TAKE
Enabling Business Efficiencies

TEN YEARS OF EXCEEDING EXCELLENCE

ANNUAL REPORT 2010-11

Contents

About Us	-	02
Financial Highlights	-	03
Significant Highlights	-	04
Inauguration of New Facility	-	05
Events @ TAKE	-	06
Working @ TAKE	-	08
Board of Directors	-	09
Letter to Shareholders	-	10
Company Information	-	12
Directors' Report	-	13
Management Discussion and Analysis	-	17
Corporate Governance Report	-	23

Consolidated Financials

Auditors' Report	-	29
Balance Sheet	-	30
Profit & Loss Account	-	31
Cash Flow Statement	-	32
Schedules to and Forming Part of Balance Sheet and Profit & Loss Account	-	33

Standalone Financials

Auditors' Report on Abridged Financial Statements	-	46
Auditors' Report	-	47
Abridged Balance Sheet	-	50
Abridged Profit & Loss Account	-	51
Abridged Cash Flow Statement	-	52
Notes to the Abridged Financials	-	53
Statement Under Section 212(8)	-	57
Balance Sheet Abstract & Company's General Business Profile	-	58

10 Years OF EXCEEDING EXCELLENCE

When you set out to be the very best at what you do, you don't merely push the boundaries of excellence, you define it. TAKE Solutions has been a leading innovator for over a decade, delivering flawless solutions in real time. Our excellent track record is matched only by the zest with which we seek business potential and our pace is set by talented individuals who come together as a team to excel every single time.

Be it in the realm of Technology, Knowledge, Analytics or Enterprise, Team TAKE has ensured top-notch credibility in this ever changing marketplace. The conviction that every individual is part of a dynamic workplace and the motivation to think afresh are the catalysts that allow us to stay inspired.

Now, more than ever, we are poised to raise the bar of excellence. Our conviction is grounded in our core competencies, but our aspirations to soar higher just get stronger with every passing day. As we pause to look back at the past decade, our fortitude to go further has always bid us well; looking forward, exceeding excellence is here to stay.

About Us

TAKE Solutions is a leading global business technology company, providing innovative, cost-effective and comprehensive solutions for businesses across diverse sectors through its two key niche business focus areas - Life Sciences (LS) and Supply Chain Management (SCM).

TAKE's track record in delivering world-class solutions throughout global markets is well proven. Technological innovations have always been the driving force of the Company, which in turn helps TAKE's customers achieve consistent growth in business.

Headquartered in Chennai, TAKE primarily drives its SCM Domain Excellence Centre and Global Delivery Centre from India. The Company has a strong presence in the USA with the LS Domain Excellence Centre located in Princeton, New Jersey. The Company conducts business today with more than 400 customers worldwide.

TAKE's product suite in the SCM vertical includes 16 unique products with embedded IP that spans the entire gamut of execution, planning and collaboration. Solution areas include Demand Driven Supply Chain, Demand Driven Distribution & Fulfillment, Mobile Applications & Auto-ID. In the LS domain, IP based software and deep understanding in the functional areas of R&D, commercial applications and operations help TAKE add tremendous value as a partner. TAKE's technology capabilities and partnership approach with industry leaders and standards organizations like the CDISC, HL7 and ICH allow it to consistently provide customized and optimal solutions and services. TAKE provides its LS customers a single source for clinical data services, regulatory-compliant technology solutions and safety data systems.

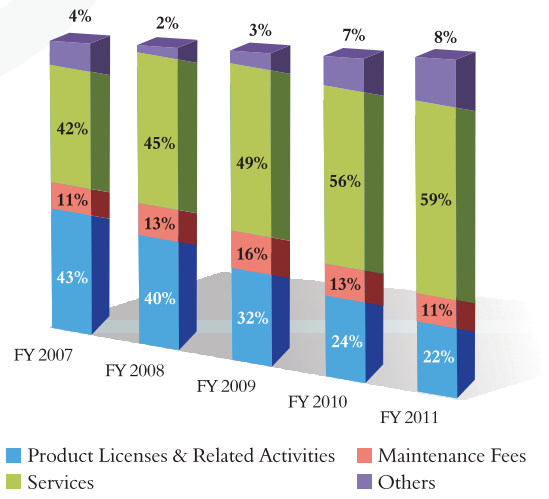
TAKE is assessed at Level 5 of the Capability Maturity Model Integration (CMMI) and Level 3 of the People Capability Maturity Model (PCMM), Software Engineering Institute, Carnegie Mellon University, USA. TAKE is also a Microsoft Gold Certified Partner, a Business Objects Gold Partner, a Charter Member of the Microsoft BioIT Alliance and along with its subsidiary Applied Clinical Intelligence (ACI), a Registered CDISC Solutions Provider, with recognized industry leadership in Microsoft-based Solutions, Regulated LS and SCM. This is a sure sign of our potential in the industry that is fast changing the nature of global commerce.

Furthermore, our partnership with large players in the market such as Oracle, SAP, QlikView, Cegedim Relationship Management and Liquent is the recognition of the Company's unique offerings.

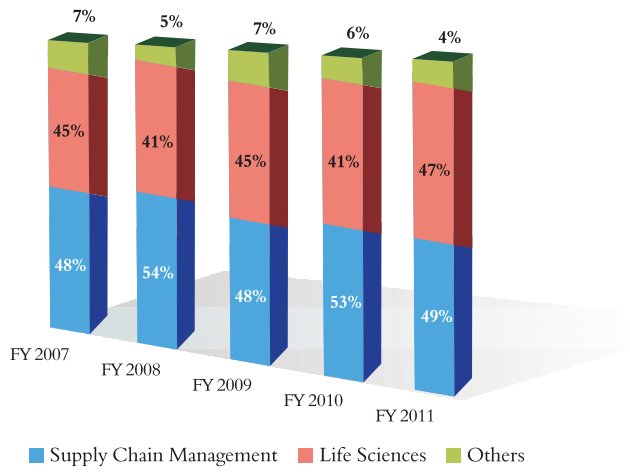
In a very short span of ten years, TAKE Solutions, through its pioneering policies and procedures has excelled itself and created new standards in the industry. Combining our high technical competencies with innovative systems, TAKE has produced superior and customized results consistently, in a cost-effective manner for its customers. With dynamic plans to maximize growth and profitability in the next decade, our commitment to exceeding excellence propels further.

Financial Highlights of 2010-11

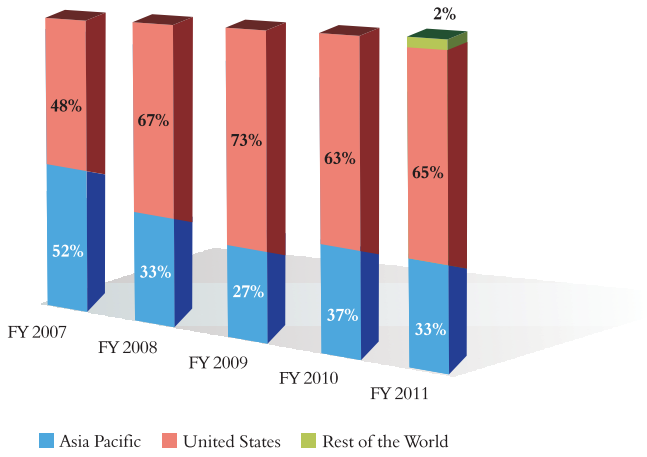
Revenue By Category



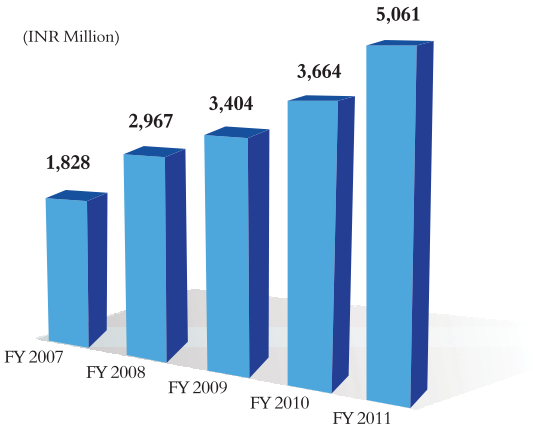
Revenue By Vertical



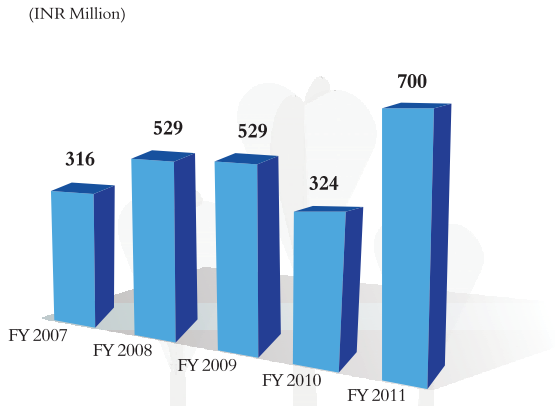
Revenue By Geography



Total Revenues



Profit After Tax



Significant Highlights

Financial Growth

- The consolidated revenue for the year was INR 5,061 million (USD 110.3 million), a 38% increase over FY09-10
- Net Profit for the period was INR 700 million (USD 15.3 million)
- EBITDA was at INR 1,091 million (USD 23.8 million) and EBITDA margin at 21.6%
- The diluted Earnings Per Share (EPS) for the period was INR 5.82
- The Board recommended 100% dividend for FY11

Supply Chain Management

- TAKE Solutions launched OneSCM SaaS Platform Upgrade
- Launched an ERP practice that is highly specialized in areas such as Mobile Supply Chain, Warehouse Management, Advanced Supply Chain Planning and Process Manufacturing
- Implemented a mobile data collection solution for improving the efficiency of receiving, manufacturing and shipping of drugs for one of our Life Sciences customers
- Established thought leadership by conducting webinars about improving efficiencies in Warehouse Management & Mobile Supply Chain processes and performing rapid Oracle R12 upgrades
- TAKE Supply Chain and DataMAX partnered to provide Integrated Supply Chain Solutions to JD Edwards' customers

New Market Penetration

- Greater penetration into the Indian pharmaceutical space
- Launch of PharmaReady suite of products in the Middle East

Life Sciences

- TAKE Solutions made a comprehensive entry into the European Life Sciences market by acquiring UK based WCI Consulting Group. This acquisition helps TAKE to add expertise in pharmacovigilance domain, enabling us to give more services to the targeted market segment
- Cegidim Relationship Management and TAKE Solutions announced strategic partnership to increase the availability of Mobile Intelligence throughout India and deliver the only Industry–specific CRM solution to Life Sciences Companies
- TAKE Solutions and Reliance Life Sciences entered into a strategic alliance to supply its unique and innovative PharmaReady eCTD, SPL and PPM modules

Inauguration of New Facility

Shri. Rajeev Ranjan, IAS, Principal Secretary, Industries Department, Government of Tamil Nadu inaugurated the new facility of TAKE Solutions at Shriram The Gateway (SEZ) on October 27, 2010. This state-of-the-art facility is designed with development blocks, training blocks, cafeteria and a comfortable working environment. Aimed at enhancing the scale of operations and expanding the workforce, this move will further strengthen TAKE Solutions' presence in this region complementing the Company's existing office in Chennai.

The facility is spread over 1,18,000 sq. ft. in two phases, the Phase I covers an area of 68,000 sq. ft. and is capable of accommodating over 650 employees. Well equipped with health, safety, security and recreation facilities, TAKE Solutions Global LLP, a subsidiary of the Company has been architected in line with facilities offered by top technological companies. The proximity to the airport, national highway, uninterrupted power & water supply and state-of-the-art infrastructure will truly provide a world-class experience.

