,917
<b>NET PROFIT AFTER TAX</b>		<b>840,042,354</b>	<b>457,345,253</b>
Tax adjustments in respect of prior years	O	369,472	-
<b>NET PROFIT AFTER TAX AND BEFORE EXTRAORDINARY AND PRIOR PERIOD ITEMS</b>		839,672,882	457,345,253
Extraordinary items (net of tax)	P	48,012,374	-
Prior period Adjustments (Net)	O	-	127,858
<b>Net profit (Carried to Balance Sheet)</b>		<b>791,660,508</b>	<b>457,217,395</b>
<b>Earnings per Share</b>			
Basic (Rs.)		20.18	11.96
Diluted (Rs.)		20.18	11.96
<b>Notes on Accounts</b>		Q	

As per our report of even date

For and on behalf of the Board of Directors

For Amit Ray & Co.  
Chartered Accountants

(C V Savit Kumar Rao)  
Partner ( M.No.70009)  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

(Rajat Kalra)  
Company Secretary

## Consolidated Statement of Cash Flows for the year ended March 31, 2010

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>A) Cash Flow from Operating Activities :</b>		
Net Profit before tax	1,071,368,087	577,635,651
<b>Adjusted for:</b>		
Depreciation	65,574,405	48,214,771
Interest Income	(7,296,815)	(6,776,648)
Interest Expense	12,648,802	14,850,811
(Profit)/Loss on sale of fixed assets	(2,808,305)	821,232
(Profit)/Loss on sale of investment	-	-
Provision for Doubtful Debts	2,390,424	4,226,215
Wealth Tax	115,377	175,820
Dividend Income	(4,528,763)	-
Exchange (Gain) / Loss	(8,982,764)	(12,140,704)
Prior Period Adjustment	-	-
Miscellaneous Expenses written off	-	31,344
Extraordinary items	(48,012,374)	-
<b>Operating Profit before working capital changes</b>	<b>1,080,468,074</b>	<b>627,038,492</b>
<b>Adjusted for:</b>		
Accounts Receivable	(683,226,859)	(1,235,841,471)
Loans and Advances	(110,921,148)	(107,606,658)
Other Current Assets	187,053,895	56,092,748
Current Liabilities and Provisions	269,428,553	1,109,730,940
<b>Cash Generated from Operations</b>	<b>742,802,515</b>	<b>449,414,051</b>
Income Tax Paid	(309,468,245)	(84,883,171)
Income Tax Refund	70,933,203	36,227,056
<b>Net Cash from Operating Activities [A]</b>	<b>504,267,473</b>	<b>400,757,936</b>
<b>B) Cash flow from Investing Activities:</b>		
Purchase of Fixed Assets	(467,298,943)	(80,532,400)
Software Development under progress	(115,103,299)	-
Proceeds on Sale of Fixed Assets	95,000	2,193,420
Purchase of Investment	(764,435,041)	(100,000)
Proceeds on sale of Investments	-	-
Interest Received	(17,912,852)	6,441,954
Interest Paid	(12,085,145)	(15,068,429)
Investment in Subsidiary	(60,629,989)	(171,885,446)
Dividend Income	4,528,763	-
<b>Net Cash used in Investment Activities [B]</b>	<b>(1,432,841,506)</b>	<b>(258,950,901)</b>

## Consolidated Statement of Cash Flows for the year ended March 31, 2010

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>C) Cash flow from Financing Activities:</b>		
Issue of Equity Shares	946,432,080	1,886,400
Share Issue Expense	(70,723,407)	-
Share Application Money	-	3,098,300
Proceeds from Borrowings	588,689,235	54,693,374
Repayment of Long Term borrowings	(318,790,289)	(36,955,642)
<b>Net cash used in Financing Activities [C]</b>	<b>1,145,607,619</b>	<b>22,722,432</b>
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents ([A]+[B]+[C])</b>	<b>217,033,586</b>	<b>164,529,467</b>
Effect of Exchange Difference on translation of foreign currency	(88,217,034)	71,869,013
Cash & Cash equivalents at the beginning of the period	243,126,632	150,405,626
Cash & Cash equivalents from acquisitions during the period		
Infinite Data Systems Pvt Ltd.	-	60,552
Cash & Cash equivalents at the end of the year	548,377,252	243,126,632
<b>Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>217,033,586</b>	<b>164,529,467</b>

As per our report of even date

For and on behalf of the Board of Directors

**For Amit Ray & Co.**  
Chartered Accountants

**(C V Savit Kumar Rao)**  
**Partner ( M.No.70009)**  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

**(Upinder Zutshi)**  
Managing Director

**(Navin Chandra)**  
Wholetime Director

**(Rajat Kalra)**  
Company Secretary

## Schedules forming part of the Consolidated Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Schedule A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
46,500,000 Equity Shares @ Rs. 10 each.	465,000,000	465,000,000
3,500,000, 0% Convertible Redeemable Preference Shares of Rs 10 each	35,000,000	35,000,000
	<b>500,000,000</b>	<b>500,000,000</b>
<b>Issued, Subscribed and Paid up Capital</b>		
43,959,995 Equity shares of Rs. 10 each fully paid. (Previous year Rs 38,224,043 shares of Rs 10 each fully paid)	439,599,950	382,240,430
0% Convertible Redeemable Preference shares	-	-
	<b>439,599,950</b>	<b>382,240,430</b>
<b>Schedule B</b>		
<b>RESERVES AND SURPLUS</b>		
<b>1. Share Premium</b>		
As per last Balance Sheet	6,459,800	5,831,000
Add : Received during the year	889,072,560	628,800
	895,532,360	6,459,800
Less: Share Issue Expenses (relating to IPO)	70,723,407	-
	<b>824,808,953</b>	<b>6,459,800</b>
<b>2. General Reserve</b>		
As per last Balance Sheet	29,130,509	29,130,509
Add: Additions during the year	-	-
	<b>29,130,509</b>	<b>29,130,509</b>
<b>3. Capital Redemption Reserve</b>		
As per last Balance Sheet	1,049,800	1,049,800
Add: Additions during the year	-	-
	<b>1,049,800</b>	<b>1,049,800</b>
<b>4. Profit &amp; Loss Account</b>		
As per last Balance Sheet	1,181,648,074	724,498,217
Acquisitions during the year	-	(67,538)
	1,181,648,074	724,430,679
Add: Profit for the period	791,660,508	457,217,395
	<b>1,973,308,582</b>	<b>1,181,648,074</b>
<b>5. Forex Translation Reserve</b>		
As per last Balance Sheet	(77,518,404)	(23,415,969)
Add : Eliminations of previous year relating to forex difference	(29,900,771)	-
Add: For the period	109,029,645	(54,102,435)
	1,610,470	(77,518,404)
	<b>2,829,908,314</b>	<b>1,140,769,779</b>



## Schedules forming part of the Consolidated Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Schedule C</b>		
<b>Loan Funds</b>		
Secured Loans		
Working Capital Loan	147,833,500	167,652,824
Term Loan	13,000,000	39,000,000
	<b>160,833,500</b>	<b>206,652,824</b>
Note: Above loans are secured by Current Assets, Fixed Assets, Land & Building.		
Unsecured Loans	315,718,270	-
	<b>315,718,270</b>	<b>-</b>
<b>Schedule D</b>		
<b>DEFERRED TAX ASSETS/LIABILITIES</b>		
<b>Deferred Tax Liabilities</b>		
As per last Balance Sheet	37,002,375	11,265,975
Add : Adjustments for the current year	27,090,338	25,736,400
Add : Prior period tax adjustments	-	-
	<b>64,092,713</b>	<b>37,002,375</b>
<b>Deferred Tax Assets</b>		
As per last Balance Sheet	100,951,402	62,851,669
Add : Adjustments for the current year	52,174,933	38,099,733
Add : Prior period tax adjustments	(17,234,794)	-
	<b>135,891,541</b>	<b>100,951,402</b>
<b>Schedule G</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A. CURRENT ASSETS</b>		
1. Sundry Debtors (Unsecured) *		
Considered Good		
More than 6 months	78,615,251	43,960,293
Others	2,115,699,846	2,424,565,950
Considered Doubtful	18,356,211	21,563,484
	<b>2,212,671,308</b>	<b>2,490,089,727</b>
Less : Provision for Doubtful Debts	18,356,211	21,563,484
	<b>2,194,315,097</b>	<b>2,468,526,243</b>
* Refer Note 1(g)		
2. Cash and Bank Balances		
Cash in Hand [includes foreign currencies]	1,425,115	1,057,706
Remittances in transit	-	83,472,000
Balance with Scheduled Banks		
In Current Accounts	82,812,089	16,768,437
In EEFC Account	239,295,695	76,820,549
In Forward Contract Deposit	-	-
In Fixed Deposit Accounts	69,116,736	10,004,727

## Schedules forming part of the Consolidated Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
Balance with Non-Scheduled Banks		
The Hongkong and Shanghai Banking Corp, Hong Kong	48,875	607,460
The Hongkong and Shanghai Banking Corp, USA	2,898,774	653,873
Nepal SBI Bank Limited	-	272,352
Mid-Atlantic Federal Credit Union, USA	16,075,844	20,023,111
JP Morgan Chase Bank, N.A, USA	2,291,893	2,647,747
United Bank Money Market, USA	769,998	831,995
United Bank, USA	-	-
HSBC Bank, UK	1,651,360	3,175,664
The Hongkong and Shanghai Banking Corporation Limited, S\$, Singapore	-	-
The Hongkong and Shanghai Banking Corporation Limited US\$, Singapore	2,925,694	2,879,626
HSBC Bank Australia Limited, Australia	204,127	263,253
HSBC Bank (China) Company Ltd RMB account	2,625,971	1,493,091
HSBC Bank (China) Company Ltd US\$ account	41,799	48,363
Industrial & Commercial Bank of China	99,182	16,174
HSBC Bank Malaysia Berhad non SME NBC	715,871	510,437
HSBC Bank Malaysia Berhad current account	31,190	454,328
United Bank Checking account, USA	1,882,519	-
United Bank - Money Market, USA	112,857,132	-
HSBC Current account, UK	4,761,888	-
Archers Bank Checking, USA	5,257,751	17,938,463
Archers Bank Money Market, USA	587,749	3,187,276
	<b>548,377,252</b>	<b>243,126,632</b>
Maximum balance with Non-Scheduled Banks during the period		
The Hongkong and Shanghai Banking Corp, Hong Kong	883,912	3,912,012
The Hongkong and Shanghai Banking Corp, USA	168,734,074	654,626
Nepal SBI Bank Limited	272,352	272,352
Mid-Atlantic Federal Credit Union, USA	131,771,123	98,772,054
JP Morgan Chase Bank, N.A, USA	2,470,068	2,647,741
United Bank Money Market, USA	234,153,390	261,665,123
United Bank, USA	195,986,761	-
HSBC Bank, UK	5,521,548	10,800,055
The Hongkong and Shanghai Banking Corporation Limited, S\$, Singapore	5,916,332	4,038,171
The Hongkong and Shanghai Banking Corporation Limited US\$, Singapore	5,629,164	28,671,063
HSBC Bank Australia Limited, Australia	299,604	300,129
HSBC Bank (China) Company Ltd RMB account	2,773,284	5,686,966
HSBC Bank (China) Company Ltd US\$ account	45,722	49,667
Industrial & Commercial Bank of China	304,642	404,982
HSBC Bank Malaysia Berhad non SME NBC	3,495,758	2,132,662
HSBC Bank Malaysia Berhad current account	441,472	454,321
United Bank Checking account, USA	225,698,420	-
United Bank - Money Market, USA	157,990,000	-
HSBC Current account, UK	4,761,888	-
Archers Bank Checking, USA	92,672,626	72,253,286
Archers Bank Money Market, USA	2,976,203	3,187,284