The new office is designed depicting the 5 values (Boundaryless Innovation, Vibrancy & Joy, Differentiate, Equity with Fairness and Integrity) of our Company, through graphic posters on walls alongside the sprawling employee bays, which bring out the vividness and life in the message that we communicate. This helps to imbibe the core values and reinforce the same every other day and help improve communication, foster new ways of thinking, increase teamwork, motivate and spread Company ethos. It truly makes the place young and colourful. The concept is also extended to the cafeteria and breakout area where employees can sit back, relax and TAKE a break, while enjoying the colourful walls depicting the theme – 'Work Life Balance'. The idea is to emphasize the core importance of appreciating life and also motivating employees to 'TAKE a Message Home' by providing simple tips like encouraging them to stay fit, celebrating small achievements, pursuing a sport or passion, to refresh and rejuvenate and the like.

Events @ TAKE

TAKE's Customer Appreciation Event 2010

TAKE organized its very first Customer Appreciation Event to bring together its customers and some industry experts to have a day of engaging discussions and networking. This was held on June 08, 2010 at TPC Jasna Polana, Princeton, New Jersey. The theme for the event was 'Enabling Efficiencies – Now more than ever', reinforcing our very own tagline of 'Enabling Business Efficiencies'. The Welcome Address was given by Mr. Srinivasan H.R., our Vice Chairman & Vision Holder, and the keynote speech was given by Ms. Mary LeBlanc, VP & CIO, Novartis Pharmaceuticals. This was followed by three breakout sessions on 'Clinical and Regulatory Sciences Trends', 'Next Generation Analytics', 'Cloud Computing - Transforming Businesses'. The breakout sessions had top business leaders, technical & domain experts and leading industry analysts as speakers and panelists.

TAKE Utsah

TAKE organized its annual day, TAKE Utsah on February 22, 2011. It is the most awaited event every year as it promotes high octane fun and entertainment.

To mark the 10th year, our Guest of Honour, Mr. R. Thyagarajan, Chairman, Shriram Group Companies enthused the audience with his inspirational felicitation address. Our Chairman, Mr. N. Kumar, Managing Director, Mr. S. Sridharan and President & CEO, Mr. Ram Yeleswarapu also addressed the gathering with their power packed speeches.

TAKEsters enthusiastically participated in a wide variety of entertainment like spectacular laser show, corporate illusion show and contemporary dance shows which was preceded by awards for best individual and team performances. The other key highlight of the event was felicitation of employees who have completed five and ten successful years. Besides the employees from India, Board and Senior Management team members from USA and UK also took part in the event.

The TAKE Solutions World Corporate Golf Challenge 2010-2011

India continued to maintain its strength at the finals of the World Corporate Golf Challenge. Team India comprising Rudratej Singh and Subhash Naidu from Hindustan Unilever, Mumbai, emerged Runners-up at the World Finals of the 25th World Corporate Golf Challenge held at the prestigious and world famous Simola Golf Course at South Africa. India scored a total of 66 points, 1 point less than the winning team from Northern Ireland.

The two member Indian team was selected from among 400 corporate teams in India who played four regional rounds of the TAKE Solutions World Corporate Golf Challenge (India) in Delhi, Mumbai, Bengaluru and Kodaikanal and then met at the National Finals in Bangkok.

The Indian team has come either first or second in the last four editions of the World Corporate Golf Challenge World Finals. The maiden win was in 2008 at Spain; last year the Indian team shared the 1st place and the winning trend continues this year too.

Analyst Meet

The Annual Analyst Meet was held at Mumbai on February 24, 2011. The event saw close to 75 attendees. The entire management team of TAKE was present at the session. It was a perfect platform to showcase our core competencies and knowledge in the business. Product demo kiosks were set up where the investors and analysts were taken through TAKE's offerings. This helped the audience to understand our deep domain expertise in Life Sciences and Supply Chain Management. The session was very interactive and well received by all.

Offsite Workshop

An offsite workshop was conducted for the senior management team of TAKE, with the teams from USA and UK joining them at the beautiful ambience of Jaypee Greens Golf Resort, Greater Noida. It was a platform where the teams across the globe could participate in interesting team building activities. One such event was the Cricket game where everyone had a good time. The team also enjoyed the session on leadership skills and other outdoor activities.

Pace 2010

The internal sales meet, PACE 2010, was organized to bring together the sales and business development team members of the four different offices in USA. With about 40 participants, the event was held at Princeton, New Jersey. The offshore team from Chennai office contributed to the event by participating through web meetings. Presentations on each practice were done by the Practice Leads and Practice Heads.

Mr. Srinivasan H.R., our Vice Chairman & Vision Holder, motivated the teams to aim high in the next couple of years. Mr. S. Sridharan, our Managing Director spoke about achieving bigger goals.

Our President & CEO, Mr. Ram Yeleswarapu motivated the teams by saying "As you all would have realized, our portfolio of solutions and services are vast, but at the end of the day, the idea is to pick the ones that each one of you is most comfortable with, and lead the way towards increased revenues and rapid growth."

Some good motivational movies were played and the teams heard success stories of our sales team members.

Corporate Social Responsibility

As part of community interaction, TAKEsters took the lead this year to visit schools in and around Tamil Nadu to share their experiences with young students.

Several sessions were planned over a span of 4 months. Every session was themed, like Career Exploration, Effective use of Mass Media, to bring more focus and interest.

Our CSR partner, Give Life provided us active support in these facilitations with the schools. This also gave a chance to our volunteers to contribute to the community. The students in turn were able to have informative and interactive sessions which were unique and motivating.

Working @ TAKE

Small Steps for a Giant Leap – Small steps taken towards the journey ahead in almost all areas of Human Capital Function:

Performance Management – The Balanced Scorecard, the strategic performance management tool ran its third successful year.

Leadership Management – An outbound leadership programme was organized for the senior management team where the vision of the Company was explicitly discussed and the foundation for achieving the goals were laid.

Talent Acquisition – The talent acquisition team introduced the 'Refer a Friend Program' (RFP). Positions that are open within the Company are made known to all TAKEsters internally and rewards for the same were reemphasized through this programme.

Talent Transformation – The ACE learning series was launched as a small step into the journey of transforming ourselves into a learning organization. The Acronym ACE stands for 'Achieving Continuous Excellence'. The objective of The ACE Learning Series is to facilitate and enable each TAKEster to be an ACEr at the workplace by constantly providing them with opportunities to learn, develop and grow.

Talent Engagement – Various initiatives were launched which included TAB (TAKE A Break), IFME (Ideas For Mother Earth), Women's Day celebration, Organ Donation awareness and the like. The programmes infused healthy competition and prizes were announced for winners. The talent engagement activities drew people together and brought out the best in each as individuals and as a team. The programmes and events provided an opportunity to display the values of the organization such as innovation, vibrancy and joy. New calendars were designed for HR open house and birthday celebrations.

New Rewards and Policies – Two additional rewards were introduced namely, 'The Dream Team Award' and 'The Gem Award' and were presented to the winners during TAKE Utsah, an annual event that brings all TAKEsters together.

Two new policies were also introduced namely, 'Social Networking Policy' and 'Prevention of Sexual Harassment at the Work Place Policy'.

Laurels

- Awarded Managerial Excellence in the Services Category by Madras Management Association (MMA)
- Listed in Food Logistics' 2010 FL100 List for the fourth consecutive year
- Positioned as one among the seven finalists in the NASSCOM IT Innovation Awards 2011 in Process Innovation category
- SupplyChainBrain's Great Supply Chain Partner 2010 for the fourth consecutive year

Board of Directors

In the Picture:
L To R (Standing) S. Sridharan - Managing Director, Srinivasan H.R. - Vice Chairman & Vision Holder, D.V. Ravi - Director
Bala Latupalli - Director, Ram Yeleswarapu - President & CEO
L To R (Sitting) S. Krishnamurthy - Independent Director, R. Sundara Rajan - Independent Director, N. Rangachary - Independent Director
N. Kumar - Chairman, D.A. Prasanna - Independent Director, Prof. G. Raghuram - Independent Director

Letter to Shareholders

Dear Shareholders,

The FY'11 results mark an exemplary conclusion to a decade of exceeding excellence by your Company. During this decade, we have undertaken enough tests to the business model, particularly in the last recession period. We are proud to say with our heads high that we have emerged stronger from the recession. This milestone while signaling that your Company has come of age, also announces that it has inculcated the framework to reinvent the business model to capitalize on the emerging opportunities and withstand market pressure. A promising start to the next ten years of excellence.

It has been a strong year as we have recorded our highest-ever annual revenues and have crossed the INR 500 crore mark, having generated record earnings per share and improved profit margins. We have continually delivered superior returns to the shareholders, as a consequence of the strong leadership spurred by smart decisions and actions supported by a hard working group of TAKEsters around the globe. We have been steadily investing in the business through our cash flows and have been able to deliver substantial returns to our investors. As a special recognition marking the successful completion of 10 years, your Company announced a 100% dividend for FY'11.

We are uniquely positioned in the domain areas of Life Sciences (LS) and Supply Chain Management (SCM). The domain focused approach still continues to be our competitive edge and the verticals of LS and SCM sustain to be a strategic advantage for your Company. Our deep domain expertise & IP assets for sure have been the key market differentiators.

Firmly entrenched and well branded within the high growth domains of LS and SCM, your Company is well poised to capture a significant market share and mind share. The foundation over the last decade has been built right and we have the expertise, personnel and the right infrastructure to deliver well.

Your Company is also keenly exploring the new and emerging business models of cloud and SaaS (Software as a Service) and has launched the OneSCM platform to enable supply chain functionality. Additionally, your Company also has plans to invest in this space in the coming years.

Enabling business efficiencies for global customers using technology solutions, services and best practices have always been the driving force of your Company and today, it is proven from the Company's track record of consistent growth. With an eye towards expanding rapidly on a global basis and supporting the customer base with additional product and service offerings, your Company has strengthened its employee base with right talent and relevant expertise. We have in place, a carefully architected M&A strategy of complementing a steady and consistent organic growth that has been EPS accretive while simultaneously augmenting the geographical presence, customer footprint, deepening the subject matter expertise and adding to the leadership bandwidth. The acquisition of WCI early this year stands testimony to the successful acquisition strategy.

Your Company has created a base of 400 global customers, 200 of which belong to the fortune 1000 Companies list. With a view to increasing the wallet share from this customer base, your Company has created focused account management teams and expanded the offerings with high domain business services. This in turn helped to increase revenue share from this customer base and has given the management team the confidence that this initiative is going to generate high profitability in the coming years. What started of as a 20 man Company, has today grown to 1100+ employees, Your Company is also planning to expand its human capital in the next coming years. Our business focus, thought leadership, calculated risks taken and additional resources provided until now, have been witnessed by an increased momentum of evidence, which is the Company's 10 year milestone.

To sum it up, our superior strategic positioning, deep domain expertise, IP assets and a dedicated team of TAKEsters provide us the raw material for creating solid annuity revenues, healthy profits, a strong balance sheet and most importantly, the will to prevail. If the past decade has been dedicated to setting up the foundation right, the next one will impel long-term sustainable growth and value creation for our investors. We are a young Company with a vibrant culture, proud of our accomplishments till date and we owe our gratitude to you, our shareholders for your unwavering support. We would like to thank our Chairman and Independent Directors, our advisory board for their infallible support and guidance along the way. We also take this opportunity to express our thanks to the banks for their on-going support and assistance. We are thankful to the suppliers for their timely assistance. Last but not the least, we are thankful to our TAKE family for their consistent high-level performances and their commitment to goals which have enabled your Company to surpass several milestones in its journey.

We sincerely hope that you are pleased with how your Company has evolved and performed thus far and we trust that you share our excitement in an enormously promising future for this very young Company.

Thank you.

S. Sridharan
Managing Director

Ram Yeleswarapu
President & CEO

Company Information

Board of Directors

Independent Directors
Mr. N. Kumar - Chairman
Mr. S. Krishnamurthy
Mr. D.A. Prasanna
Prof. G. Raghuram
Mr. N. Rangachary
Mr. R. Sundara Rajan

Non-Executive Directors
Mr. Srinivasan H.R. - Vice Chairman
Mr. Bala Latupalli
Mr. Ram Yeleswarapu
Mr. D.V. Ravi

Managing Director
Mr. S. Sridharan

Company Secretary (Compliance Officer)
Mr. P. Srinivasan

Registered Office
No. 8 B, Adyar Club Gate Road,
Chennai - 600 028

Statutory Auditors
Sundar, Srini & Sridhar, Chartered Accountants

Internal Auditors
KPMG, India
G.D. Apte, Chartered Accountants, Mumbai

Bankers
Citibank NA
DBS Bank Limited
YES Bank Limited

Committees of the Board

Audit Committee
Mr. R. Sundara Rajan – Chairman
Mr. S. Krishnamurthy
Mr. D.A. Prasanna
Mr. D.V. Ravi

Remuneration and Compensation Committee
Mr. D.A. Prasanna – Chairman
Mr. D.V. Ravi
Mr. R. Sundara Rajan

Shareholders' / Investors' Grievance–cum–Share Transfer Committee
Mr. N. Kumar – Chairman
Mr. S. Sridharan
Mr. R. Sundara Rajan

Acquisition and Investment Committee
Mr. N. Kumar – Chairman
Mr. D.V. Ravi
Mr. R. Sundara Rajan

Banking and Borrowing Committee
Mr. D.V. Ravi – Chairman
Mr. S. Krishnamurthy
Mr. S. Sridharan

Directors' Report

Your Directors have pleasure in presenting the TENTH Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2011.

FINANCIAL HIGHLIGHTS:

I. Consolidated Financial highlights of the Company and its Subsidiaries

(Rs in Million except per share data)

Year ended March 31	2011	2010
Total Income	5060.58	3664.11
Total Expenditure	3969.89	2996.69
EBITDA	1090.69	667.42
Depreciation & Amortization	215.26	223.09
Profit / (Loss) Before Int & Tax	875.43	444.32
Interest & Finance Charges	74.95	39.00
Provision for Taxation	64.95	42.46
Minority Interest (MI)	35.57	38.60
Profit / (Loss) After Tax (after MI)	699.95	324.26
Earnings Per Share	5.83	2.70
Equity Shares (in numbers)	122,400,000	122,400,000

TAKE Solutions reported consolidated total revenue of INR 5,061 million for the fiscal ended March 31, 2011, up 38.1% compared to the year ended March 31, 2010. Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) for the year increased 63.5% to INR 1,091 million and net profit increased 115.9% y o y to INR 700 million. Earnings per Share (EPS) for FY11 stood at INR 5.83.

II. Standalone Financial highlights of the Company:

(Rs in Million except per share data)

Year ended March 31	2011	2010
Total Income	636.63	555.70
Total Expenditure	272.39	310.58
EBITDA	364.24	245.11
Depreciation & Amortization	55.82	61.28
Profit / (Loss) Before Int & Tax	308.42	183.82
Interest & Finance Charges	40.37	35.52
Provision for Taxation	34.35	33.50
Profit / (Loss) After Tax	233.70	114.80
Earnings Per Share	1.95	0.95
Equity Shares (in numbers)	122,400,000	122,400,000

For the financial year ended March 31, 2011, your Company reported a gross income of Rs. 636.63 Million. The Company recorded a net profit of Rs. 233.70 Million for this financial year.

DIVIDEND

Your Directors have pleasure in recommending a dividend of 100% (Re.1/ per Equity share of Re.1 each) for the year ended 31st March 2011, subject to the approval of the shareholders at the ensuing Annual General Meeting.

The total cash outflow on account of equity dividend payments, including dividend distribution tax, will be Rs.140.33 Million (FY2010 Rs. 28.93 Million) including payments to ESOP Trust.

The register of members and share transfer books will remain closed from August 20, 2011 to August 26, 2011, both days inclusive. The Annual General Meeting has been scheduled for August 26, 2011.

ABRIDGED ACCOUNTS

SEBI has vide its Circular No. SEBI/CFD/DIL/LA/2/2007/26/4 dated 26.4.2007 permitted listed Companies to send Abridged Annual Report to the shareholders in line with the requirement stipulated under Section 219 (1)(b)(iv) of the Companies Act, 1956. Accordingly, an abridged Balance Sheet is sent to the shareholders of the Company. Any shareholder interested in having a copy of the complete and full Balance Sheet and Profit & Loss Account, may write to the Company Secretary at the Registered Office of the Company. The detailed Balance Sheet and Profit & Loss Account will also be available for inspection at the Registered Office of the Company during working hours of the Company and shall also be published in the website of the Company, www.takesolutions.com.

GREEN INITIATIVE IN CORPORATE GOVERNANCE:

The Ministry of Corporate Affairs (MCA) has through Circular No.17/2011 pronounced a Green initiative in Corporate Governance that allows Companies to send notices/documents to shareholders electronically. The Green initiative endeavours to reduce consumption of paper, in turn preventing deforestation and contributes towards a green and clean environment a cause that we at TAKE are committed to. In support of the initiative announced by MCA, your Company proposes to send documents like Notices convening Annual General Meeting, Audited Financial Statements, Director's Report, and Auditors' Report etc. in electronic form.

HOLDING COMPANY

TAKE Solutions Pte. Ltd, Singapore, the Holding Company continues to retain substantial equity in your Company and the Present Equity Holding is at 57.89%.

SUBSIDIARY COMPANIES

In order to create a sustainable base in the other geographies, the Company has set up wholly owned subsidiaries in the United Kingdom and Singapore. Subsequently, the Company acquired WCI Consulting Group Limited, UK through its wholly owned step down subsidiary viz., TAKE Global Ltd., UK. The Company also acquired CMNK Computer Systems Pte Ltd., Singapore.

During the Financial Year, the Company has divested its 100% holdings in two of its step subsidiaries namely CMNK Services Private Limited, India and TAKE Solutions GmbH, Switzerland.

Clear Orbit Inc., a step down subsidiary of the Company merged with TAKE Solutions Inc., USA.

Directors' Report

OVERSEAS & INDIAN SUBSIDIARIES:-

Subsidiaries

TAKE Solutions Global LLP, India

TAKE Solutions Inc, USA

TAKE Solutions Global Holdings Pte Ltd, Singapore

CMNK Consultancy & Services Private Ltd, India

TOWELL TAKE Investments LLC, Muscat

APA Engineering Private Limited, India

Step Down Subsidiaries

Applied Clinical Intelligence LLC., USA

TAKE Enterprise Services Inc., U.S.A.

TAKE Intellectual Properties Management Inc., U.S.A.

TAKE Solutions Information Systems Pte Ltd., Singapore

CMNK Computer Systems Pte Ltd., Singaproe

TAKE Global Limited, UK

WCI Consulting Group Limited, UK

WCI Consulting Limited, UK

WCI Consulting Limited, USA

TOWELL TAKE Solutions LLC., Oman

TAKE Solutions MEA Ltd., UAE

Mirnah Technologies Systems Limited, Saudi Arabia

RPC Power India Private Limited, India (by virtue of control over composition of Board of Directors)

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements have been prepared in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India, which together with the Auditors' Report thereon forms part of the Annual Report.

SUBSIDIARY ACCOUNTS

In accordance with the General Circular No.2/2011 dt. 8th February, 2011 issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit & Loss Account and other documents of the Subsidiary Companies are not being attached with the Balance Sheet of the Company. The Consolidated Balance Sheet of the Company shall include the financial information for each subsidiary. The audited accounts of the subsidiary companies are also kept for inspection by any member at the Company's Registered Office and copies will be made available on request to the members. The Company will furnish a hard copy of details of accounts of subsidiaries to any shareholder on demand.

CORPORATE GOVERNANCE

The Company adheres to the code of Corporate Governance as set out by the Securities and Exchange Board of India (SEBI) and accordingly have implemented all the major stipulations prescribed. In line with that, a report on Corporate Governance, along with a certificate from the Statutory Auditors has been included in the Annual Report, detailing the compliances of corporate governance norms as enumerated in Clause 49 of the Listing Agreement with the stock exchanges.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review, as per the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges is presented separately, which forms part of the Annual Report.

DIRECTORS

Directors' retiring by rotation

Mr. Srinivasan H. R. and Mr. D. V. Ravi, Directors of the Company retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re appointment.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS

The Auditors of the Company, M/s. Sundar, Srini & Sridhar, Chartered Accountants, hold office till the conclusion of the Tenth Annual General Meeting and being eligible offer themselves for reappointment.

INTERNAL AUDIT

During the Financial Year, your Company had engaged the services of KPMG India and M/s G.D. Apte, Chartered Accountants, Mumbai as Internal Auditors to carry out internal audit on a regular basis. The reports of the internal audit along with comments from the management are placed for review before the Audit Committee. The Audit Committee also scrutinizes all the programmes and the adequacy of the internal audits.

PARTICULARS OF EMPLOYEES

In terms of provisions of Section 217(2) A of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975, there are no employees drawing salary of more than Rs.500,000 per month.

EMPLOYEE STOCK OPTIONS SCHEME

In accordance with the SEBI (Employees Stock Options Scheme and Employees Stock Purchase Scheme) Guidelines, 1999, the excess of the market price of the underlying equity shares as of date of the grant over the exercise price of the option, including up front payments, if any, is to be recognized and amortized on a straight line basis over the vesting period.

Your Company has adopted intrinsic method of accounting to compute employees' compensation cost. According to intrinsic method of accounting, the employees compensation cost is Rs.215,813/ . If the compensation cost was computed using the fair value method of accounting, the compensation cost would have been at Rs. 1,217,558 for the financial year 2010 11 and our profit would hence be reduced by Rs. 1,001,745/ . The impact on EPS for financial year 2010 11 would be 0.01 and for diluted EPS by 0.04.

Directors' Report

The details of options granted under ESOP 2007 are as follows:

Sl.No	ESOS 2007	Tranche 1	Tranche 2
01	Grant Date	02/04/2008	26/05/2008
02	Options granted and outstanding at the beginning of the year	274,000	710,000
03	Grant Price Rs.	73 per share/ option	73 per share/ option
04	Options vested during the Financial Year	Nil	Nil
05	Options Exercised	Nil	Nil
06	Money realized on exercise of option	Nil	Nil
07	Total number of shares arising as a result of exercise of options	Nil	Nil
08	Options Lapsed / Surrendered	65,250	397,500
09	Options granted and outstanding at the end of the year of which		
	Option vested	125,250	187,500
•	Option yet to vest	83,500	1,25,000
10	Variation of terms of options	Nil	Nil
11	Grant to Senior Management	Nil	Nil
12	Employees receiving 5% + of the total number of options granted during the year	Nil	Nil
13	Employees granted options equal to or exceeding 1% of the issued capital	Nil	Nil
14	Employees Compensation Cost using Intrinsic Method of Accounting	Rs. 215,813	Nil
15	Employees Compensation Cost using Fair Value method of accounting	Rs.1,217,558	Nil

Methods and significant assumptions used to estimate fair value of options:

	ESOS 2007	
Particulars	**Tranche 1**	**Tranche 2**
Exercise/Issue Price at the time of grant (in Rs)	730	730
Market Price at the time of grant (In Rs)	820.05	692.9
Expected Life	1 to 3	1 to 3
Risk Free Rate	5.19%	5.19%
Expected Volatility	15.50%	16.93%
Expected Dividend Yield	0.24%	0.29%

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no particulars to be disclosed under Companies (Disclosures of particulars in the report of Directors) Rules 1988 in regard to conservation of energy, technology absorption.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign Exchange earned and used on cash basis

Forex Earned:

INR 69.56 Million (10 11) & INR 203.79 Million (09 10)

Forex Used:

INR 7.37 Million (10 11) & INR 6.98 Million (09 10)

Directors' Report

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956, it is hereby confirmed:

1. That in the preparation of the annual accounts, the relevant applicable Accounting Standards have been followed and no material departures have been made from the same.
2. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that year.
3. That the directors 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.
4. That the directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

The Board of Directors thanks the clients, shareholders, investors, vendors and bankers for their unstinted support to the Company during the year. Your directors would like to thank for the support extended by the various departments of the Government of India, particularly the Software Technology Parks of India, the Tax authorities, the Reserve Bank of India, Ministry of Corporate Affairs, Securities and Exchange Board of India, Stock Exchanges and others and look forward to their support in all future endeavors.