## Schedules forming part of the Consolidated Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>3. Other Current Assets</b>		
Interest accrued but not due	5,371,570	592,050
Unbilled Receivables	900,437,705	127,212,780
Other Receivables	16,364,437	302,833
	<b>922,173,712</b>	<b>128,107,663</b>
<b>B. LOANS &amp; ADVANCES (Unsecured)</b>		
<b>Considered Good</b>		
1. Advances recoverable in cash or in kind or for value to be received or pending adjustments	151,746,357	61,194,426
2. Deposits	48,433,364	28,164,750
3. Advance Tax (net of provisions)	300,264,775	186,984,083
	<b>500,444,496</b>	<b>276,343,259</b>
	<b>4,165,310,557</b>	<b>3,116,103,797</b>
<b>Schedule H</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
1. Sundry Creditors	476,198,302	801,915,482
2. Book Overdraft	132,452,404	162,317,242
3. Advance from Customers	12,394,972	64,052,104
4. Unearned Revenue	28,481,760	41,578,557
5. Other Liabilities	1,753,186,086	1,060,095,063
	<b>2,402,713,524</b>	<b>2,129,958,448</b>
<b>B. PROVISIONS</b>		
1. Wealth Tax	591,197	475,820
2. Taxation	281,325,344	174,761,999
3. Warranty provision	20,313,000	23,478,435
4. Staff Benefits	25,976,895	16,979,542
	<b>328,206,436</b>	<b>215,695,796</b>
	<b>2,730,919,960</b>	<b>2,345,654,244</b>
<b>Schedule I</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
1. Preliminary Expenses		
As per last Balance Sheet	-	31,344
From acquisitions during the year	-	70,454
Less: Written off during the year	-	101,798
	-	-

## Schedules forming part of the Consolidated Balance Sheet

### Schedule F

Investments (Trade at Cost)

Amount in Rs.

Acquired during the year Nos.	Sold/ redeemed during the year Nos.	Balance at the end of year Nos.	Particulars	March 31, 2010	March 31, 2009	Market Value as at March 31, 2010
<b>CURRENT INVESTMENTS</b>						
<b>1. Mutual Fund</b>						
<b>(a) Quoted:</b>						
4,999,070 (Nil)	2,990,580 (Nil)	2,008,490 (Nil)	HDFC Cash Management Fund	20,148,165	-	20,148,165
4,692,249 (Nil)	1,754,848 (Nil)	2,937,401 (Nil)	Reliance Medium Term Fund	50,216,333	-	50,217,507
28,862,823 (Nil)	8,927,774 (Nil)	19,935,049 (Nil)	HDFC FRIF STP	200,963,238	-	200,963,238
281,729 (Nil)	(Nil) (Nil)	281,729 (Nil)	Templeton India STIPW	302,539,634	-	302,211,747
89,920 (Nil)	(Nil) (Nil)	89,920 (Nil)	Reliance Money Manager Retail Option	90,010,764	-	90,017,551
50,183 (Nil)	(Nil) (Nil)	50,183 (Nil)	Reliance Money Manager Fund Institutional W	50,280,032	-	50,246,296
50,220 (Nil)	(Nil) (Nil)	50,220 (Nil)	Reliance Money Manager Fund Institutional D	50,276,875	-	50,287,041
<b>TOTAL</b>				<b>764,435,041</b>	<b>-</b>	<b>764,091,545</b>

## Schedule forming part of Consolidated Balance Sheet March 31, 2010

### Schedule E

Particulars	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK			
	As at 01.04.2009	Assets relating to acquisitions and disposals during the year	Additions during the year	Adjustments/ Sold during the Year	Upto 31.03.2010 31.03.2010	Upto 01.04.2009	Depreciation relating to acquisitions and disposals during the year	Provided during the year	Adjustments/ Deletions during the Year	Upto 31.03.2010	As at 31.03.2010	As at 31.03.2009
Leasehold Land	44,196,800	-	-	-	44,196,800	-	-	-	-	-	44,196,800	44,196,800
Buildings	139,041,212	-	4,292,899	-	143,334,111	8,767,399	-	2,269,647	-	11,037,046	132,297,065	130,273,813
Computers	168,964,314	-	9,570,491	1,143,027	179,677,832	115,009,639	-	16,951,336	(2,446,872)	129,514,103	50,163,729	53,954,675
Office Equipment	63,807,685	-	5,680,697	(424,011)	69,064,371	20,301,949	-	2,995,217	(163,042)	23,134,124	45,930,247	43,505,736
Furniture & Fixtures	61,020,466	-	8,218,346	100,932	69,339,744	27,766,469	-	3,740,045	(76,322)	31,430,192	37,909,552	33,253,997
Vehicles	33,093,343	-	846,169	388,528	34,328,040	10,355,146	-	2,935,771	-	13,290,917	21,037,123	22,738,197
Leasehold Improvements	5,479,090	-	-	38,252	5,517,342	5,479,061	-	-	-	5,479,061	38,281	29
Software	124,048,039	-	18,287,896	(3,987,708)	138,348,227	40,172,256	-	19,904,118	(1,179,230)	58,897,144	79,451,083	83,875,783
IT & Networking Equipments	26,008,261	339,467,097	71,000	-	365,546,358	13,768,506	9,329,953	3,305,797	-	26,404,256	339,142,102	12,239,755
Plant & Machinery	38,376,116	-	-	-	38,376,116	7,790,873	-	1,822,866	-	9,613,739	28,762,377	30,585,243
Electrical Installations	36,215,022	-	1,520,261	-	37,735,283	7,162,474	-	1,744,739	-	8,907,213	28,828,070	29,052,548
Intangible Assets	2,488,963	-	-	(6,263)	2,482,700	1,022,862	-	499,587	-	1,522,449	960,251	1,466,101
Finance Lease - software	-	-	-	5,043,070	5,043,070	-	-	75,330	827,600	902,930	4,140,140	-
<b>TOTAL</b>	<b>742,739,311</b>	<b>339,467,097</b>	<b>48,487,759</b>	<b>2,295,827</b>	<b>1,132,989,994</b>	<b>257,596,634</b>	<b>9,329,953</b>	<b>56,244,453</b>	<b>(3,037,866)</b>	<b>320,133,174</b>	<b>812,856,820</b>	<b>485,142,677</b>
<b>PREVIOUS YEAR</b>	<b>577,655,373</b>	<b>-</b>	<b>170,704,638</b>	<b>5,620,700</b>	<b>742,739,311</b>	<b>211,991,490</b>	<b>-</b>	<b>48,214,771</b>	<b>2,609,627</b>	<b>257,596,634</b>	<b>485,142,677</b>	<b>-</b>

Notes:

- During the year, Company's 100% subsidiary Infnite Convergence Solutions Inc acquired networking infrastructure equipment from Motorola on finance lease which is capitalized in the books at Rs. 339,467,097. (as per AS 19). Term of the lease expires on Dec 31, 2014 at which time title of the equipment will be transferred to Company for USD 1.
- Adjustments/Sold during the year includes exchange difference on restatement of fixed assets.

## Schedules forming part of the Consolidated Profit and Loss Account

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Schedule J</b>		
<b>SALES</b>		
Domestic Sales	269,076,266	245,323,459
Export Sales *	6,373,891,962	4,653,223,326
	<b>6,642,968,228</b>	<b>4,898,546,785</b>
* Refer Note 1(g)		
<b>Schedule K</b>		
<b>OTHER INCOME</b>		
Interest Income	7,373,630	6,944,605
Liabilities Written Back	60,000	-
Profit on Sale of Fixed Assets	-	51,714
Dividend Income	4,528,763	-
Miscellaneous Income	3,675,995	1,475,206
Rental Income	3,888,900	5,400,000
Exchange Gain (net)	-	48,311,450
	<b>19,527,288</b>	<b>62,182,975</b>
<b>Schedule L</b>		
<b>EMPLOYEES REMUNERATION &amp; BENEFITS</b>		
Salaries & Wages	3,071,309,064	2,342,089,080
Contribution to Provident Fund and Other funds	28,051,511	21,995,825
Staff Welfare Expenses	110,373,314	69,340,138
	<b>3,209,733,889</b>	<b>2,433,425,043</b>
<b>Schedule M</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent & Hire Charges	82,547,142	41,262,373
Pre-operative Expenses	-	419,618
Repairs & Maintenance		
<i>Building</i>	8,927,429	6,478,630
<i>Plant &amp; Machinery</i>	11,276,888	8,412,994
<i>Vehicles</i>	975,472	740,994
<i>Others</i>	19,831,971	15,128,721
Security Charges	7,016,818	4,114,531
Insurance	28,130,425	23,670,925
Communication Expenses	41,846,654	36,318,100
Recruitment Expenses	19,407,819	13,418,998

## Schedules forming part of the Consolidated Profit and Loss Account

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
Advertisement Expenses	507,129	1,018,631
Legal & Professional Charges	172,557,966	125,864,844
Contractual Services	1,518,651,429	1,346,720,311
Software	17,456,498	11,325,018
Project Expenses	24,567,796	35,017,191
Business Promotion	8,914,878	3,003,045
Traveling & Conveyance	163,140,564	113,656,114
Printing & Stationery	8,586,150	7,492,649
Electricity & Water Charges	26,736,349	24,819,165
Seminar & Training Expenses	7,128,133	2,581,156
Provision for Doubtful Debts	2,390,424	4,226,215
Bad Debts	1,938,151	36,761,618
Auditors' Remuneration		
<i>Statutory Audit</i>	1,837,208	1,084,860
<i>Tax Audit Fee</i>	110,300	44,945
<i>Reimbursement of Expenses</i>	151,387	100,000
<i>Other certification</i>	1,011,110	168,540
Rates & Taxes	12,128,666	4,780,764
Loss on Sale of Fixed Assets	377,640	872,946
Exchange Loss (Net)	83,320,690	-
Miscellaneous Expenses	14,498,070	15,067,687
<b>Total Administrative &amp; Other Expenses</b>	<b>2,285,971,156</b>	<b>1,884,571,583</b>
Transferred to Software Development under Progress.	-	(2,016,000)
	<b>2,285,971,156</b>	<b>1,882,555,583</b>
<b>Schedule N</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	17,199,177	3,946,103
Interest on Loan	12,648,802	14,850,811
	<b>29,847,979</b>	<b>18,796,914</b>
<b>Schedule O</b>		
<b>PRIOR PERIOD ADJUSTMENTS</b>		
Prior Period Tax Adjustment	369,472	689,171
Others	-	(561,313)
	<b>369,472</b>	<b>127,858</b>
<b>Schedule P</b>		
<b>EXTRAORDINARY ITEMS</b>		
Settlement Charges	72,735,000	-
Provision for tax on extraordinary items	(24,722,626)	-
	<b>48,012,374</b>	<b>-</b>

# Notes to Accounts

## [Consolidated]

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation

The Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements issued by the Institute of Chartered Accountants of India and in accordance with the Indian Generally Accepted Accounting Principles (GAAP), and the provisions of the Companies Act, 1956, to the extent applicable.