Your directors appreciate and value the contributions made by TAKEsters at all levels for the growth of the Company.

By Order of the Board

Place : Chennai
Date : May 27, 2011

S. Sridharan
Managing Director

D.V. Ravi
Director

Management's Discussion & Analysis

This Management's Discussion and Analysis contains certain "forward looking statements" concerning our future operations, prospects, strategies, financial condition, future economic performance (including growth and earnings), demand for our products and services and other statements of our plans, beliefs, expectations etc.These forward looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "target", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue", "can", "could", "may", "should", "would" or other words or phrases of similar import. Similarly, statements that describe our objectives, plans or goals are also forward looking. The forward looking statements we make are not guarantees of future performance and are subject to various assumptions, risks and other factors that could cause actual results to differ materially from those suggested by these forward looking statements. These factors include, among others, those set forth below. Forward looking statements that we make or that are made by others on our behalf are based on knowledge of our business and the environment in which we operate. We cannot assure you that the results or developments anticipated by us will be realized or, even if substantially realized, that they would have the expected consequences to or effect on us or on our business or operations.

LIFE SCIENCES (LS)

Increasing demand for a niche and competent solutions & business services provider

IT solutions utilized in the value chain of Life Sciences companies help them to operate effectively and efficiently. An increased adoption of IT by pharmaceutical companies would enable them to remain competitive in the market place while complying with the regulatory mandates.

The Life Sciences industry is pressurized by various challenges such as declining Return on Investment (ROI) on R&D investments, entry of generics and heightened regulatory scrutiny. These factors are responsible for the Life Sciences companies to invest in information technology solutions. Pharmaceutical Companies are increasingly adopting e clinical trial solutions in the drug development phase. Cutting down the costs of clinical trials is the driving motivation for the adoption of e clinical trial solutions. According to GBI Research, outsourcing helps a pharmaceutical company to reduce costs by 30 35% and this is one of the main reasons why pharmaceutical companies outsource non core R&D operational work to IT companies. However, when selecting an IT company to outsource, required competencies to tackle client requirements have gained a higher importance than the cost advantage it provides. At the same time, it is important that the vendor partner has sufficient subject matter expertise to ensure that nothing gets lost in translation. In today's environment, life sciences companies are increasingly getting comfortable in working closely with vendors who understand clinical research and the emerging trends and standards in electronic data exchange and IT. It is this combination of domain expertise and knowledge of IT and regulations is what distinguishes the wheat from the chaff.

TAKE Life Sciences a '360-degree' solution & business services provider

Today, TAKE Solutions has an 'industry first,' 360 degree coverage of the life sciences domain. From strategy and expert advice to content, technology, and business services, the TAKE life sciences division is in a 'league of its own', way ahead of the pack of competitors. In FY '11, the domain expertise strengthened tremendously across key functional areas of clinical, regulatory, safety, and commercial and was acknowledged by customers and leading industry analysts alike. During the year, we witnessed annuity order sizes steadily increasing to the $5 million range per customer with a number of $1 million customers in the portfolio. The cross selling activities have also peaked and is reflected in a robust pipeline.

As a niche player with deep domain expertise in Life Sciences, TAKE augmented its offerings of products and services for this vertical industry to enable extensive coverage of R&D and commercial areas. Our branding and market positioning efforts along with signing of several strategic partnerships with leading software providers in key areas allowed us to sign multiple Master Service Agreements and long term contracts with existing and new customers. Leveraging our relationships across both the business and IT departments of our customers, we have initiated intense cross selling efforts. Our unique positioning for the life sciences vertical has enabled us to cross sell into the large pharmaceutical customer base that we currently enjoy in the Indian subcontinent. This has further strengthened our brand positioning and increased our mindshare within this industry vertical. Within our existing customer base of large biopharmaceutical companies, TAKE continues to dominate and enjoy the 'specialty provider' status, while delivering value in focused areas where large Systems Integrators could not. Our delivery strength and infrastructure combined with immaculate operations out of our global delivery center in Chennai have allowed us to scale and support our global customers very effectively.

Extended Geographic presence and portfolio with WCI Consulting Acquisition

In Q3 FY '11, TAKE acquired 100% of UK headquartered, WCI Consulting Group through its subsidiary. WCI Consulting is a leading Patient Safety and Compliance advisor to the Life Sciences industry. WCI founded pvnet® and pvconnect®, the industry's primary forums for Patient Safety, which for 10 years have been shaping the industry's approach to pharmacovigilance. With this acquisition, TAKE makes a comprehensive entry into the European Life Sciences market and significantly enhances the Life Sciences domain expertise around pharmacovigilance, risk and compliance.

Our focus on subject matter expertise and thought leadership within Life Sciences only got reinforced with the strategic acquisition of WCI. WCI is acknowledged

leader in the area of safety, risk, and compliance for bio pharmaceutical companies and medical device companies and are extending their thought leadership in this area to manufacturers of consumer health products and dietary supplement organizations as well. When combined with TAKE's own deep domain expertise, thought leadership, IP based software solutions, best practices and operational technical excellence; the combined customer base can secure the benefits of a much broader and deeper coverage of the LS and SCM industries.

Acquisition of WCI enhanced the list of 'satisfied customers' by a significant number, with many new logos from all across Europe.

Strengthened team and partnerships

We significantly strengthened our North American sales team with the addition of Mike Lewis from IBM Life Sciences as head of sales for Life Sciences at TAKE, along with the addition of several industry sales veterans, clearly shifting the momentum in our favor.

Combining our deep domain expertise and product engineering skills, we initiated product co development efforts with our strategic partners. In the R&D application software area, we are partnering with Oracle and in the Sales & Marketing area, we are partnering with Cegedim Relationship Management.

SUPPLY CHAIN MANAGEMENT (SCM)

TAKE Supply Chain continued with its growth in FY11 on account of new order wins from the existing clients and also due to healthy growth from the Middle East Asia market.

This was result of heightened focus on customer relationships, which yielded a steady increase in license sales while boosting revenues from AMC renewals and the renewal rates have been their best ever. The market for supply chain applications was more resilient than most in 2009 and rebounded well in 2010. Supply Chain Management solutions have become increasingly important in an ever expanding global economy.

As we come out of recession we are seeing clear patterns that are emerging as challenges faced by the organizations:

- Firstly, supply chain is becoming increasingly more volatile, complex and structurally different than in past years, and
- Constant pressure for supply chain management and operations to create enterprise value by protecting margin and decreasing working capital

  As enterprises are working towards simplifying the supply chain and respond to the market volatility, collaboration and integration between supply chain partners is the means by which customers are restoring stability to the operations. The drive is for simple, smart and robust supply chains.

  An enhanced portfolio of life sciences customers in varied geographies has given rise to several cross selling opportunities now in the pipeline for tackling supply chain opportunities for life sciences customers.

  Our SaaS based offering, OneSCM, is also witnessing strong traction and we expect the demand SaaS based offering to increase in next few quarters since the clients are shifting from capital expenditure to operational mode.

  The operating team has been strengthened significantly with the addition of Matt Walker as the P&L head, reporting to the President & Chief Operating Officer.

  According to Gartner, in 2010 North America and Western Europe were the prime users of SCM in terms of spending, as the areas combined for nearly 79 percent of revenue. Our strong presence in the US and our recent entry in Europe through the acquisition WCI Consulting, places TAKE in a strong position to take advantage of these large markets.

New Products

During FY11, TAKE enhanced its existing products and solutions and also introduced new solutions. TAKE launched an advanced version of its OneSCM online supplier management platform that features a multi tier, multi tenant, software as a service (SaaS) architecture designed for mid to large sized manufacturers and distributors. Developed in conjunction with customer input, the upgraded platform features significant user interface enhancements for ease of use and navigation, buyer/supplier synchronization, on boarding functionality improvements to facilitate faster supplier adoption, and advanced search features.

Partnerships

TAKE and DataMAX Software Group, Inc. (DataMAX), partnered to provide integrated data collection and an expanded line of supply chain solutions to JD Edwards customers. DataMAX's RFGen Software, a JD Edwards Certified Integration data collection product, enables customers to extend their ERP investment while leveraging the benefits of a best of breed mobile data collection solution. The partnership also provides JD Edwards customers access to TAKE's natively integrated, robust supply chain technologies, including supplier collaboration, returns management, asset tracking and maintenance and global trade management.

RESULTS OF OPERATIONS (CONSOLIDATED)

After having a muted FY 2010, TAKE rebounded strongly in FY 2011 with the Company's revenues crossing USD 100 mn for the first time in company's 10 years history. Our focus on customer requirements and acting as a "strategic partner" rather than a vendor has helped us create niche for our self in the industry. We ended FY 2011 with a total revenue of INR 5,061 mn, up 38% compared to FY 2010. We attained this growth without compromising on our profitability, resulting in better margins in FY 2011. In FY 2011, we strengthened our Life Sciences portfolio and also made entry in the Europe with acquisition of WCI, which also added to our growth in the last quarter of FY 2011.

Management's Discussion & Analysis

Our revenues have grown at a Compound Annual Growth Rate (CAGR) of 60% over the last 5 years, while EBITDA has grown 47% during the same period.

The total revenues for the year FY 2011 is INR 5,061 Mn representing an increase of 38% over INR 3,664 Mn in FY 2010.

(Figs in INR Mn)

Particulars	FY 2011		FY 2010	
	Amount	% of Total revenue	Amount	% of Total revenue
Revenues	5,003	99%	3,518	96%
Other Income	58	1%	146	4%
TOTAL INCOME	**5,061**	**100%**	**3,664**	**100%**
Cost of Sales	3,070	61%	2,354	64%
Administration and other Expenses	901	18%	643	18%
Finance Expenses	75	1%	39	1%
Depreciation	47	1%	43	1%
Amortisation of capitalised Software costs	168	3%	180	5%
Total Expenditure	**4,261**	**84%**	**3,259**	**89%**
Profit Before Tax (PBT)	800	16%	405	11%
Provision For Tax	65	1%	42	1%
Minority Interest	35	1%	39	1%
Profit After Tax (PAT)	**700**	**14%**	**324**	**9%**

REVENUE ANALYSIS

Revenue by Vertical

Supply Chain Management contributed 49% to the company's FY 2011 revenues compared to 53% in FY 2010. Although the contribution from SCM decreased in FY 2011 compared to FY 2010, the segment witnessed 26% growth year on year. The increase in segment's revenue is due to pent up demand for our offerings and also return of discretionary spending across geographies lead to this growth.

The Life Sciences segment, which has witnessed a growth of revenue at a CAGR of 65% over the last 5 years, grew 59% in FY 2011. The contribution to the Company's revenue increased from 41% in FY 2010 to 47% in FY 2011. The significant increase in the Life Sciences revenue was due to enhancement of the offerings portfolio, mining of the existing clients and acquisition of WCI Consulting in the last quarter of FY 2011.

(Figs in %)

Revenue by Vertical			
Particulars	**FY 2011**	**FY 2010**	**% Change**
SCM	49%	53%	26%
Life Sciences	47%	41%	59%
Others	4%	6%	5%

Revenue by Geography

The US revenue grew by 42% in FY 2011 and the contribution from the US increased from 63% in FY 2010 to 65% in FY 2011 primarily due to healthy growth witnessed by our Life Sciences vertical. The Asia Pacific region (AsiaPac) revenues also witnessed a healthy growth of 23% in FY 2011 as the company continued to expand in these markets with our

mobility solutions for the Supply Chain segment. In FY 11, we added new geography, Europe, with the acquisition of WCI Consulting. The revenue from Europe is categorized under Rest of the World (RoW).