#### b. Background

Infinite Computer Solutions (India) Private Limited ('the Company') was incorporated in India on September 6, 1999. It was converted into a Public Limited Company w.e.f. February 14, 2008 and a fresh Certificate of Incorporation was received from the Registrar of Companies, National Capital Territory of Delhi. Infinite is a global service provider of Application Management Outsourcing, Remote Infrastructure Management Services, R&D and Intellectual Property Leveraged Solutions and related IT Services.

During the year under review, your Company completed its Initial Public Offering (IPO) for 1,15,03,000 equity shares of Rs.10/- each, comprising of a fresh issue of 57,33,600 equity shares and an offer for sale of 57,69,400 equity shares by WhiteRock Investments (Mauritius) Limited, Mr. Vaibhav Bhatnagar and Mr. Sanjay Govil, through the Book Building Process. The Issue constituted 26.17 % of the fully diluted post issue paid-up capital of the Company. The fresh allotment was of 57,35,952 equity shares at Rs. 165/- per share.

The shares were allotted on January 27, 2010 and trading in shares commenced on February 03, 2010 at the Bombay Stock Exchange and The National Stock Exchange of India.

#### c. Principles of Consolidation

These Consolidated Financial Statements relate to Infinite Computer Solutions (India) Limited, the Parent Company, and its subsidiaries, together referred to in these financial statements as "The Group", as per table below.

Subsidiary companies are those in which Infinite Computer Solutions (India) Limited, directly or indirectly, has an interest of more than 50% of the voting power or otherwise has power to exercise control over the operations.

All material inter-company transactions, balances and unrealized surplus and deficit on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable.

#### d. Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognizes items of income and expenditure on accrual basis.

Name of the Subsidiary Company	Country of Incorporation	Percentage of Ownership Interest as at	
		March 31, 2010	March 31, 2009
1 Infinite Computer Solutions Pte. Ltd.	Singapore	100%	100%
2 Infinite Computer Solutions Inc.	USA	100%	100%
3 Infinite Computer Solutions Sdn, Bhd,	Malaysia	100%	100%
4 Infinite Computer Solutions (Shanghai) Co. Ltd	China	100%	100%
5 Infinite Computer Solutions Ltd	United Kingdom	100%	100%
6 Infinite Australia Pty. Ltd.	Australia	100%	100%
7 Comnet International Company	USA	100% Subsidiary of Sr. No. 2	100% Subsidiary of Sr. No. 2
8 India Comnet International Pvt Ltd	India	100% Subsidiary of Sr. No. 7	100% Subsidiary of Sr. No. 7
9 Infinite Infosoft Services Pvt. Ltd.	India	100%	100%
10 Infinite Data Systems Pvt. Ltd.	India	100%	100%
11 Infinite Data Systems UK Ltd.	UK	100% Subsidiary of Sr. No. 10	Investment yet to be made
12 Infinite Convergence Solutions Inc.	USA	100%	100%



#### e. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

#### f. Revenue Recognition

Revenue from software development contracts priced on a time and material basis is recognized on the basis of billable time spent by employees working on the project, priced at the contracted rate.

Revenue in respect of services on fixed price contracts is recognized on milestones achieved as per the terms of specific contracts. Revenue from incomplete contracts is recognized on the proportionate completion method and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract.

Dividend income is recognized when the right to receive payment is established.

Interest on bank deposits is recognised on accrual basis.

#### g. Note on disclosure in accounts regarding presentation of certain items of consultant labour expenditure

The following expenses incurred by Infinite Computer Solutions Inc., USA during the year have not been separately shown as forming part of Consultant Labour Expense but have been netted off and reduced from the Consulting and Project Revenue in the Profit and Loss Account. The netting-off of expenses as aforesaid is primarily in respect of revenue yielding transactions with clients where the Company is a Core Vendor and where under other sub-tier vendors who provide services to such clients are also required to route their billing and collection transactions through the Company as per the internal policies of such clients. The Company does not expend any marketing effort nor does it exercise any direct control or supervision on the subsidiary vendor resources. The Company charges and retains an agreed margin in the nature of a fee from such clients where the Company is a core vendor for allowing the subsidiary vendors to route their business through the Company. Considering the nature of the above-referred business, the Company is of the opinion that only the margin from these transactions should be recognized as the turnover of the Company and not the gross revenue from these transactions for more appropriate presentation of the financial statements. Accordingly, the expenses incurred by the subsidiary vendors are not separately shown but netted-off from the Consulting and Project Revenues. The particulars of such pass-through transactions along with balances in debtors and creditors relating thereto are as follows:-

Rs. in Millions

	2010	2009
Pass-through Revenue	3,175	2,571
Cost of Pass-through Revenue	3,056	2,472
Margin of Pass-through Revenue	119	98
Debtors Pertaining to Pass-through Revenue	706	649
Creditors Pertaining to Pass-through revenue	205	411

#### h. Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

The Company does not capitalize the cost of software acquired specifically for client projects and where there is no enduring benefit to the Company following conclusion of the project. Such software is charged to the Profit & Loss Account in the year in which the software is acquired.

Opening goodwill as shown in the Consolidated Balance Sheet was valued at cost for an amount of Rs. 410,121,776 in respect of acquisition of 100% stock of Comnet International Company by Infinite Computer Solutions Inc. During the year, an additional consideration of USD 1,500,000 was paid as final settlement and has been treated as the cost of investment. This has resulted in a corresponding increase in the value of goodwill. The additional increase in the goodwill amount on consolidation as at March 31, 2010 is attributable to exchange difference.

#### i. Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets at rates specified in Schedule XIV of the Companies Act, 1956.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/deduction from fixed assets is provided for upto the dates of sale, deduction, discard, as the case may be.

All assets costing Rs. 5,000 or below are depreciated in full by way of a onetime depreciation charge. Leasehold improvements are amortized over the period of lease.

#### j. Intangibles

##### Product Development Costs

Product development costs represents direct costs incurred by the Group for developing new products. Research costs are expensed as incurred. Development expenditure incurred on an individual product is carried forward when its future recoverability can reasonably be regarded as assured. The expenditure incurred is carried forward under capital work in progress till the product is ready to be marketed. Expenditure carried forward is charged off over the expected useful life of product beginning in the month when revenue from the product starts accruing.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

#### k. Leases

Lease rentals are expensed with reference to lease terms.

#### l. Foreign Currency Transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. The financial statements of foreign branches of the Company are translated and recorded in the functional currency of the Company.

Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those related to fixed assets acquired from sources outside India is recognized in the Profit and Loss Account. Gain or loss on translation of long-term liabilities incurred to acquire fixed assets from sources outside India is treated, as an adjustment to the carrying cost of related fixed assets.

Foreign operations of the Company are non-integral in nature. The translation of the functional currency in to the reporting currency is performed for balance sheet accounts using the exchange rates in effect at the balance sheet date and for revenue and expense accounts using an appropriate daily simple average exchange rate for the respective period. The gain or loss resulting from such translations is accumulated in a foreign currency translation reserve.

As required by the announcement made by ICAI on March 29, 2008, all derivative instruments should be recorded on the Balance Sheet date at mark to market value. As such, these contracts are accounted for after adjusting the carrying amount of the contract to the market value of each period end and recognizing any loss in earning. The Company has accordingly provided for the loss of Rs. Nil (previous quarter Rs. Nil) on such contracts in the books.

The following forward contracts are outstanding as on March 31, 2010:

- For USD – 16 million

#### m. Statement of Utilization of IPO Funds

Particulars	Amount in Rs.	
	2010	
Amount raised through IPO	946,432,080	
Share Issue expenses paid	70,723,407	
Net proceeds	875,708,673	
Deployment		
<i>Repayment of Debts</i>	70,000,000	
<i>Acquisition</i>	232,300,000	
<i>Current Investment in Mutual Funds</i>	572,751,314	
<i>Kept in Separate Bank Account</i>	657,359	
<b>Total</b>	<b>875,708,673</b>	

#### n. Retirement Benefits

##### Holding Company and its Indian Subsidiary

##### i) Provident Fund

Eligible employees receive benefits from Provident Fund which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund authorities, equal to specified percentage of eligible covered employees' salary. The Company has no other obligation other than the monthly contribution.

##### ii) Gratuity

In the case of the holding Company, the gratuity payable to employees is accounted for on the basis of an actuarial valuation as at the balance sheet date.

In the case of its Indian subsidiary [India Comnet Pvt. Ltd.] the liabilities with regard to gratuity plan are determined by actuarial valuation as at the Balance Sheet date based upon which the company contributes all the ascertained liabilities to LIC, who are the trustees / administrators of the plan.

##### iii) Leave Encashment

Liabilities on account of encashment of leave to employees is provided on the basis of actuarial valuation.

##### iv) Subsidiaries in US

The Company has a saving and investment plan under Section 401(k) of the internal revenue code of the United States of America. This is a defined contribution plan. Contributions are charged to income for the period in which they accrue.

##### v) Subsidiary in Singapore

As per the local laws of Singapore, employers are required to contribute up to 13% of the basic salary of the employees. The Company contributes to the fund approved by the Government of Singapore.

#### o. Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

Particulars	Amount in Rs.	
	2010	2009
Net Profit / (Loss) (Rs.)	791,660,508	457,217,395
Weighted average number of Equity Share outstanding	39,229,799	38,214,051
Nominal value of Equity Shares (Rs.)	10	10
Basic Earnings Per Share (Rs.)	20.18	11.96
Diluted Earnings Per Share (Rs.)	20.18	11.96

## p. Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognized, where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

## q. Income Taxes

Income taxes consist of current taxes and changes in deferred tax liability and deferred tax asset.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Timing differences between the taxable income and the accounting income as at March 31, 2010 that reverse in one or more subsequent years are recognized if they result in taxable amounts. Deferred tax assets or liabilities are provided at the enacted tax rates. Changes in the enacted rates are recognized in the period of enactment.

Deferred tax assets are recognized only if there is a reasonable certainty, that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## r. Miscellaneous Expenditure

Preliminary expenses incurred on incorporation of the Company are deferred and amortized over a period of ten years.

## s. Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.

## 2. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Notes to these Consolidated Financial Statements are intended to serve as a means of informative disclosure and a guide to better understanding. Recognising this purpose, the Company has disclosed only such notes from the individual financial statements, which fairly present the needed disclosures.

### a. Commitment and Contingencies

Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has been paid Rs Nil (Previous year Rs Nil).

Contingent Liability towards Bank Guarantees given to customers and other business related requirements is Rs 288.82 million (Previous year Rs 18.35 million) and towards corporate guarantee on behalf of a wholly owned subsidiary is USD 100 million (Previous year Rs 120 million).

During the period ended September 30, 2009 a client has invoked a bank guarantee for an amount of Rs. 6.5 million in respect of a contract for software services. The Company also has outstanding claims against the customer and in order to recover its dues it has

opted to go for arbitration for the settlement of these claims. Pending conclusion of such arbitration proceedings, no provisions have been made against these amounts.

### b. Assignment and Assumption Agreement

On January 10, 2001, the Company's subsidiary [viz. Infinite Computer Solutions Inc, USA] had executed an Assignment and Assumption Agreement with International Computer Solutions, Inc ( "International" ), which is wholly owned by the majority shareholder of Infinite Computer Solutions (India) Ltd, for normal consideration. Pursuant to the Assignment and Assumption Agreement, the Company has been assigned the economic benefits and has assumed the related costs of the customers, customer agreements and related costs of International. As a result, all such revenue and related costs have been transferred from International to the Company in the accompanying financial statements as in the earlier years. The Assignment and Assumption Agreement provides for the direct transfer of customer agreements from International to the Company as practicable and until such time as all contracts are transferred, International will provide billing services to such customers for the services performed by the Company at a specified fee, subject to a maximum fee of USD 120,000 per year. No other assets of International, including cash, accounts receivable and other amounts owing to, earned by or accruing to International were assigned or transferred to the Company. However, the Company is allowed to utilize the computers and other office equipments of International which were not transferred to the Company, without any cost.

### c. Leases

The Company is a lessee under various operating leases. Details of rental expenses for operating leases are as follows :

Details of Lease Rent	Amount in Rs.	
	2010	2009
Operating Lease Rent	77,502,692	31,770,727

### d. Segment Reporting

The Company provides software consultancy and information technology support services. The disclosures as required under Accounting Standard AS - 17 on segment reporting have not been provided, as the Company deals only in one business segment.

As the Company also exports its products and services, the secondary segment for the Company is based on the location of its customers. Information on the geographic segment is as follows: -

Geographical Location	Amount in Rs.	
	2010	2009
Domestic	269,076,266	245,323,459
Americas	5,839,183,218	4,465,262,047
Europe	395,398,104	100,404,072
APAC	139,310,640	87,557,207

Information on operating income, net income, assets and liabilities has not been provided by location of customers as such information is not realistically allocable and identifiable.

#### e. Related Party Transactions

In the normal course of business, the Company enters into transactions with affiliated Companies. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 are as follows: -

Subsidiary Companies	Infinite Computer Solutions Inc.,
	Infinite Computer Solutions Pte Ltd,
	Infinite Computer Solutions Sdn, Bhd,
	Infinite Computer Solutions (Shanghai) Co. Ltd
	Infinite Computer Solutions Ltd,
	Comnet International Company.
	India Comnet International Pvt. Ltd.
	Infinite Australia Pty Ltd.
	Infinite Infosoft Services Pvt. Ltd.
	Infinite Data Systems Pvt. Ltd.
	Infinite Data Systems UK Ltd.
	Infinite Convergence Solutions, Inc.
	Managing Director of the Company
Whole time Director of the Company	Navin Chandra
Non-Whole time Director who is able to exercise significant influence	Sanjay Govil
Enterprises in which key management personnel & heir relatives are able to exercise significant influence	N.C. Data Systems Private Limited
	Mumal Mining Private Limited .
	Instos Inc. USA (formerly International Computer Solutions Inc, USA)

Included in the financial Statements are the following amounts related to transactions with related parties:

		Amount in Rs.	
S.No.	Particulars	2010	2009
<b>a)</b>	<b>Revenue</b>		
	<u>Consulting &amp; Project Revenue</u>		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	650,516,988	1,663,512,049
	<u>Recovery of Expenses</u>		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	3,863,068	846,267
	<u>Miscellaneous Receipts</u>		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	56,339	-
<b>b)</b>	<b>Expenses</b>		
	Directors of the Company :		
	Managerial Remuneration	24,471,804	10,512,613
	Rent	2,653,135	2,825,185
	Enterprises over which key management Personnel is able to exercise significant Influence		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)		
	Sales Discount	-	817,981
	Salaries & Wages	16,069,030	23,500,172

Amount in Rs.

S.No.	Particulars	2010	2009
	Staff Welfare	600,795	841,463
	Insurance		102,761
	Travelling & Conveyance	1,304,238	954,300
	Donation		564,589
	Business Promotion	601,748	149,195
	Membership & Subscription	1,549	50,883
	Legal & Professional Charges		9,650,416
	Lodging Expenses	2,752	-
	Printing & Stationery	4,384	16,120
	Communication Expenses	614,815	247,369
	Utilities	45,929	19,256
	Bank Charges	29,851	7,209
	Marketing and Selling Expenses		2,415,884
	Bad debts		807,006
	Rent	4,018,088	
	Miscellaneous Expenses		4,554
	Service Charges	1,293,530	1,672,857
<b>c)</b>	<b>Balance Outstanding as at the year end</b>		
	<u>Receivables</u>		
	Enterprises over which key management personnel are able to exercise significant influence		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	34,340,436	412,033,783
	<u>Unbilled Receivables</u>		
	Enterprises over which key management personnel are able to exercise significant influence		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	-	-
	<u>Unearned Revenue</u>		
	Enterprises over which key management personnel are able to exercise significant influence		
	Instos Inc., USA (formerly International Computer Solutions Inc., USA)	-	18,853,183

Previous year's figures have been regrouped/recast to conform to current year's classification.

As per our report of even date

**For Amit Ray & Co.**  
Chartered Accountants  
  
**(C V Savit Kumar Rao)**  
**Partner (M.No.70009)**  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

For and on behalf of the Board of Directors

**(Upinder Zutshi)**  
Managing Director

**(Navin Chandra)**  
Wholetime Director

**(Rajat Kalra)**  
Company Secretary

## Auditors' Report to the Members of Infinite Computer Solutions (India) Limited

We have audited the attached Balance Sheet of Infinite Computer Solutions (India) Limited as at March 31, 2010 and the annexed profit and loss account and cash flow statement for the period then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the accounts are free of material misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by Companies ( Auditor's Report ) Order, 2003 issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such information and explanations given to us during the course of our audit, we report that:

1. In respect of its fixed assets
  - a. The Company is maintaining proper records showing full particulars including quantitative details and situation of the fixed assets.
  - b. As explained to us, all the fixed assets have been physically verified by the management and no material discrepancies have been noticed on such physical verification.
  - c. The fixed assets disposed off during the year are not substantial and such disposal has not affected the ability of the Company to continue as a growing concern.
2. The Company being a service company, provides software consulting services and does not hold any inventories. Accordingly clause (ii)(a), (ii)(b) and (ii)(c) of paragraph 4 of the order is not applicable to the Company.
3. The Company has granted unsecured loans to companies listed in the register maintained under Section 301 of the Companies Act, 1956. The aggregate outstanding at the end of the year was Rs. 271,839,351 and the maximum amount due, at any time during the year, was Rs. 408,603,271. In our opinion, the rate of interest and the other terms and conditions, on which the loans have been given, are not prima-facie, prejudicial to the interests of the Company.
4. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (iii) (f) and (iii) (g) of paragraph 4 of the order is not applicable to the Company.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the business for purchase of the fixed assets, and also for the provision of services and man hours billed for the development of software.
6. In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts and arrangements, the particulars of which need to be entered in the register required to be maintained under Section 301 of the Companies Act, 1956. Accordingly clauses (v) (b) of paragraph 4 of the order is not applicable to the Company.
7. The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
8. In our opinion, the Company has an internal audit system, commensurate with the size of the Company and the nature of its business.
9. According to the information and the explanations given to us, the Central government has not prescribed the maintenance of the cost records under Section 209(1)(d) of the Companies Act, 1956 for the business activities of the Company.
10. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues payable in respect of provident fund, employees' state insurance, income tax, wealth tax, sales tax, customs duty and other statutory dues applicable to it, with the appropriate authorities during the year. According to the information and the explanations given to us, no undisputed amounts payable in respect of above were in arrears, as at March 31, 2010, for more than six months from the date they became payable.
11. According to the information and the explanations given to us, there are no dues of income tax, service tax, customs duty, wealth tax, and cess that have not been deposited on account of any dispute.
12. The Company does not have any accumulated losses at the end of the financial year and has not incurred any cash losses in the financial year covered by our audit and in the immediately preceding financial year.
13. According to the records of the Company and the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank or financial institution. The Company does not owe any amounts to debenture holders.
14. According to the information and the explanations given to us, the Company has not granted any loans and advances on the basis of any security by way of pledge of shares, debentures, and other securities.
15. In our opinion and according to the information and explanations given to us, the Company is not a chit fund Company or a nidhi / mutual benefit fund/society.

16. According to the information and the explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.

17. According to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.

18. According to the information and the explanations given to us and an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.

19. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

20. The Company has not issued any debentures during the year.

21. We have verified the end-use of money raised by public issue as disclosed in the notes to the financial statements.

Further to the above, we state that:

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
- c) The balance sheet, profit and loss accounts and cash flow statements dealt with by this Report, are in agreement with the books of accounts;

d) In our opinion the balance sheet, profit and loss account and cash flow statement dealt with by this Report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;

e) On the basis of written representations received from the Directors / Companies as on March 31, 2010, and taken on record by the Board of Directors, we report that they are not 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 Companies Act, 1956.

f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the significant policies and notes thereon, 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 case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2010,
- ii. in case of the Profit and Loss Account, of the profit of the Company for the year ended March 31, 2010,
- iii. in case of the Cash Flow Statement, of the cash flows for the year ended March 31, 2010.

Place : Bangalore  
Date : May 12, 2010

For and on behalf of  
**Amit Ray & Co.**  
Chartered Accountants

**C V Savit Kumar Rao**  
Partner  
Membership No: 70009  
Firm ICAI Reg No. 483C

## Balance Sheet as at March 31, 2010

Amount in Rs.

Particulars	Schedules	March 31, 2010	March 31, 2009
<b>I. SOURCES OF FUNDS</b>			
1. Shareholders' Funds			
(a) Share Capital	A	439,599,950	382,240,430
(b) Reserves and Surplus	B	2,146,086,145	888,507,841
2. Loan Funds	C		
(a) Secured Loan		13,000,000	119,000,000
3. Deferred Tax Liabilities	D	38,394,854	32,933,123
<b>TOTAL</b>		<b>2,637,080,949</b>	<b>1,422,681,394</b>
<b>II. APPLICATION OF FUNDS</b>			
1. Fixed Assets	E		
(a) Gross Block		591,476,397	569,858,849
(b) Less : Depreciation		199,074,112	156,992,727
(c) Net Block		392,402,285	412,866,122
(d) Capital Work in Progress		165,450	-
(e) Total		392,567,735	412,866,122
2. Investments	F	1,072,478,230	66,743,189
3. Current Assets, Loans & Advances	G		
(a) Sundry Debtors		393,737,765	668,570,378
(b) Cash & Bank Balances		341,767,256	96,203,031
(c) Other Current Assets		179,804,647	14,986,780
(d) Loans & Advances		423,331,106	392,857,230
		1,338,640,774	1,172,617,419
Less : Current Liabilities & Provisions	H		
(a) Current Liabilities		145,627,430	212,266,811
(b) Provisions		20,978,360	17,278,525
		166,605,790	229,545,336
Net Current Assets		1,172,034,984	943,072,083
4. Miscellaneous expenditure (To the extent not written off or adjusted)	I		
<b>TOTAL</b>		<b>2,637,080,949</b>	<b>1,422,681,394</b>
Notes on Accounts	P		

As per our report of even date

For Amit Ray & Co.  
Chartered Accountants  
  
(C V Savit Kumar Rao)  
Partner ( M.No.70009)  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

For and on behalf of the Board of Directors

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholtime Director

(Rajat Kalra)  
Company Secretary



## Profit and Loss Account for the year ended March 31, 2010

Amount in Rs.