(Figs in %)

Revenue by Geography			
Particulars	**FY 2011**	**FY 2010**	**% Change**
AsiaPac	33%	37%	23%
USA	65%	63%	42%
Rest of World (RoW)	2%		

CUSTOMER CONCENTRATION:

Top 10 customers have yielded 29% of our revenues in FY 2011 compared to 27% in FY 2010 and Top 5 customers yielded 19% of our revenues in FY 2011 compared to 18% in FY 2010. The Company's strategy to explore new business opportunities with the existing clients continued to yield results in FY 2011, which resulted in increased revenue from the our Top 10 and 5 clients in both the verticals.

COST ANALYSIS

Cost of Sales

Cost of Sales primarily comprises of salary and other employee compensation costs and other direct expenses necessary for the delivery of contracted services. Our Cost of Sales has increased by 30% to INR 3,070 Mn from INR 2,354 Mn in FY 2010 significantly on account of the expansion in the E business segment offerings which grew nearly 3 times compared to FY 2010. As a percentage of Revenue, there is a 3% drop in total direct cost due to improved profitability in other segment.

(Figs in INR Mn)

Cost of Sales as a percentage of Total revenue				
Particulars	**FY 2011**		**FY 2010**	
	Amount	**% of Revenue**	**Amount**	**% of Revenue**
Employee Costs	1481	29%	1,416	39%
Other Direct Costs	1589	31%	938	26%
TOTAL DIRECT COST	**3070**	**61%**	**2,354**	**64%**
SGA expenses	901	18%	643	18%
Amortization of capitalized software costs	168	3%	180	5%
Depreciation	47	1%	43	1%
Finance Expenses	75	1%	39	1%
TOTAL COST	**4261**	**84%**	**3,259**	**89%**

Selling, General and Administrative Expenses

Selling, General and Administration (SG&A) Expenses have increased by 40%. As a percentage of revenue, SG&A expenses in FY 2011 remained at the FY 2010 level of 18%. The Company continued to adopt aggressive go to market strategies to increase the market share and presence.

Depreciation and Amortization

During the year, we provided for INR 47 Mn towards depreciation and INR 168 Mn towards amortization representing 1% and 3% of the total revenue, respectively. Depreciation increased by 10% while amortization decreased by 7% from the previous year. This amortization decreased since few of the products ended their life and got fully amortized in previous years.

Fixed assets are depreciated over a time period prescribed by local statutes wherever applicable, or over estimated useful life, on a straight line basis.

Taxation

TAKE benefits from tax holidays offered by the Government of India to software products and IT service exporters from specially designated technology parks and export zones. The Company avails of similar facilities offered by other Governments where we have operations towards tax optimization.

The total taxation for FY 2011 stood at INR 65 Mn against INR 42 Mn for FY 2010. Effective taxation rate declined by 2.3% during the year primarily due to realignment of operational entities geographically and within the same geographies; creation of Limited Liability Partnership entity in Chennai; and the use of international holding companies structure.

Net Profit for the year

Net Profit of INR 700 Mn was registered by the Company in FY 2011 compared to INR 324 Mn in FY 2010. As a percentage of total income the net profit was 14% for FY 2011 and 9% for FY 2010. The profitability was positively impacted due to improvement in the revenue growth and the series of measures the management took in over the past two years, which have begun to yield positive results.

Dividend

The Board of Directors has recommended a final dividend of 100% (INR 1.00 per share) for equity shares subject to the approval of the shareholders at the Annual General Meeting scheduled on August 26, 2011.

FOREIGN CURRENCY TRANSACTIONS

The Company has a substantial part of its revenue being generated in USA. The exchange rate between the Rupee and the U.S. Dollar has changed substantially in recent years and may continue to fluctuate significantly in the future. The value of our assets and liabilities are impacted by fluctuations in the

Management's Discussion & Analysis

exchange rate between the Indian Rupee and the U.S. Dollar and other foreign currencies. However as regards operational income and expenses, the Company has a significant natural hedge for risks associated with foreign currency fluctuations by virtue of the international nature of its operations including its cost base.

FINANCIAL POSITION

Consolidated Balance Sheet

(Figs in Rs Mn)

Particulars	31-Mar-11	31-Mar-10
LIABILITIES		
Share Capital	120	120
Reserves & Surplus	2,427	3,538
Secured /Unsecured Loans & Deferred Liability	1,875	379
Minority Interest	272	198
TOTAL LIABILITIES	**4,694**	**4,235**
ASSETS		
Net Fixed Assets	270	161
Capitalized Software Product Cost	541	713
Goodwill on Consolidation	1,901	1,735
Investments	502	502
Cash & Equivalents	464	476
Deferred tax Assets	1	
Debtors	1,400	648
Other Current Assets	1,001	899
Current Liabilities	(1,386)	(899)
TOTAL ASSETS	**4,694**	**4,235**

Share Capital

(Figs in Rs Mn)

Particulars	As at 31st Mar2011	As at 31st Mar 2010
Authorized Share Capital	500	500
Issued Subscribed and Paid Up	122	122
Less: Shares with ESOP Trust	2	2
Adjusted Issued and Subscribed and Paid up	120	120
TOTAL	**120**	**120**

Reserves and Surplus

Reserves and Surplus of the Company stood at INR 2,427 Mn at the end of FY 2011 compared to INR 3,538 Mn at the end of fiscal year 2010. The reported reserves as at March 2011 is after giving effect to the covenants of merger of Clear Orbit Inc, Texas, USA, a step down subsidiary of the Company with TAKE Solutions Inc, USA, under a scheme of merger approved by the Treasurer, State of New Jersey and Secretary of the State of Delaware, USA, amounting to INR 1732 Mn.

Employee Stock Option Scheme:

On 10.12.2007, the company established Employees Stock Option Scheme 2007 (ESOS 2007 or scheme). Under the scheme, the company is authorized to issue up to 2,400,000 (originally 240,000) equity settled options of Re. 1/ each (originally Rs. 10/ each) to employees (including employees of the subsidiary companies). Remuneration & Compensation Committee has been constituted by the Board of Directors of the company to administer the Scheme.

	ESOS - 2007	
	Series - I	Series - II
1.Grant Price INR	73.00	73.00
2.Grant Date	02.04.2008	26.05.2008
3.Vesting commences on	01.04.2009	25.05.2009
4.Vesting Schedule	30% of grant on 01.04.2009, subsequent 30% of grant on 01.04.2010 and balance 40% of grant on 01.04.2011	30% of grant on 25.05.2009 subsequent 30%of grant on 25.05.2010 and balance 40%of grant on 25.05.2011
5. Option Granted and outstanding at the beginning of the year	274,000	710,000
6. Option granted during the year	Nil	Nil
7. Option lapsed and/or withdrawn during the period	65,250	397,500
8. Option exercised during the year against which shares were allotted		
9. Option granted and outstanding at the end of the year of which		
Options vested	125,250	187,500
Options yet to vest	83,500	125,000

Loans

Loans at the end of FY 2011 aggregated to INR 1,844 Mn compared to INR 344 Mn at the end of FY 2010. This increase is predominantly due to the debt that the Company took to finance the WCI acquisition and deferred compensation payable as per the Share Purchase Agreement; additional bank facilities availed during the year, secured against the Company's book debts and fixed assets.

Fixed Assets

The Gross Block of fixed assets as at March 31, 2011 has increased to INR 593 Mn from INR 458 Mn as at March 31, 2010. The Net additions during the year to the Gross block are INR 135 Mn. The significant additions during the year were to set up cost towards the new SEZ campus in Chennai, India.

Intangibles

The intangible asset reported on the Balance Sheet has increased by INR 162 Mn after an amortization of

Management's Discussion & Analysis

INR 168 Mn. This is mainly on account of the acquisition of WCI set off by the restructuring on account of the merger of Clear Orbit Inc with Take Solutions Inc under a scheme of merger approved by the appropriate State authorities of USA and accounted as per the Pooling of Interest method.

Investments

The amount of Investments stood at INR 502 Mn as on 31st March 2011, which was at the same level as on March 31 2010. We continue to remain invested in high coupon rate NCDs.

Current Assets, Loans and Advances

The current assets, loans and advances increased from INR 2,023 Mn as at 31st March 2010 to INR 2,865 Mn as at 31st March 2011. In terms of number of days' sales, current assets at 204 days of FY 2011 sales are marginally higher than 202 days sales for the previous year.

Sundry debtors increased to 100 days of sales, at INR 1,400 Mn as at 31st March 2011 compared to 65 days of sales, at INR 648 Mn as at 31st March 2010. The increase in FY 2011 was due to acquisition of WCI in the last quarter of FY11. While the Balance Sheet is fully consolidated, Profit & Loss statement only considers the post acquisition performance of only one quarter.

The cash & bank balance was at INR 464 Mn as on March 31, 2011 marginally lower compared to INR 476 Mn as on March 31, 2010.

TAKE and all its subsidiaries have their own cash management policies, credit management and debt collection operations. Each business unit invests cash surpluses generated during the course of operations in sweep investments which are typically time deposits with reputed and reliable banks.

Current Liabilities and Provisions

The total amount of current liabilities & provisions has increased from INR 899 Mn as at 31st March 2010 to INR 1,386 Mn as at 31st March 2011. The volume increase is primarily attributed to increase in sundry creditors and accrued expenses, provision for taxation and dividends. In terms of no of days' sale, FY 11 is marginally higher at 99 days sale compared to 88 days' in FY 10.

Corporate Governance Report

ANNEXURE TO THE DIRECTORS' REPORT

1. Philosophy on Code of Corporate Governance

The Company's philosophy on Corporate Governance is to achieve excellence and growth through efficient management, transparency, trust and accountability. These polices seek to focus on enhancement of long term shareholder value without compromising on integrity, social obligations and regulatory compliances. Company's commitment to good corporate governance is emphasized in all its operations and dealings with its Customer, Vendors, Employees, Shareholders and every individual who comes in contact with the Company.

2. Board of Directors

Composition and category of Directors as of March 31, 2011 is as follows:

As on	Executive Director	Non Executive Director	Independent Director	Total
31st March 2011	1	4	6	11

The table below gives the composition of the Board and the number of other Directorships and Committee Memberships as on March 31, 2011

Sl. No	Name of Director	Category	Number of Directorships held in other Indian companies@@		Number of Board Committee memberships held in other companies**	
			Public	Private	Member	Chairman
1	**Mr. N. Kumar**	Non Executive Chairman	6	5	1	4
2	**Mr. D.A. Prasanna**	Independent Director	1	Nil	Nil	Nil
3	**Prof. G. Raghuram**	Independent Director	4	Nil	Nil	Nil
4	**Mr. R. Sundara Rajan**	Independent Director	9	5	3	4
5	**Mr. N. Rangachary**	Independent Director	6	5	2	3
6	**Mr. S. Krishnamurthy**	Independent Director	3	NIL	3	1
7	**Mr. Srinivasan. H.R.**	Non Executive and Non Independent Director	3	5	Nil	1
8	**Mr. D. V. Ravi**	Non Executive and Non Independent Director	9	8	Nil	Nil
9	**Mr. Ram Yeleswarapu**	Non Executive and Non Independent Director	Nil	Nil	Nil	Nil
10	**Mr. S. Sridharan**	Managing Director	Nil	1	Nil	Nil
11	**Mr. Bala Latupalli**	Non Executive and Non Independent Director	Nil	Nil	Nil	Nil

@@ Does not include unlimited companies, foreign companies and companies under Section 25 of the Companies Act, 1956.
**Only membership in Audit and Investor Grievance Committees are considered.

As per the requirements of the listing agreement, none of the Directors of the Board serves as members of more than 10 committees nor are they Chairman/chairperson of more than 5 committees.

a) Attendance record of the Directors

Seven Board Meetings were held during the year, as against the minimum requirement of four meetings. The Company has held at least one Board Meeting in every three months. The board meetings were held on May 13, 2010, May 21, 2010, July 30, 2010, Oct 29, 2010, Dec 10, 2010, Jan 28, 2011 and Feb 22, 2011.

The attendance records of all Directors are as follows:

Name of the Director	Category	No of Board Meetings	
		Held	Attended
Mr. N. Kumar	Non Executive Chairman	7	6
Prof. G. Raghuram	Independent	7	5
Mr. R. Sundara Rajan	Independent Director	7	7
Mr. D.A. Prasanna	Independent Director	7	5
Mr. N. Rangachary	Independent Director	7	4
Mr. S. Krishnamurthy	Independent	7	5
Mr. Srinivasan. H.R.	Non Independent & Non Executive	7	7
Mr. D. V. Ravi	Non Independent & Non Executive	7	7
Mr. Ram Yeleswarapu	Non Independent & Non Executive	7	3
Mr. S. Sridharan	Managing Director	7	7
Mr. Bala Latupalli	Non Independent & Non Executive	7	4

c) Details of Directors seeking appointment / reappointment:

Srinivasan H.R is the founder and Non Executive Director of the Company. He brings in 24 years of experience in Supply Chain Management and General Management. His responsibilities include Leadership development, Mergers & Acquisition and new initiatives. He started his professional career as Civil Servant serving with the Ministry of Railways, Government of India. Post that, he moved to the Private Sector where he held several leadership roles amongst others, Executive Director Shriram Group, Managing Director SembCorp Logistics, and Managing Director Temasek Capital. He has been very active in various industry forums, having served both on the State and Regional councils of the Confederation of Indian Industry (CII). He is also the Past President of TiE (The Indus Entrepreneurs) Chennai Chapter. In 2008 he was conferred the CII Connect "Entrepreneur of the Year Award". In 2010 he has bagged the CII Tamil Nadu Emerging Entrepreneur Award given in association with The Hindu Business Line. He is also a member of the YPO. Mr.Srinivasan holds a degree in Mathematics with a Post Graduation in Management.

He does not hold any shares in the Company.

D.V. Ravi is a Non Executive Director of the Company. His areas of work within the Company are Corporate Strategy, Corporate Finance, Compliance and Governance. He has over two decades of experience in Strategic Planning, Business Process, Re engineering and Organization Change Management. He is the Managing Director of Shriram Capital Limited which is the holding Company of the USD 2 billion Shriram Group. Prior to this, he has held various senior positions in the Shriram Group including investment Servicing, IT and Corporate Service.

Mr. Ravi holds a Graduate Degree in Commerce and a Post Graduation in Management.

He does not hold any shares in the Company.

3. Audit Committee

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with the Stock Exchanges.

The Audit Committee has the following powers:

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.

The Role of Audit Committee includes the following:

1. 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;
2. Recommending to the Board, the appointment, re appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
3. Approval of payment to statutory auditors for any other services rendered by the statutory Auditors;
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   a) Matters required that need to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956;
   b) Changes, if any, in accounting policies and practices and reasons for the same;
   c) Major accounting entries involving estimates based on the exercise of judgment by management;
   d) Significant adjustments made in the financial statements arising out of audit findings;
   e) Compliance with listing and other legal requirements relating to financial statements;
   f) Disclosure of any related party transactions; and
   g) Qualifications in the draft audit report.
5. Reviewing, with the management, quarterly financial statements before submission to the same to the Board for its approval.
6. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up there on.
9. 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.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults, if any in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

The Audit committee reviews the following information:

1. Management Discussion and Analysis of the financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management;
3. Management letters/letters of internal control weaknesses; and
4. The appointment, removal and terms of remuneration of the Chief Internal Auditor, where applicable.

The attendance of each member of the Audit Committee is as follows:

Name of the Director	Category	No of Committee Meetings	
		Held	Attended
Mr. R. Sundara Rajan	Chairman	04	04
Mr. D.A. Prasanna	Member	04	04
Mr. S. Krishnamurthy	Member	04	04
Mr. D.V. Ravi	Member	04	04

The Company Secretary is the Secretary of the Audit Committee.

Corporate Governance Report

4. Remuneration & Compensation Committee

The Remuneration & Compensation Committee determines and recommends the remuneration payable to the Executive Directors. The Board of Directors approves the remuneration payable to the Executive Directors on the basis of their performance as well as the Company's performance, subject to consents as may be required.

The Independent Directors are paid Sitting fees for attending the meetings of the Board. Currently a fee of Rs.20,000 per meeting per director is paid for attending the Board Meeting. The Independent Directors are paid a commission not exceeding 1% of the Net Profits of the Company computed under the provisions of the Companies Act, 1956. The basis of determining the amount of commission to the Independent Directors is related to their attendance and contributions at the meetings and extent of consultations provided by them. The resolutions for the appointment of Directors and remuneration payable are approved by the shareholders of the Company.

Our remuneration policy is driven by the success and performance of the individual employee and our Company. We seek to attract, retain, develop and motivate a high performance workforce through our compensation program. We follow a compensation mix of fixed pay, benefits, individual performance pay determined by business performance and the performance of individuals measured through the annual appraisal process.

Terms of Reference:

- To review the Company's remuneration policy on specific remuneration packages to executive directors including pension rights and any compensation payment while striking a balance with the interest of the Company and the shareholders.
- To approve the Annual Remuneration Plan of the Company

Details of remuneration paid to Directors for the year 2010 11 are given below:

(Amount in Rs.)

Name of the Director	Remuneration paid during the FY 2010-11		
	Salary	Sitting Fees	Remuneration/ Commission (payable/paid)
Mr. N. Kumar	NA	1,20,000/	3,00,000/
Mr. S. Krishnamurthy	NA	1,00,000/	3,00,000/
Prof. G. Raghuram	NA	1,00,000/	3,00,000/
Mr. D A Prasanna	NA	1,00,000/	3,00,000/
Mr. N. Rangachary	NA	80,000/	3,00,000/
Mr. R. Sundara Rajan	NA	1,40,000/	3,00,000/
Mr. Srinivasan. H.R.@	NIL	NIL	14,00,000/
Mr. D. V. Ravi@	NIL	NIL	14,00,000/
Mr. S. Sridharan	54,87,000/	NIL	NIL
Mr. Ram Yeleswarapu	NIL	NIL	NIL
Mr. Bala Latupalli	NIL	NIL	NIL

@The Non Executive Directors were paid a remuneration of Rs.2,00,000/ per month, which was approved by the shareholders and the Central Government. The Directors were drawing remuneration for a period of 7 months during the financial year up to the month of October 2010.

The Shares held by Director as on March 31, 2011 are given below:

Name of the Director	No of shares held
Mr. R. Sundara Rajan	15,370

The attendance of each member of the Remuneration Committee is as follows:

Name of the Director	Category	No of Committee Meetings	
		Held	Attended
Mr. D.A. Prasanna	Chairman	01	01
Mr. R. Sundara Rajan	Member	01	01
Mr. D.V. Ravi	Member	01	01

4. Shareholders' Investor Grievance Committee

The Shareholders'/Investors Grievance Cum Share Transfer Committee was formed in June 6, 2006. The Committee is to redress the complaints of the shareholders in respect of matters pertaining to transfer of shares, non receipt of annual report, dematerialization of shares, non receipt of declared dividend etc. The Company Secretary acts as the Secretary to the Committee.

The attendance of each member of the Committee is as follows:

Name of the Director	Category	No of Committee Meetings	
		Held	Attended
Mr. N. Kumar	Chairman	04	04
Mr. R. Sundararajan	Member	04	04
Mr. S. Sridharan	Member	04	04

The following table shows status of complaints received from shareholders during 2010 11:

Sl. No.	Nature of Complaints	Opening Balance	Received	Responded	Pending
01	IPO	1	0	1	0
02	Other Requests and complaints	0	89	89	0

6. Details of Annual/Extraordinary General Meetings

Location and dates of the General Meetings held in the past three years

Sl.	AGM / EGM	Location	Date
01	EGM	Chennai	07.04.2008
02	AGM	Chennai	22.08.2008
03	Postal Ballot		30.03.2009
04	AGM	Chennai	28.08.2009
05	AGM	Chennai	02 09 2010

All the resolutions including the Special Resolutions set out in the respective notices were passed by the shareholders unanimously.

7. Disclosures

a) Disclosure on materially significant related party transactions:

There is no material transaction with any related party, which requires a separate disclosure. Schedule 13 of the Annual Accounts as at March 31, 2011 contains the list of related party transactions as required by Accounting Standard 18 on Related Party Disclosures issued by the Institute of Chartered Accountants of India.

b) Disclosure of non-compliance:

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

c) Whistle Blower Policy:

The Company has framed a whistle blower policy wherein the employees are free to report any improper activity resulting in violations of laws, rules, regulations or code of conduct by any of the Employees, to the Managing Director or to the Chairman of the Audit committee as the case may be. The policy provides a framework for adequate safeguard against victimization of employees.

We confirm that no employee of the Company has been denied access to the Audit Committee in respect of any incident.

8. Means of communication

- Financial results are published by the Company in Financial Express and Makkal Kural
- Results are displayed in the Company's Website www.takesolutions.com
- Official news releases are also updated in the website
- All material information about the Company is promptly sent through facsimile to the Stock Exchanges where the Company's shares are listed

9. General shareholder information

1. **Date, time and venue of AGM:**

   26th August 2011 at 10.00 am at Narada Gana Sabha Mini Hall, 314, T.T.K. Road, Alwarpet, Chennai 600 018

2. **Financial Year:**

   April 01 to March 31

3. **Date of Book Closure**

   20th August to 26th August 2011 (both days inclusive)

4. **Dividend Payment Date for FY 2010-11**

   To be approved

5. **Listing on Stock Exchanges**

   Bombay Stock Exchange Limited
   New Trading Ring,
   Rotunda Building,
   Phiroze Jeejeebhoy Towers,
   Dalal Street, Fort, Mumbai 400 001,
   Maharashtra, India
   Tel: 91 22 22721233, 22721234,
   Fax: 91 22 22723677, 22722082 / 3132

   National Stock Exchange of India Limited
   Regd Office: "Exchange Plaza",
   Bandra Kurla Complex,
   Bandra (East), Mumbai 400 051,
   Maharashtra, India
   Tel: 91 22 26598100, 56418100,
   Fax: 91 22 26598237 / 38, 26598120

   Listing fees for the year 2010 11 have been paid to both the Stock Exchanges

6. **Stock Code**

   BSE Code : 532890 NSE Code : TAKE

   ISIN : INE142I01023

7. **Stock Market Data**

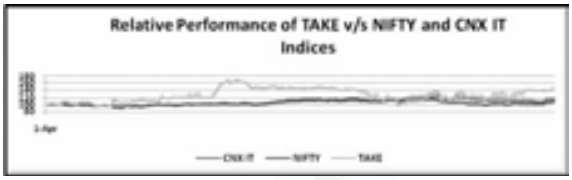
a) Monthly high and low quotations along with the volume of shares traded at NSE and BSE for 2010 2011 are:

Month	NSE		BSE	
	High	Low	High	Low
Apr' 10	27.55	24.95	27.55	24.90
May' 10	28.60	23.60	28.65	23.65
Jun'10	31.70	26.35	31.70	26.40
Jul'10	32.15	30.05	32.05	30.05
Aug'10	42.35	33.95	42.30	33.95
Sep' 10	37.45	35.05	37.4	34.90
Oct' 10	37.35	34.60	37.45	34.75
Nov' 10	36.00	27.95	35.95	27.85
Dec' 10	32.35	24.75	32.25	24.45
Jan' 11	34.35	28.90	34.20	29.05
Feb'11	32.90	27.95	32.80	28.00
Mar'11	36.25	32.00	36.05	32.00