Particulars	Schedules	March 31, 2010	March 31, 2009
<b>INCOME</b>			
Sales	J	1,820,304,510	1,287,979,222
Other Income	K	57,626,024	79,648,569
		<b>1,877,930,534</b>	<b>1,367,627,791</b>
<b>EXPENDITURE</b>			
Employees Remuneration & Benefits	L	704,258,462	516,628,782
Administrative & Other Expenses	M	497,120,583	358,971,104
Interest & Financial Charges	N	23,832,041	12,069,396
Depreciation	E	42,081,385	36,358,104
Miscellaneous Expenditure written off	I	-	31,344
		<b>1,267,292,471</b>	<b>924,058,730</b>
<b>PROFIT / (LOSS) FROM ORDINARY ACTIVITIES</b>		<b>610,638,063</b>	<b>443,569,061</b>
Provision for Income Tax		117,934,807	45,841,339
Provision for Fringe Benefit Tax		-	4,211,000
Deferred Tax (credit)/charge for the year	D	5,461,731	24,645,846
<b>NET PROFIT FROM ORDINARY ACTIVITIES AFTER TAX</b>		<b>487,241,525</b>	<b>368,870,876</b>
Extra Ordinary Items (Net of Tax)	O	48,012,374	-
<b>NET PROFIT FOR THE PERIOD (Carried to Balance Sheet)</b>		<b>439,229,151</b>	<b>368,870,876</b>
<b>Earnings per Share</b>			
Basic (Rs.)		11.20	9.65
Diluted (Rs.)		11.20	9.65
Notes on Accounts	P		

As per our report of even date

For Amit Ray & Co.  
Chartered Accountants

(C V Savit Kumar Rao)  
Partner ( M.No.70009)  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

For and on behalf of the Board of Directors

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

(Rajat Kalra)  
Company Secretary

## Statement of Cash Flows for the year ended March 31, 2010

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net Income before tax and extraordinary items</b>	610,638,063	443,569,061
Adjusted for:		
Depreciation	42,081,385	36,358,104
(Profit)/Loss on Sale of Fixed Assets		(51,714)
(Profit)/Loss on Sale of Investments (net)	-	
Provision for Doubtful Debts	2,390,424	4,226,215
Provision for Wealth Tax	115,377	175,820
Interest on Deposits	(40,231,027)	(27,970,070)
Interest Paid	8,538,486	9,947,282
Dividend Income from Investments	(4,528,763)	-
Effect of Exchange Differences on translation of foreign Currency cash and cash equivalents	(22,790,605)	(16,096,316)
Miscellaneous Expenditure Written Off	-	31,344
Extra Ordinary Items	(48,012,374)	-
<b>Operating profit before working capital changes</b>	<b>548,200,966</b>	<b>450,189,726</b>
Adjusted for:		
Accounts Receivable	272,442,189	(409,308,754)
Loans & Advances	(57,743,145)	(98,941,476)
Other Current Assets	(140,170,561)	(1,588,061)
Current Liabilities & Provisions	(63,054,923)	122,820,263
<b>Cash generated from operations</b>	<b>559,674,526</b>	<b>63,171,698</b>
Income Tax Paid	(113,906,506)	(34,315,070)
Income Tax Refund	23,240,968	36,227,056
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>469,008,988</b>	<b>65,083,684</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(21,782,998)	(44,294,670)
Proceeds on sale of Fixed Assets	-	734,134
Acquisition / Investment in Subsidiaries	(241,300,000)	
Purchase of Current Investments	(1,114,435,045)	(11,201,700)
Sale of Investment	350,000,000	-
Dividend Income	4,528,763	-
Interest on Deposits	15,583,725	27,417,758
Interest Paid	(8,538,486)	(9,947,282)
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(1,015,944,041)</b>	<b>(37,291,760)</b>

## Statement of Cash Flows for the year ended March 31, 2010

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	946,432,080	1,886,400
Expenses incurred for Issue of Shares	(70,723,407)	
Proceed from Bank borrowings	130,000,000	-
Repayment of Bank Loan	(236,000,000)	(36,955,642)
<b>NET CASH FROM/(USED IN) FINANCING ACTIVITIES</b>	<b>769,708,673</b>	<b>(35,069,242)</b>
Effect of Exchange Differences on translation of foreign currency cash and cash equivalents	22,790,605	16,096,316
<b>Net (Decrease) Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>222,773,620</b>	<b>(7,277,318)</b>
Cash and Cash Equivalents at the beginning of the year	96,203,031	87,384,033
<b>Cash and Cash Equivalents at the end of the year</b>	<b>341,767,256</b>	<b>96,203,031</b>

As per our report of even date

For Amit Ray & Co.  
Chartered Accountants

(C V Savit Kumar Rao)  
Partner (M.No.70009)  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

For and on behalf of the Board of Directors

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

(Rajat Kalra)  
Company Secretary

## Schedules forming part of the Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Schedule A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
46,500,000 Equity shares @ Rs. 10 each.	465,000,000	465,000,000
3,500,000, 0% Convertible Redeemable Preference Shares of Rs. 10 each	35,000,000	35,000,000
	<b>500,000,000</b>	<b>500,000,000</b>
<b>Issued, Subscribed and Paid up</b>		
43,959,995 equity shares of Rs. 10 each fully paid.	439,599,950	382,240,430
(Previous year Rs 38,224,043 shares of Rs 10 each fully paid)	<b>439,599,950</b>	<b>382,240,430</b>
- For details of shares issued through IPO, refer to Note 1 of Schedule P		
<b>Schedule B</b>		
<b>RESERVES AND SURPLUS</b>		
<b>1. Share Premium</b>		
As per last Balance Sheet	6,459,800	5,831,000
Add : Received during the year	889,072,560	628,800
Less: Share Issue Expenses	70,723,407	-
	<b>824,808,953</b>	<b>6,459,800</b>
<b>2. General Reserve</b>		
As per last Balance Sheet	<b>29,130,509</b>	<b>29,130,509</b>
<b>3. Capital Redemption Reserve</b>		
As per last Balance Sheet	<b>1,049,800</b>	<b>1,049,800</b>
<b>4. Profit &amp; Loss Account</b>		
As per last Balance Sheet	851,867,732	482,996,856
Add: Profit for the year	439,229,151	368,870,876
	1,291,096,883	851,867,732
	<b>2,146,086,145</b>	<b>888,507,841</b>
<b>Schedule C</b>		
<b>Loan Funds</b>		
Secured Loans		
Working Capital Loan	-	80,000,000
Term Loan	13,000,000	39,000,000
	<b>13,000,000</b>	<b>119,000,000</b>
(Both the loans are secured by present and future Stocks, Book debts, Receivables and Fixed Assets)		

## Schedules forming part of the Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009.
<b>Schedule D</b>		
<b>DEFERRED TAX LIABILITIES</b>		
<b>Deferred Tax Asset</b>		
As per last Balance Sheet	32,933,123	8,287,277
Add : Adjustments for the current year	5,461,731	24,645,846
	<b>38,394,854</b>	<b>32,933,123</b>
<b>Schedule G</b>		
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
<b>A. CURRENT ASSETS</b>		
<b>1. Sundry Debtors (Unsecured)</b>		
Considered Good		
- More than six months	56,828,362	33,840,409
- Others	336,909,403	634,729,969
Considered Doubtful	10,491,379	8,100,955
	404,229,144	676,671,333
Less : Provision for Doubtful Debts	10,491,379	8,100,955
	<b>393,737,765</b>	<b>668,570,378</b>
<b>2. Cash and Bank Balances</b>		
Cash in Hand [includes foreign currencies]	149,398	184,316
Balance with Scheduled Banks		
In Current Accounts (includes Rs 657,359 out of IPO proceeds)	43,141,090	9,788,413
In EEFC Account	226,412,383	74,691,890
In Fixed Deposit Accounts	69,116,736	10,004,727
Balance with Non-Scheduled Banks		
In Current Accounts		
The Hongkong and Shanghai Banking Corp; Hong Kong	48,875	607,460
The Hongkong and Shanghai Banking Corp; USA	2,898,774	653,873
Nepal SBI Bank Limited	-	272,352
	<b>341,767,256</b>	<b>96,203,031</b>
Maximum Balance held during the year in Non-Scheduled Banks		
The Hongkong and Shanghai Banking Corp, Hong Kong	883,912	3,912,012
The Hongkong and Shanghai Banking Corp, USA	168,734,074	654,626
Nepal SBI Bank Limited	272,352	272,352
<b>3. Other Current Assets</b>		
Interest accrued but not due	25,239,352	592,050
Unbilled Receivables	154,565,295	14,390,498
Other Receivables	-	4,232
	<b>179,804,647</b>	<b>14,986,780</b>

## Schedules forming part of the Balance Sheet

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>B. LOANS &amp; ADVANCES (Unsecured)</b>		
<b>Considered Good</b>		
1. Advances recoverable in cash or in kind or for value to be received or pending adjustments	116,603,908	34,736,231
2. Loan to Subsidiary Companies	271,839,351	302,517,500
3. Share Application money pending allotment	-	3,300,000
4. Deposits	30,938,231	21,084,614
5. Advance Income Tax (net of provisions)	3,949,616	31,218,885
	423,331,106	392,857,230
	<b>1,338,640,774</b>	<b>1,172,617,419</b>
<b>Schedule H</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>A. CURRENT LIABILITIES</b>		
1. Sundry Creditors	34,400,469	27,957,571
2. Due to Subsidiaries	1,082,858	11,367,989
3. Advance from Customers	100,100	49,948,994
4. Book Overdraft	-	17,113,160
5. Other Liabilities	110,044,003	105,879,097
	<b>145,627,430</b>	<b>212,266,811</b>
<b>B. PROVISIONS</b>		
1. Wealth Tax	591,197	475,820
2. Staff Benefits	20,387,163	16,802,705
	<b>20,978,360</b>	<b>17,278,525</b>
	<b>166,605,790</b>	<b>229,545,336</b>
Note: Sundry Creditors include:		
Due to Small Scale Industrial Undertakings		-
Due to Others	34,400,469	27,957,571
	<b>34,400,469</b>	<b>27,957,571</b>
Interest Due to Small Scale Industrial Undertaking on delayed payments	-	-
<i>Pending receipt of information on the status of the supplier, under the provisions of The Micro, Small &amp; Medium Enterprises Development Act, 2006, no disclosure as per Section 22 of this Act is made.</i>		
<b>Schedule I</b>		
<b>MISCELLANEOUS EXPENDITURE</b>		
(To the extent not written off or adjusted)		
1. Preliminary Expenses		
As per last Balance Sheet	-	31,344
Less: Written off during the year	-	31,344
	-	-

## Schedules forming part of Balance Sheet

### Schedule F

#### Investments

Amount in Rs.