Source: www.bseindia.com & www.nseindia.com

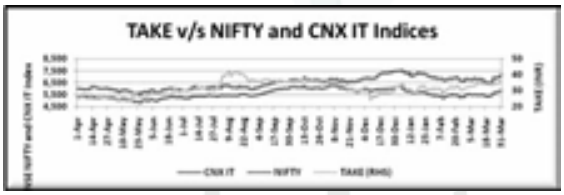
8. Comparison of broad based indices with share price of TAKE

Comparison BSE Index vs Share price of TAKE



Source: www.bseindia.com

Comparison – NSE Index vs Share price of TAKE



Source: www.nseindia.com

Corporate Governance Report

9. Registrar & Share Transfer Agents

M/s. Link Intime India Pvt Limited
C 13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup West,
Mumbai 400 078
Tel.: 022 25963838

10. Distribution of Shareholding as at March 31, 2011

No. of equity shares held	No. of share holders	% of Share holders	No. of shares held	% of share holding
1 5000	18549	97.5288	6744352	5.5101
5001 10000	221	1.1620	1691027	1.3816
10001 20000	103	0.5416	1566115	1.2795
20001 30000	40	0.2103	987742	0.8070
30001 40000	20	0.1052	720170	0.5884
40001 50000	15	0.0789	725811	0.5930
50001 100000	27	0.1420	2070698	1.6917
100001& above	44	0.2313	107894085	88.1487
Total	19019	100.00	122400000	100.00

11. Shareholding Pattern as at March 31, 2011

Category	No. of shares held	Percentage of share holding
A. Promoter Holding		
1. Indian Bodies Corporate	535,846	0.44
2. Foreign Bodies Corporate	70,856,250	57.89
Sub total (1 + 2)	**71,392,096**	**58.33**
B. Non-Promoter Holding		
3) Institutional Investors		
a) Mutual Funds	7,171,312	5.86
b) Financial Institutions / Banks	28,580	0.02
c) Insurance Companies	Nil	Nil
d) Foreign Institutional Investors	1,750,590	1.43
e) Trust	2,765,422	2.26
Sub total (3)	**11,715,904**	**9.57**
4) Others		
a) Bodies Corporate	16,578,362	13.54
b) Individuals	20,566,811	16.8
c) Foreign Company	Nil	Nil
d) Non Resident Indians	985,033	0.80
e) others	1,161,794	0.96
Sub total (4)	**39,292,000**	**32.10**
TOTAL	122,400,000	100.00

12. Electronic Clearing Service / Mandates

To prevent fraudulent encashment of dividend warrants, members are requested to provide their bank account details (if not provided earlier) to the Company/Share Transfer Agent (if shares are held in physical form) or to the depository Participants (DPs)(if shares are held in electronic form)as the case may be for printing of same on their dividend warrants.

13. Dematerialization of shares

Equity Shares of the Company are traded on the Stock Exchanges only in electronic form. As on March 31, 2011 34.11% of the shares are held in dematerialized form. In order to enable us to serve better, we request the shareholders whose shares are in physical mode to dematerialize their shares. Dematerializing results in marketability.

14. Unclaimed Dividends

Under the provisions of the Companies Act, 1956 dividends that remain unclaimed for a period of seven years from the date of declaration are required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. The unclaimed dividend as on March 31, 2011 is as follows:

	Financial Year	Amount (in Rs.)
1.	2007 08	64,946.00
2.	2008 09	72,049.00
3.	2009 10	109,014.20

15. Address for Correspondence:

Mr. P. Srinivasan, Company Secretary &
Compliance Officer/
Ms. Lakshmi C M,
Asst. Company Secretary
TAKE Solutions Limited
8 B, Adyar Club Gate Road,
Chennai 600 028.
Phone No 044 45909358; 45909359
Fax No. 044 45909099
Email ID srinivasanp@takesolutions.com ;
lakshmicm@takesolutions.com ;
investorrelations@takesolutions.com

16. CEO / CFO Certification

As required under Clause 49 of the Listing Agreement a Certificate duly signed by Mr. S Sridharan, Managing Director (CEO) and Ms. N.S. Shobana, Chief Financial Officer (CFO) was placed at the meeting of the Board of Directors held on May 27, 2011.

17. Auditors' Certificate

The Certificate on compliance of conditions of Corporate Governance from the Auditors is enclosed along with this Report.

Certificate on Corporate Governance

Code of Conduct Certification

The Board of TAKE Solutions Limited has laid down a Code of Conduct for all Board Members and Senior Management. The Code of Conduct has been posted in the Company's website (www.takesolutions.com). All the Board Members and the Senior Management have affirmed compliance with the Code.

Place : Chennai
Date : May 27, 2011

S. Sridharan
Managing Director

Auditor's Certificate on Corporate Governance

To the Members of TAKE Solutions Limited

We have examined the compliance of corporate governance by TAKE Solutions Limited (the "Company"), for the year ended on March 31, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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 the 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 and the representations made by the management, 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 to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Sundar Srini & Sridhar
Chartered Accountants

Place : Chennai
Date : May 27, 2011

S. Sridhar
Partner
Membership No.25504

Auditors' Report

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF TAKE SOLUTIONS LIMITED

1. We have audited the attached consolidated Balance Sheet of TAKE Solutions Limited ('the company'), and its subsidiaries (collectively referred as the 'TAKE Group') as at March 31, 2011, the consolidated Profit and Loss Account and the consolidated Cash Flow Statement for the year ended on that date, annexed thereto. These consolidated financial statements are the responsibility of the company's management and have been prepared by the management on the basis of separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

2. We conducted our audit in accordance with the Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit 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 all the subsidiaries, whose financial statements reflect total assets of Rs. 60,740 Lacs as at March 31, 2011, total revenue of Rs. 46,748 Lacs and net income after tax and minority interest of Rs. 4,739 Lacs for the year ended on that date. These financial statements and other information have been audited by other auditors, whose reports have been furnished to us and our opinion is based solely on the reports of other auditors.

4. We report that the Consolidated Financial Statements have been prepared by the company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, prescribed by the Companies (Accounting Standards) Rules, 2006.

5. Subject to the matter referred to in paragraph 3 above, based on our audit and on consideration of the reports of the other auditors on separate financial statements and on other financial information of the components and to the best of our information and according to the explanations 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:

   (i) in the case of the Consolidated Balance Sheet, of the State of affairs of the TAKE Group as at 31st March, 2011;

   (ii) in the case of the Consolidated Profit and Loss Account, of the Profit of the TAKE Group for the year ended on that date; and

   (iii) in the case of the Consolidated Cash Flow Statement, of the cash flows of the TAKE Group for the year ended on that date.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No. 004201S

S. Sridhar
Partner
Membership No. 25504

Place : Chennai
Date : May 27, 2011

Consolidated Balance Sheet

Consolidated Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
Sources of Funds			
Shareholders Funds			
Share Capital	1	120,000	120,000
Reserves and Surplus	2	2,426,634	3,537,823
Minority Interest		271,868	197,938
Loan Funds			
Secured Loans	3	1,504,187	288,538
Unsecured Loans		339,414	54,990
Deferred Tax Liability		31,971	35,398
Total		**4,694,074**	**4,234,687**
Application of Funds			
Fixed Assets	4		
Gross Block		592,704	458,020
Less: Depreciation		322,415	296,958
Net Block		270,289	161,062
Goodwill		1,900,918	1,734,898
Investments	5	501,600	501,600
Capitalised Software Product Costs		541,266	712,992
Deferred Tax Asset		507	
Current Assets, Loans and Advances	6	2,865,314	2,023,145
Current Liabilities and Provisions	7	1,385,820	899,010
Net Current Assets		1,479,494	1,124,135
Total		**4,694,074**	**4,234,687**
Significant Accounting Policies & Notes on Accounts	11		

The Schedules referred to above form an integral part of financial statements

"As per our report of even date"

For Sundar Srini & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Consolidated Profit and Loss Account

Consolidated Profit and Loss Account for the year ended

(Amount in Rs. '000 except per share data)

PARTICULARS	SCHEDULE	31.03.2011	31.03.2010
Income			
Revenues		5,002,998	3,517,730
Other Income	8	57,583	146,384
		5,060,581	**3,664,114**
Expenses			
Cost of Sales	9	3,069,667	2,354,318
Other Expenses	10	900,224	642,375
		3,969,891	**2,996,693**
Profit before Interest, Amortisation, Depreciation & Tax		**1,090,690**	**667,421**
Interest		74,956	38,998
Profit before Amortisation, Depreciation & Tax		**1,015,734**	**628,423**
Product Development expenses written off		168,027	180,334
Profit before Depreciation & Tax		**847,707**	**448,089**
Depreciation		47,239	42,765
Profit before Tax		**800,468**	**405,324**
Provision for Tax			
Current Tax		67,546	45,131
Deferred Tax		(2,615)	(2,661)
Fringe Benefit Tax			17
Short/(Excess) Provision of Tax		21	(27)
Profit for the year before Minority Interest		**735,516**	**362,864**
Minority Interest		35,571	38,600
Net Profit for the year		**699,945**	**324,264**
Balance brought forward from Previous year Profit/(Loss)		**1,628,047**	**1,391,207**
Amount available for appropriations		**2,327,992**	**1,715,471**
Appropriations:			
Proposed Equity Dividend		119,635	24,000
Interim Dividend by Subsidiary		872	
Proposed Preference Dividend			91
Dividend Distribution Tax		20,682	4,176
Appropriation to General Reserve		23,623	8,610
Appropriation to Capital Reserve		1,380	1,695
Appropriation to Capital Redemption Reserve			49,109
Adjustment for change in method of depreciation			(257)
Adjustment on account of Merger of subsidiary companies (Refer Note. 1.11 (a) of Schedule 11)		1,732,039	
Balance carried to Balance Sheet		**429,761**	**1,628,047**
Earnings per Share (Equity Shares of par value Re.1/ each)			
Basic (in Rs.)		5.83	2.70
Diluted (in Rs.)		5.83	2.70
Significant Accouting Policies & Notes on Accounts	11		

The Schedules referred to above form an integral part of financial statements

"As per our report of even date"

For Sundar Srini & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Consolidated Cash Flow Statement

Consolidated Cash Flow Statement for the year ended

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
A) CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT/ (LOSS) BEFORE TAX	800,468	405,324
Adjustments for		
Depreciation	47,239	42,765
Interest Expenses	74,956	38,998
Interest Income	(46,963)	(55,812)
Dividend Income	(70)	(42,856)
(Profit)/Loss on Sale of Fixed Assets	(634)	(245)
Provision for Gratuity, Compensated absences & Other benefits	9,021	11,592
Foreign Exchange Adjustments Loss/ (Gain)	26,437	46,209
Preliminary expenses written off		
Product Development Expenses written off	168,027	180,334
Bad Debts Written off / (back) & Provision for Bad Debts Net	10,135	28,466
Advances & Miscellaneous Write Offs	7,004	28,532
Operating Profit before working Capital Changes	**1,095,620**	**683,307**
(Increase)/Decrease in Current Assets other than cash & cash equivalents	(787,352)	(347,808)
Increase/ (Decrease) in Current Liabilities	322,720	(99,947)
Cash flow from/ (used in) Operations	**630,988**	**235,552**
Interest Working Capital Loans	(11,322)	(20,754)
Direct Taxes paid	(29,818)	(32,165)
NET CASH FLOW FROM / (USED IN) OPERATING ACTIVITIES	**589,848**	**182,633**
B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets Net	(165,172)	(87,782)
Changes in Intangibles	(1,894,360)	(331,142)
Interest Income	46,963	55,812
Dividend Income	70	42,856
(Purchase) / Sale Proceeds of Investment Others		63,388
NET CASH (USED IN) INVESTING ACTIVITIES	**(2,012,499)**	**(256,868)**
C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital		(49,109)
Proceeds from Long term Borrowings	1,069,825	137,333
Repayment of Long term Borrowings	(20,416)	
Proceeds / (Repayment) of Other Borrowings	450,664	(32,069)
Dividends Paid	(25,352)	(24,343)
Interest on Term Loan	(63,634)	(18,244)
NET CASH FLOW FROM / (USED) IN FINANCING ACTIVITIES	**1,411,087**	**13,568**
Net Decrease in Cash & Cash equivalents	**(11,564)**	**(60,668)**
Add: Cash and Cash equivalent as at the beginning of the year	475,896	536,564
Cash & Cash equivalent as at the end of the period	**464,332**	**475,896**

The above Cash Flow Statement forms an integral part of Financial Statements.