Acquired during the year Nos.	Sold/ redeemed during the year Nos.	Balance at the end of year Nos.	Particulars	March 31, 2010	March 31, 2009
<b>A) LONG TERM INVESTMENTS</b>					
1. Shares					
(a) Unquoted:					
In Subsidiary Companies					
Nil (Nil)	Nil (Nil)	50,000 (50,000)	Infinite Computer Solutions Inc Equity Shares of USD1 each fully paid up	2,342,000	2,342,000
Nil (Nil)	Nil (Nil)	999,910 (999,910)	Infinite Computer Solutions Pte Ltd. Equity Shares of SD1 each fully paid up	26,717,648	26,717,648
Nil (Nil)	Nil (Nil)	94,367 (94,367)	Infinite Computer Solutions Sdn, Bhd, Equity Shares of RM 1 each fully paid up	1,087,500	1,087,500
-	-	-	Infinite Computer Solutions (Shanghai) Co. Ltd. Suscribed and Paid up Capital (Investment is not denominated in number of share as per laws of the Peoples Republic of China)	8,512,775	8,512,775
Nil (Nil)	Nil (Nil)	206,842 (206,842)	Infinite Computer Solutions Ltd. Equity Shares of GBP 1 each fully paid up	16,881,531	16,881,531
Nil (5,462)	Nil (Nil)	5,463 (5,463)	Infinite Australia Pty Ltd. Equity Shares of AUD 1 each fully paid up	201,735	201,735
900,000 (1,00,000)	Nil (Nil)	1,000,000 (1,00,000)	Infinite Infosoft Services Pvt Ltd Equity Shares of Rs 10 each fully paid up	10,000,000	1,000,000
Nil (1,000,000)	Nil (Nil)	1,000,000 (1,000,000)	Infinite Data Systems Pvt Ltd Equity Shares of Rs 10 each fully paid up	10,000,000	10,000,000
5,000,000 (Nil)	Nil (Nil)	5,000,000 (Nil)	Infinite Convergence Solutions Inc Equity Shares of USD 1 each fully paid up	232,300,000	-
<b>TOTAL</b>				<b>308,043,189</b>	<b>66,743,189</b>
<b>B) CURRENT INVESTMENTS</b>					
1. Mutual Fund					
Non-trade investment - quoted					
4,999,070 (Nil)	2,990,580 (Nil)	2,008,490 (Nil)	HDFC Cash Management Fund	20,148,165	-

## Schedules forming part of Balance Sheet

					Amount in Rs.	
Acquired during the year Nos.	Sold/ redeemed during the year Nos.	Balance at the end of year Nos.	Particulars	March 31, 2010	March 31, 2009	
4,692,249 (Nil)	1,754,848 (Nil)	2,937,401 (Nil)	Reliance Medium Term Fund	50,216,333	-	
89,920 (Nil)	Nil (Nil)	89,920 (Nil)	Reliance Money Manager Retail Option	90,010,764	-	
31,273 (Nil)	Nil (Nil)	31,273 (Nil)	Reliance Money Manager Fund Institutional - D	31,308,465	-	
<b>TOTAL</b>				<b>191,683,727</b>	<b>-</b>	
<b>Market Value of Current Investments</b>						
		2,008,490	HDFC Cash Management Fund	20,145,155	-	
		2,937,401	Reliance Medium Term Fund	50,229,557	-	
		89,920	Reliance Money Manager Retail Option	90,018,013	-	
		31,273	Reliance Money Manager Fund Institutional - D	31,314,906	-	
				<b>191,707,631</b>		
<b>C) CURRENT INVESTMENTS - Balance IPO Money</b>						
<b>1. Mutual Fund</b>						
Non-trade investment - quoted						
28,862,823 (Nil)	823,927 (Nil)	774,19,935,049 (Nil)	HDFC FRIF STP	200,963,238	-	
281,729 (Nil)	Nil (Nil)	281,729 (Nil)	Templeton India STIP - W	302,539,634	-	
50,183 (Nil)	Nil (Nil)	50,183 (Nil)	Reliance Money Manager Fund Institutional - W	50,280,032	-	
18,947	Nil	18,947	Reliance Money Manager Fund Institutional - D	18,968,410	-	
				<b>572,751,314</b>	<b>-</b>	
<b>Market Value of Current Investment - IPO Money</b>						
		19,935,049	HDFC FRIF STP	200,945,294	-	
		281,729	Templeton India STIP - W	302,644,561	-	
		50,183	Reliance Money Manager Fund Institutional - W	50,286,879	-	
		18,947	Reliance Money Manager Fund Institutional - D	18,972,389	-	
				<b>572,849,123</b>		
<b>GRAND TOTAL</b>				<b>1,072,478,230</b>	<b>66,743,189</b>	
Aggregate cost of Quoted Investment				<b>764,435,041</b>	-	
Aggregate cost of Unquoted Investment				<b>308,043,189</b>	<b>66,743,189</b>	
				<b>1,072,478,230</b>	<b>66,743,189</b>	



## Schedules forming part of the Profit and Loss Account

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Schedule J</b>		
<b>SALES</b>		
Domestic Sales	250,500,696	228,809,361
Export Sales	1,569,803,814	1,059,169,861
	<b>1,820,304,510</b>	<b>1,287,979,222</b>
<b>Schedule K</b>		
<b>OTHER INCOME</b>		
Interest on Loans and Deposits	40,231,027	27,970,070
Dividend Income	4,528,763	-
Profit on Sale of Assets	-	51,714
Miscellaneous Income	297,334	467,788
Exchange (Loss) / Gain - Net	-	43,658,997
Rental Income	12,568,900	7,500,000
	<b>57,626,024</b>	<b>79,648,569</b>
<b>Schedule L</b>		
<b>EMPLOYEES REMUNERATION &amp; BENEFITS</b>		
Salaries and Wages	631,038,355	468,518,644
Contribution to Provident Fund and Other funds	16,940,799	12,524,837
Staff Welfare Expenses	56,279,308	35,585,301
	<b>704,258,462</b>	<b>516,628,782</b>
<b>Schedule M</b>		
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>		
Rent & Hire Charges	24,758,171	21,038,280
Repairs & Maintenance		
<i>Building</i>	7,092,013	6,334,983
<i>Plant &amp; Machinery</i>	9,808,671	7,583,875
<i>Vehicles</i>	690,166	627,519
<i>Others</i>	9,029,042	5,906,337
Security Charges	5,241,874	4,031,156
Insurance	5,892,784	3,285,120
Communication Expenses	18,783,044	20,194,921
Recruitment Expenses	6,351,918	6,218,194
Legal & Professional Charges	13,283,037	10,744,928
Contractual Services	244,053,223	152,662,412
Software Expenses	13,232,950	10,932,231
Project Expenses	13,128,952	35,017,191
Business Promotion	2,872,408	994,601
Traveling & Conveyance	35,347,878	41,904,999
Printing & Stationery	6,713,647	6,875,021
Electricity, Water and Fuel	14,827,466	16,435,589
Seminar & Training Expenses	6,709,352	2,435,942
Bad Debts	222,451	-
Provision for Bad Debts	2,390,424	4,226,215

## Schedules forming part of the Profit and Loss Account

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
Auditors' Remuneration		
<i>Statutory Audit</i>	827,250	500,000
<i>Tax Audit Fee</i>	110,300	44,945
<i>Review &amp; Other Certification Fee</i>	1,011,110	168,540
<i>Reimbursement of Expenses</i>	66,463	100,000
Rates & Taxes	2,203,494	1,463,910
Exchange Loss / (Gain) - Net	52,009,538	-
Miscellaneous Expenses	462,957	1,260,195
<b>Total Administrative &amp; Other Expenses</b>	<b>497,120,583</b>	<b>360,987,104</b>
Less : Transferred to Software Development.	-	(2,016,000)
	<b>497,120,583</b>	<b>358,971,104</b>
<b>Schedule N</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
Bank Charges	15,293,555	2,122,114
Interest on Loan	8,538,486	9,947,282
	<b>23,832,041</b>	<b>12,069,396</b>
<b>Schedule O</b>		
<b>EXTRA ORDINARY ITEMS</b>		
Settlement Charges	72,735,000	-
Provision for tax on extraordinary items	(24,722,626)	-
	<b>48,012,374</b>	<b>-</b>

## Schedule of Fixed Assets as on March 31, 2010

### Schedule E

Amount in Rs.

Particulars	GROSS BLOCK AT COST			DEPRECIATION			NET BLOCK			
	As at 01.04.2009	Additions during the year	Adjustments/ Sold during year	As at 31.03.10	Upto 01.04.2009	Provided during the year	Adjustments during the year	Upto 31.03.10	As at 31.03.10	As at 31.03.09
Leasehold Land	44,196,800			44,196,800	-	-	-	-	44,196,800	44,196,800
Buildings	139,041,212	4,292,899		143,334,111	8,767,399	2,269,647		11,037,046	132,297,065	130,273,813
Computers	85,569,082	4,157,481		89,726,563	57,006,089	9,988,858		66,994,947	22,731,616	28,562,993
Office Equipment	40,428,473	2,314,596		42,743,069	12,979,315	1,824,876		14,804,191	27,938,878	27,449,158
Furniture & Fixtures	40,067,998	1,201,432		41,269,430	16,417,049	2,315,995		18,733,044	22,536,386	23,650,949
Vehicles	22,463,734			22,463,734	6,930,653	2,053,868		8,984,521	13,479,213	15,533,081
Leasehold Improvements	5,085,779			5,085,779	5,085,779			5,085,779	-	-
Software	97,620,249	9,580,139		107,200,388	21,371,336	17,033,894		38,405,230	68,795,158	76,248,913
IT & Networking Equipments	21,929,876	71,000		22,000,876	13,720,739	3,112,074		16,832,813	5,168,063	8,209,137
Plant & Machinery	38,376,116			38,376,116	7,790,873	1,822,866		9,613,739	28,762,377	30,585,243
Electrical Installations	35,079,531			35,079,531	6,923,495	1,659,307		8,582,802	26,496,729	28,156,035
<b>TOTAL</b>	<b>569,858,850</b>	<b>21,617,547</b>	<b>-</b>	<b>591,476,397</b>	<b>156,992,727</b>	<b>42,081,385</b>	<b>-</b>	<b>199,074,112</b>	<b>392,402,285</b>	<b>412,866,122</b>
<b>PREVIOUS YEAR</b>	<b>437,262,691</b>	<b>134,202,264</b>	<b>1,606,106</b>	<b>569,858,849</b>	<b>121,558,309</b>	<b>36,358,104</b>	<b>923,686</b>	<b>156,992,727</b>	<b>412,866,122</b>	

#### Notes:

1. The execution of the absolute sale deed for the land measuring 18,640 sq meters is pending with the KIADB.

# Schedule P

## Notes to the Financial Statements

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### 1. BACKGROUND

Infinite Computer Solutions (India) Private Limited (‘the Company’) was incorporated in India on September 6, 1999, is a global service provider of Application Management Outsourcing, Remote Infrastructure Management Services, R&D and Intellectual Property Leveraged Solutions and related IT Services.

The Company was converted into a Public Limited Company w.e.f. February 14, 2008 and a fresh Certificate of Incorporation was received from the Registrar of Companies, National Capital Territory of Delhi.

During the year under review, your Company completed its Initial Public Offering (IPO) for 1,15,03,000 equity shares of Rs.10/- each, comprising of a fresh issue of 57,33,600 equity shares and an offer for sale of 57,69,400 equity shares by WhiteRock Investments (Mauritius) Limited, Mr. Vaibhav Bhatnagar and Mr. Sanjay Govil, through the Book Building Process. The Issue constituted 26.17 % of the fully diluted post issue paid-up capital of the Company. The fresh allotment was of 57,35,952 equity shares at Rs. 165/- per share.

The shares were allotted on January 27, 2010 and trading in shares commenced on February 03, 2010 at the Bombay Stock Exchange and The National Stock Exchange of India.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year ended March 31, 2010.

### 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### i) Basis of Accounting

The financial statements have been prepared under the historical cost convention in accordance with generally accepted accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956, as adopted consistently by the Company.

The Company follows the mercantile system of accounting and recognises items of income and expenditure on accrual basis.

#### ii) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

#### iii) Revenue Recognition

Revenue from software development contracts priced on a time and material basis is recognised on the basis of billable time spent by employees working on the project, priced at the contracted rate.

Revenue in respect of services on fixed price contracts is recognised on milestones achieved as per the terms of specific

contracts. Revenue from incomplete contracts is recognized on the proportionate completion method and where no significant uncertainty exists regarding the amount of consideration that will be derived on completion of the contract.

Dividend income from units in mutual funds is recognised on receipt.

Interest on bank deposits is recognised on accrual basis.

#### iv) Fixed Assets

Fixed assets are stated at cost, less accumulated depreciation. Cost includes original cost of acquisition, including incidental expenses related to such acquisition and installation.

The Company does not capitalize the cost of software acquired specifically for client projects and where there is no enduring benefit to the Company following conclusion of the project. Such software is charged to the Profit & Loss Account in the year in which the software is acquired.

#### v) Depreciation

Depreciation on all fixed assets is provided on the straight-line method over the estimated useful life of the assets at rates specified in Schedule XIV of the Companies Act, 1956.

Depreciation on addition to fixed assets is provided on pro-rata basis from the date the assets are put to use. Depreciation on sale/deduction from fixed assets is provided for up to the date of sale, deduction, discernment as the case may be.

All assets costing Rs. 5,000 or below are depreciated in full by way of a onetime depreciation charge. Leasehold improvements are amortized over the period of lease.

#### vi) Intangibles

##### Product Development Costs

Product development costs represents direct costs incurred by the Company for developing new products. Research costs are expensed as incurred. Development expenditure incurred on an individual product is carried forward when its future recoverability can reasonably be regarded as assured. The expenditure incurred is carried forward under capital work in progress till the product is commercially completed thereafter it is charged off over the expected useful life of product.

The carrying value of development costs is reviewed for impairment annually when the asset is not yet in use, and otherwise when events or changes in circumstances indicate that the carrying value may not be recoverable.

#### vii) Leases

Lease rentals are expensed with reference to lease terms.

#### viii) Investments

Long term investments are stated at cost, less provision for diminution in value of investments, which is considered to be permanent. Current investments are stated at lower of cost or fair market value (determined on the specific identification basis). Cost includes original cost of acquisition, including brokerage and stamp duty.

## ix) Foreign Currency Transactions

Transactions denominated in foreign currencies which are recorded at the exchange rates prevailing on the date of the transaction. The financial statements of foreign branches of the Company are translated and recorded in the functional currency of the Company.

Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates in accordance with AS 11. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions other than those related to fixed assets acquired from sources outside India is recognized in the Profit and Loss Account. Gain or loss on translation of long-term liabilities incurred to acquire fixed assets from sources outside India is treated, as an adjustment to the carrying cost of related fixed assets.

## x) Retirement Benefits

Company's contribution to Provident Fund is charged to the Profit & Loss Account.

Gratuity and Leave eligibility payable to employees is accounted for on the basis of an actuarial valuation as at the balance sheet date.

## xi) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## xii) Impairment of Assets

Whenever events indicate that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of such assets and from its ultimate disposal. A provision for impairment loss is recognised where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sale of the asset.

Where at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and recognized.

## xiii) Income Taxes

Income taxes consist of current taxes and changes in deferred tax liabilities and assets.

Income taxes are accounted for on the basis of estimated taxes payable and adjusted for timing differences between the taxable income and accounting income as reported in the financial statements. Current income tax has been provided at the enacted tax rates on income not exempt under the tax holiday.

Deferred tax assets or liabilities in respect of timing differences which originate during the tax holiday period but reverse after the tax holiday are recognised in the year in which the timing

differences originate, if they result in taxable amounts. Deferred tax assets or liabilities are established at the enacted tax rates. Changes in the enacted rates are recognised in the period of enactment.

Deferred tax assets are recognised only if there is a reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

## xiv) Transfer Pricing Regulations

The Company has undertaken necessary steps to comply with transfer pricing regulations. The management is of the opinion that the international transactions are at arm's length and hence the aforesaid regulations will not have any impact on the financial statements, particularly on the amount of tax expense and that of the provision for taxation.

## xv) Miscellaneous Expenditure

Preliminary expenses incurred on incorporation of the Company are deferred and amortised over a period of ten years.

## xvi) Material Events

Material events occurring after the Balance Sheet date are taken into cognizance.

## 3. COMMITMENT AND CONTINGENCIES

Estimated amount of contracts remaining to be executed on capital account and not provided for against which advance has not been paid Rs. NIL (Previous year Rs. NIL).

Contingent liability towards Bank Guarantees given to customers and other business related requirements is Rs 288.82 million (Previous year Rs. 18.35 million) and towards corporate guarantee on behalf of wholly owned subsidiaries is USD 100 million (Previous year Rs. 120 million).

## 4. ACCUMULATED LOSSES OF SUBSIDIARIES

The Investments in the subsidiary companies have been made considering strategic business expansion plans, and in view of the intrinsic value and the business potential of the subsidiaries, these have been carried at cost. Some of the subsidiaries have accumulated losses, but as these are considered temporary and the future operations in the near term will offset these losses, the Company has carried the investments at cost.

## 5. MANAGERIAL REMUNERATION

Managerial Remuneration under Section 198 of the Companies Act, 1956 paid to the Managing and Whole Time Directors of the Company are as follows:

Particulars	Amount in Rs.	
	March 31, 2010	March 31, 2009
Salary	16,675,000	10,512,613
Monetary value of perquisites	-	-
<b>Total</b>	<b>16,675,000</b>	<b>10,512,613</b>

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

## 6. LEASES

The Company is a lessee under various operating leases. Rental expense for operating leases in the year ended March 31, 2010 and year ended March 31, 2009 was Rs. 24,758,171 and Rs. 20,856,780 respectively. Expected future minimum commitments for non-cancellable leases are as follows:

	Amount in Rs.
Year ended March 31, 2010	570,000
Year ended March 31, 2009	Nil

## 7. SEGMENT REPORTING

The Company develops software products and provides software consulting services. The disclosures as required under accounting Standard 17 on segment reporting would cover geographical regions, which is as follows :-

	Amount in Rs.	
Location	March 31, 2010	March 31, 2009
Domestic	250,500,696	228,809,361
Americas	1,569,043,523	1,022,239,533
Europe	-	31,770,256
APAC	760,291	5,160,072
<b>Total</b>	<b>1,820,304,510</b>	<b>1,287,979,222</b>

Operating income, net income, assets and liabilities has not been provided by geographies as these are not realistically allocable and identifiable.

## 8. EARNINGS PER SHARE

The following is a computation of earnings per share and a reconciliation of the equity shares used in the computation of basic and diluted earnings per equity share.

	Amount in Rs.	
Particulars	March 31, 2010	March 31, 2009
Net Profit / Loss	439,229,151	368,870,876
Weighted average number of equity shares outstanding	39,229,799	38,214,051
Nominal Value of Equity Shares	10	10
Basic Earnings per Share	11.20	9.65

## 9. RELATED PARTY TRANSACTION

In the normal course of business, the Company enters into transactions with affiliated companies and its parent. The names of related parties of the Company as required to be disclosed under Accounting Standard 18 are as follows:

<b>a) Subsidiary Companies</b>
Infinite Computer Solutions Inc., USA
Infinite Computer Solutions Ltd, U.K
Infinite Computer Solutions Pte Ltd, Singapore
Infinite Computer Solutions Sdn, Bhd, Malaysia
Infinite Computer Solutions (Shanghai) Co. Ltd.
Comnet International Company
Infinite Australia Pty Ltd
India Comnet International Pvt. Ltd.
Infinite Data Systems Pvt LtdI
nfinite Infosoft Services Pvt Ltd
Infinite Convergence Solutions, Inc.
Infinite Data Systems UK Ltd.
<b>b) Whole Time Directors of the Company</b>
Navin Chandra
Upinder Zutshi
<b>c) Non-Whole Time Directors of the Company</b>
Sanjay Govil
<b>d) Enterprises in which key management personnel and their relatives are able to exercise significant influence</b>
N C Data Systems Private Limited
Mumal Mining Private Ltd

Included in the financial statements are the following amounts related to transactions with related parties:

Particulars	Amount in Rs.	
	March 31, 2010	March 31, 2009
<b>a) Revenue</b>		
<b>Subsidiary Companies</b>		
<b>Sale</b>		
Infinite Computer Solutions Inc, USA	513,120,435	423,701,623
Infinite Computer Solutions Ltd, U.K	-	479,478
Infinite Computer Solutions Pte Ltd, Singapore	-	164,320
Infinite Computer Solutions Sdn, Bhd, Malaysia	-	-
Comnet International Company	81,412,760	24,274,360
Infinite Australia Pty Ltd	-	-
<b>Interest on Loan</b>		
Infinite Computer Solutions Inc, USA	20,824,848	21,095,162
Infinite Data Systems Pvt Ltd	6,427,442	1,129,142
Infinite Infosoft Services Pvt Ltd	5,795,621	67,169
<b>Rental Income</b>		
Infinite Data Systems Pvt Ltd	8,680,000	2,100,000
<b>b) Expenses</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA		
Contractual Services	154,041,505	108,248,719
Infinite Computer Solutions Sdn, Bhd, Malaysia		
Contractual Services	-	-
Infinite Computer Solutions Pte Ltd, Singapore		
Contractual Services	-	777,037
<b>Directors of the Company</b>		
Managerial Remuneration	16,675,000	10,512,613
Rent	718,740	929,280
<b>c) Balance outstanding as at the year end</b>		
<b>Receivables</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA	123,741,477	200,131,903
Infinite Computer Solutions Ltd, U.K	578,647	623,897
Infinite Computer Solutions Pte Ltd, Singapore	3,905,964	4,211,415
Comnet International Company	19,365,060	17,131,840
Infinite Data Systems Pvt Ltd	4,738,351	2,408,474
Infinite Infosoft Services Pvt Ltd	5,208,134	53,332
Infinite Computer Solutions Sdn, Bhd, Malaysia	541,680	584,040
<b>Advances recoverable in cash or kind</b>		
<b>Subsidiary Companies</b>		
Infinite Computer Solutions Sdn, Bhd, Malaysia	220,598	220,598
Infinite Computer Solutions Pte Ltd, Singapore	4,733,608	3,839,956
Infinite Computer Solutions (Shanghai) Co. Ltd.	231,609	268,844
Infinite Infosoft Services Pvt Ltd	-	-
<b>d) Investments</b>		
<b>In Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA	2,342,000	2,342,000
Infinite Computer Solutions Pte Ltd, Singapore	26,717,648	26,717,648
Infinite Computer Solutions (Shanghai) Co. Ltd.	8,512,775	8,512,775
Infinite Computer Solutions Ltd, U.K	16,881,531	16,881,531
Infinite Computer Solutions Sdn, Bhd, Malaysia	1,087,500	1,087,500
Infinite Australia Pty. Ltd.	201,735	201,735

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
Infinite Data Systems Pvt Ltd	10,000,000	10,000,000
Infinite Infosoft Services Pvt Ltd (Share App. Money)	-	3,300,000
Infinite Infosoft Services Pvt Ltd	10,000,000	1,000,000
Infinite Convergence Solutions, Inc.	232,300,000	-
<b>e) Loan to Subsidiary Companies</b>		
Infinite Computer Solutions Inc, USA	236,985,000	255,517,500
Infinite Data Systems Pvt Ltd	10,885,000	47,000,000
Infinite Infosoft Services Pvt Ltd	23,969,351	-
<b>f) Payables</b>		
Infinite Computer Solutions Inc, USA (with Provision)	6,570,749	47,422,546
Infinite Computer Solutions Sdn, Bhd, Malaysia	2,264,059	2,352,921

## 10. INCOME TAXES

In accordance with Accounting Standard 22 on accounting for taxes on income the deferred tax charge of Rs. 5,461,731 for the current year has been recognized in the Profit & Loss Account. The tax effect of significant timing differences as of March 31, 2010 that reverse in one or more subsequent years gave rise to the following net deferred tax assets / (liability) as at March 31, 2010.

Amount in Rs.

Particulars	March 31, 2010	March 31, 2009
<b>Deferred Tax Assets</b>		
Provision for Retirement benefits	1,553,492	1,461,839
	1,553,492	1,461,839
<b>Deferred Tax Liabilities</b>		
Depreciation	39,948,346	34,394,962
Provision for Retirement Benefits	-	-
	39,948,346	34,394,962
Net Deferred Tax Assets / (Liabilities)	(38,394,854)	(32,933,123)

## 11. TRANSACTIONS OF DERIVATIVE INSTRUMENTS & FORWARDS CONTRACTS

As required by the announcement made by ICAI on March 29, 2008, all derivative instruments should be recorded on the Balance Sheet date at mark to market value. As such, these contracts are accounted for after adjusting the carrying amount of the contract to the market value of each period end and recognizing any loss in earning. The Company has accordingly provided for the loss of Rs. Nil million (previous year Rs 5.58 million) on such contracts in the books.

The following forward contracts are outstanding as on March 31, 2010:

- For USD – 16 million

## 12. STATEMENT OF UTILIZATION OF IPO FUNDS

Amount in Rs.

Particulars	March 31, 2010
Amount raised through IPO	946,432,080
Share Issue expenses paid	70,723,407
<b>Net proceeds</b>	<b>875,708,673</b>
<b>Deployment</b>	
Repayment of Debts	70,000,000
Acquisition	232,300,000
Current Investment in Mutual Funds	572,751,314
Kept in Separate Bank Account	657,359
<b>Total</b>	<b>875,708,673</b>

## 13. INFORMATION PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES

Loans and advances in the nature of loans to wholly-owned subsidiary companies are as under:

Rs. in Millions

Particulars	March 31, 2010	March 31, 2009
<b>Interest bearing with no specified payment schedule:</b>		
Infinite Computer Solutions Inc.	236.99	236.99
Infinite Data Systems Pvt Ltd.	10.89	98.90
Infinite Infosoft Services Pvt Ltd.	23.97	77.85

The above parties are also companies under the same management as defined under Section 370 (IB) of the Companies Act, 1956.



## 14. RECLASSIFICATION

Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to current year's groupings and classifications.

ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF PART-II OF SCHEDULE-VI TO THE COMPANIES ACT, 1956.

- i. **Licensed and Installed Capacity**  
Not Applicable
- ii. **Information in respect of purchase of Finished Goods**  
Not Applicable
- iii. **Information in respect of Turnover**  
Not Applicable
- iv. **Value of Imports on C.I.F. basis**

Particulars	Amount in Rs.	
	March 31, 2010	March 31, 2009
Capital Goods	Nil	Nil
Others	6,215,532	24,319,501

## 15. EARNINGS IN FOREIGN EXCHANGE

Particulars	Amount in Rs.	
	March 31, 2010	March 31, 2009
FOB Value of Exports *	1,569,803,814	1,059,169,861

\* Does not include receipts in convertible foreign exchange aggregating to Rs NIL (Previous Year Rs 23,652,369) in respect of services provided in India.

## 16. EXPENDITURE IN FOREIGN CURRENCY (ON CASH BASIS)

Particulars	Amount in Rs.	
	March 31, 2010	March 31, 2009
Travelling	28,375,081	14,438,598
Contractual Services	413,359,422	106,294,616
Legal & Professional Charges	742,834	876,172
Communication Expenses	39,244	706,813
Salaries & Wages	113,309	2,674,580
Rent & Hire Charges	-	719,901
Bank Charges	71,017	791,765
Loan Repayment	-	21,483,011
Commission on Sale	903,610	-
Others	383,812	223,088

As per our report of even date

For Amit Ray & Co.  
Chartered Accountants

(C V Savit Kumar Rao)  
Partner (M.No.70009)  
Firm ICAI Reg No: 483C

Place : Bangalore  
Date : May 12, 2010

For and on behalf of the Board of Directors

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

(Rajat Kalra)  
Company Secretary

## Balance Sheet Abstract and Company's General Business Profile

Particulars	
Registration No.	U72200DL1999PLC171077
State Code	55
Balance Sheet Date	March 31, 2010
<b>Capital Raised during the Year</b>	(Amount in Rs. '000 except per share data)
Public Issue	57,360
Rights Issue	-
Bonus Issue	-
Private Placement (Promoter Company)	-
<b>Position of Mobilization and Deployment of Funds</b>	
Total Liabilities	2,637,081
Total Assets	2,637,081
<b>Sources of Funds</b>	
Paid-up Capital	439,600
Reserves and Surplus	2,146,086
Secured Loans	13,000
Unsecured Loans	-
Deferred Tax Liability	38,395
<b>Application of Funds</b>	
Net Fixed Assets	392,568
Investments	1,072,478
Net Currents Assets	1,172,035
Miscellaneous Expenses	-
Accumulated Losses	-
<b>Performance of the Company</b>	
Turnover	1,877,931
Total Expenditure	1,267,292
Profit / (Loss) before Tax	610,638
Profit / (Loss) after Tax	439,229
Earnings per Share	11.20
Dividend Rate (%)	-
<b>Generic Name of three principal products/services of the Company</b>	
Item Code No. (ITC Code)	85249009
Product Description	Computer Software

For and on behalf of the Board of Directors

Place : Bangalore  
Date : May 12, 2010

(Upinder Zutshi)  
Managing Director

(Navin Chandra)  
Wholetime Director

## Statement pursuant to Section 212 of the Companies Act, 1956 relating to Subsidiary Companies

Rs. in Millions

S. No.	Particulars	Infinite Computer Solutions Inc.	Infinite Computer Solutions Limited.	Infinite Computer Solutions Pte. Ltd.	Infinite Computer Solutions Sdn Bhd.	Infinite Computer Solutions (Shanghai) Co.Ltd.	Infinite Australia Pty. Limited	Comnet International Co.	India Comnet International Pvt. Ltd.	Infinite Data Systems Private Limited	Infinite Data Systems UK Limited	Infinite Convergence Solutions Inc.	Infinite Infosoft Services Private Limited
1	Financial Year ending of the Subsidiary	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10	Mar 31, 10
2	Holding Company's Interest												
2a	Shares held by the Holding Company in the Subsidiary	50,000 shares of USD 1 each	206,842 ordinary shares of GBP 1 each	999,910 shares of Singapore Dollar 1 each	94,367 Ordinary Shares of RM 1 each	Investment of RMB 1,613,282	5463 Equity Shares of AUD 1/- each	40,000 Shares of USD 0.025 each	1,00,000 Equity Shares of Rs. 10/- each	1,00,000 Equity Shares of Rs. 10/- each	70,000 ordinary shares of GBP1 each	5,000,000 shares of USD 1 each	1,000,000 Equity Shares of Rs. 10/- each
2b	Extent of Holding	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
3	Net Aggregate amount of profits/(losses) for the above financial year of the subsidiary so far as it concerns members of the holding company:												
3a	Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-	-	-	-	-
3b	Not dealt with or provided for in the accounts of the holding company	78.17	(1.78)	(0.51)	(0.32)	(0.28)	(0.10)	14.45	(0.16)	129.00	(2.03)	30.68	103.65
4	Net aggregate amount of profits/(losses) for the previous financial years of the subsidiary so far as it may concern the members of the holding company												
4a	Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-	-	-	-	-
4b	Not dealt with or provided for in the accounts of the holding company	308.26	(6.39)	(16.14)	6.29	(8.78)	(0.23)	56.98	22.69	7.48	-	-	(1.34)

**Notes:**

- a) Infinite Data Systems UK Ltd was incorporated on June 11, 2009.
- b) Infinite Convergence Solutions Inc. was incorporated on December 04, 2009.
- c) Comnet International Co. is a wholly owned subsidiary of Infinite Computer Solutions Inc., India Comnet International Pvt Ltd is a wholly owned subsidiary of Comnet International Co. and Infinite Data Systems UK Ltd is a wholly owned subsidiary of Infinite Data Systems Pvt. Ltd.

For and on behalf of the Board of Directors

Date: May 12, 2010  
Place: Bangalore

**(Upinder Zutshi)**  
Managing Director

**(Navin Chandra)**  
Wholetime Director

**(Rejat Kalra)**  
Company Secretary



## Statement regarding Subsidiary Companies as required by the approval granted under Section 212(8) of the Companies Act, 1956

S.No.	Name of Subsidiary	% of Holding	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities excluding (3) & (4)	Investment (except in case of investment in subsidiaries)	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Rs. in Millions	
												(1)	(2)
1	Infinite Computer Solutions Inc.	100%	2.34	373.96	3,286.32	2,910.02	-	4,386.00	128.27	50.10	78.17	-	-
2	Infinite Computer Solutions Limited., UK	100%	16.88	(9.21)	15.72	8.05	-	15.95	(1.78)	-	(1.78)	-	-
3	Infinite Computer Solutions Pre. Ltd.	100%	26.72	(15.94)	32.64	21.86	-	76.81	(0.51)	-	(0.51)	-	-
4	Infinite Computer Solutions Sdn Bhd.	100%	1.09	6.86	20.78	12.83	-	35.03	(0.32)	-	(0.32)	-	-
5	Infinite Computer Solutions (Shanghai) Co.Ltd.	100%	8.51	(7.95)	10.44	9.88	-	26.16	(0.28)	-	(0.28)	-	-
6	Infinite Australia Pty. Limited	100%	0.20	(0.35)	0.20	0.35	-	-	(0.10)	-	(0.10)	-	-
7	Comnet International Co.	100%	0.04	148.25	283.68	135.39	-	467.58	23.88	9.43	14.45	-	-
8	India Comnet International Pvt. Ltd.	100%	1.00	99.08	154.20	54.12	-	136.46	0.30	0.46	(0.16)	-	-
9	Infinite Data Systems Private Limited	100%	10.00	136.41	211.21	64.80	-	383.16	157.31	28.31	129.00	-	-
10	Infinite Data Systems UK Limited	100%	5.11	(2.26)	4.76	1.91	-	-	(2.03)	-	(2.03)	-	-
11	Infinite Convergence Solutions Inc.	100%	232.30	23.07	657.73	402.36	-	121.16	49.99	19.31	30.68	-	-
12	Infinite Infosoft Services Private Limited	100%	10.00	102.30	154.78	42.48	-	243.41	104.34	0.69	103.65	-	-

**Notes:**

- a) Infinite Data Systems UK Ltd was incorporated on June 11, 2009.
- b) Infinite Convergence Solutions Inc. was incorporated on December 04, 2009.
- c) Comnet International Co. is a wholly owned subsidiary of Infinite Computer Solutions Inc., India Comnet International Pvt Ltd is a wholly owned subsidiary of Comnet International Co. and Infinite Data Systems UK Ltd is a wholly owned subsidiary of Infinite Data Systems Pvt. Ltd.





# Infinite Expanse

## INDIA

### **Infinite Computer Solutions (India) Limited**

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