"As per our report of even date"

For Sundar Srini & Sridhar
Chartered Accountants
S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Schedules to Consolidated Balance Sheet

Schedules to and forming part of Consolidated Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
Schedule 1		
Share Capital		
Authorised Share Capital		
350,000,000 equity shares of Re.1/ each & 15,000,000 preference shares of Rs.10/ each	500,000	500,000
(350,000,000 equity shares of Re.1/ each & 15,000,000 preference shares of Rs.10/ each)		
	500,000	**500,000**
Issued, Subscribed and Paid up Share Capital		
Equity Share Capital		
122,400,000 equity shares of Re.1/ each fully paid up (122,400,000 equity shares of Re.1/ each fully paid up)	122,400	122,400
(Of the above 70,856,250 equity shares of Re.1/ each (Previous Year 70,856,250 equity shares of Re.1/ each) are held by the Holding Company TAKE Solutions Pte. Ltd. Singapore)		
(Of the above 17,772,920 equity share of Re.1/ each (Previous Year 17,772,920 equity shares of Re.1/ each) allotted as fully paid up by way of bonus shares during the Financial Year 2005 06)		
(Of the above 12,082,000 equity shares of Re.1/ each (Previous Year 12,082,000 equity shares of Re.1/ each) were issued as fully paid up shares consequent to the merger of erstwhile Millennium Infocomm Limited to the Shareholders of erstwhile Millennium Infocomm Limited during the financial year 2003 04)		
Less: Shares issued and lying with ESOP Trust (Refer Note No.2.2 of Schedule 11)	2,400	2,400
Adjusted Issued and Subscribed Capital	**120,000**	**120,000**

Schedules to Consolidated Balance Sheet

Schedules to and forming part of Consolidated Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
Schedule 2		
Reserves and Surplus		
Capital Reserve	39,219	37,846
Capital Reserve on Consolidation	6,515	6,515
	45,734	**44,361**
Securities Premium Account		
Balance at the beginning of the year	2,130,692	2,130,692
Received during the year		
Less: Share Issue Expenses written off		
	2,130,692	2,130,692
Less: Premium on shares issued and lying with ESOP Trust (Refer Note No.2.2 of Schedule 11)	175,560	175,560
	1,955,132	**1,955,132**
Foreign Currency Translation Reserve	(72,347)	(109,902)
Hedging Reserve		
At the Commencement of the year	(64,354)	(163,313)
Movement During the year	24,761	98,959
	(39,593)	**(64,354)**
General Reserve		
Opening Balance	33,651	25,041
Add: Transfer from Profit and Loss Account	23,623	8,610
	57,274	**33,651**
Stock Option Outstanding Account	4,442	4,442
Less: Deferred employee compensation expense	(2,878)	(2,663)
	1,564	**1,779**
Capital Redemption Reserve		
Opening Balance	49,109	
Add: Transfer from Profit and Loss Account		49,109
	49,109	**49,109**
Profit & Loss Account		
Balance as per Account annexed	429,761	1,628,047
	429,761	**1,628,047**
	2,426,634	**3,537,823**
Schedule 3		
Secured Loans		
External Commercial Borrowings (Refer Note No. 2.7 of Schedule 11)	204,776	224,413
Working Capital Loans - Banks (Secured against Stock & Book debts)	206,425	33,927
Term Loan - Banks (Secured against Fixed Assets, Stock, Investments & Book debts)	1,087,294	17,469
Hire Purchase Loans (Secured against Car)	17	796
Line of Credit (Secured against Current Assets)	5,675	11,933
	1,504,187	**288,538**

Schedule 4

Fixed Assets

(Amount in Rs. 000's)

Particulars	Gross Block						Depreciation Block						Net Block	
	Balance as at 01.04.2010	Additions	Additions on acquisitions	Deletions & Adjustments on Dis-investment	Translation Adjustment	Balance as at 31.03.2011	Balance as at 01.04.2010	For the Year	Additions on acquisitions	Deletions & Adjustments on Dis-investment	Translation Adjustment	As at 31.03.2011	As at 31.03.2010	As at 31.03.2011
Cars	23,033	691	-	3,137	125	20,712	13,222	3,478	-	2,278	61	14,483	9,811	6,229
Computers	196,750	8,684	-	27,407	1,256	179,283	157,953	18,422	-	22,008	1,185	155,552	38,797	23,731
Furnitures & Fixtures	95,122	56,899	-	7,079	695	145,637	77,940	3,526	-	2,645	596	79,417	17,182	66,220
Computer Software & Licenses	92,110	8,761	-	8,427	358	92,802	23,728	17,005	-	4,735	(2)	35,996	68,382	56,806
Office Equipments	37,592	90,436	10,097	4,529	165	133,761	23,490	4,395	7,032	2,056	143	33,004	14,102	100,757
Buildings	12,971	3,457	4,081	-	-	20,509	625	413	2,924	-	1	3,963	12,346	16,546
TOTAL	**457,578**	**168,928**	**14,178**	**50,579**	**2,599**	**592,704**	**296,958**	**47,239**	**9,956**	**33,722**	**1,984**	**322,415**	**160,620**	**270,289**
Capital Work in Progress	442	-	-	442	-	-	-	-	-	-	-	-	442	-
Total Fixed Assets	**458,020**	**168,928**	**14,178**	**51,021**	**2,599**	**592,704**	**296,958**	**47,239**	**9,956**	**33,722**	**1,984**	**322,415**	**161,062**	**270,289**
Previous year FA	**386,635**	**62,631**	**61,052**	**15,103**	**(37,195)**	**458,020**	**256,906**	**42,765**	**41,288**	**12,142**	**(31,860)**	**296,957**	**129,729**	**161,063**

Schedules to Consolidated Balance Sheet

Schedules to and forming part of Consolidated Balance Sheet as at

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
Schedule 5		
Investments-Long Term (At Cost)		
In Mutual Funds	1,600	1,600
In Bank Fixed Deposits		
9%(9%) Secured, Redeemable Non Convertible Debentures	500,000	500,000
	501,600	**501,600**
Aggregate Amount of Unquoted Investments		
Schedule 6		
Current Assets, Loans and Advances		
Current Assets		
Inventories	118,874	80,749
Sundry Debtors-(Unsecured- Considered good)		
Debtors due for more than Six months	57,261	46,707
Other Debts	1,059,622	421,064
Unbilled Receivables	283,103	179,846
Cash and Bank Balances		
Cash on Hand	607	426
Balances with Banks		
in Current Accounts	419,439	446,568
in Fixed Deposits	44,286	28,902
Loans and Advances (Unsecured -Considered good)		
a) Advances recoverable in cash or in kind or for value to be received	858,484	798,581
b) Deposits	23,638	20,302
	2,865,314	**2,023,145**
Schedule 7		
Current Liabilities and Provisions		
Sundry Creditors & accrued expenses	682,698	436,243
Other Liabilities	39,593	64,353
Deferred Revenue	270,348	192,561
Capital Leases	4,142	5,769
Unclaimed Dividend	246	141
Provisions		
Provision for Taxation	207,964	139,939
Provision for Fringe Benefit Tax	15	15
Provision for Employee Benefits	40,850	31,829
Provision for Proposed Dividend	119,635	24,000
Provision for Dividend Distribution Tax payable	20,329	4,160
	1,385,820	**899,010**
Schedule 8		
Other Income		
Dividend Income	70	42,856
Interest Income	46,963	55,812
Profit on sale of Assets	634	447
Miscellaneous Income	9,916	35,854
Profit on sale of Investments		738
Excess provision for bad debts written back		10,677
	57,583	**146,384**

Schedules to Consolidated Profit and Loss Account

Schedules to Consolidated Profit and Loss Account for the year ended

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
Schedule 9		
Cost of Sales		
E Business Solutions Expenses	792,250	313,265
Software & Consultancy Expenses	742,017	579,974
IT Infrastructure and Support Services	53,959	45,033
Salary & Other Allowances	1,347,545	1,310,245
Staff Welfare	99,100	84,917
Contribution to Provident & Other Funds	10,994	9,292
Gratuity and Other Employee Benefits	23,802	11,592
	3,069,667	**2,354,318**
Schedule 10		
Other Expenses		
Audit Fees	14,520	7,596
Bad Debts	8,930	23,809
Provision for dobutful debts	1,205	15,334
Bank Charges	3,472	3,856
Books & Periodicals		29
Charity (CSR)	1,324	1,653
Commission & Brokerage	119,143	49,307
Communication Expenses	87,400	32,705
Computer Hire Charges & Maintenance	8,225	1,210
Conveyance	3,818	1,707
Electricity Expenses	12,807	7,844
Foreign Exchange Fluctuation Loss	26,437	46,209
Insurance	13,555	11,008
Loss on Sale of Assets	1,215	940
Marketing Expenses	116,367	55,498
Meeting & Conference	6,368	4,349
Miscellaneous Expenses	2,426	
Miscellaneous Write Offs	7,004	28,532
General Expenses	19,763	31,362
Legal & Professional charges	115,460	76,298
Office Expenses	39,792	35,259
Postage & Telegrams	2,817	4,908
Printing & Stationery	7,794	2,694
Rent, Rate & Taxes	117,090	113,569
Repairs & Maintenance	21,637	14,362
Subscription Charges	15,405	5,796
Security Charges	1,019	963
Travelling Expenses	125,231	65,578
	900,224	**642,375**

Notes to Consolidated Accounts for the year ended 31st March, 2011

SCHEDULE 11 :

1. STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements of TAKE Solutions Limited and its subsidiaries (The Group) are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied by the Company and are consistent with those used during the previous year.

The significant accounting policies adopted by the Group are detailed below:

1.1. Principles of Consolidation

The financial statements of the subsidiary companies used for consolidation are drawn up to the same reporting date as of the company.

The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the company and its subsidiary companies have been combined on a line by line basis by adding together like items of assets, liabilities, income and expenses. All material inter company transactions, balances and unrealized surpluses and deficits on transactions between group companies are eliminated. Consistency in adoption of accounting policies among all group companies is ensured to the extent practicable. Separate disclosure is made for minority interests.

b) The excess of cost to the company of its investments in subsidiary companies over its share of equity of the subsidiary companies at the dates on which the investments in subsidiary companies are made, is recognized as 'Goodwill' being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary companies as on the date of investment, is in excess of the cost of investment of the company, it is recognized as 'Capital Reserve' in the consolidated financial statements.

c) Minority interest in the net assets of consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investment.

d) Exchange difference resulting from the difference due to translation of foreign currency assets and liabilities in subsidiaries is disclosed as foreign currency translation reserve.

1.2. Use of Estimates

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Although these estimates are based on management's best knowledge of current events and actions that the Company may undertake in future, actual results ultimately may differ from the estimates. Any revision to accounting estimates is recognised prospectively in future periods.

1.3. Significant Accounting Policies

The significant accounting policies pertaining to the principal business segments of the company are set out below and the other policies have been detailed in the standalone financial statements.

1.4. Revenue Recognition

a) Software & Consultancy Revenue

The Contracts between the Company and its customers are either time and material contracts or fixed price contracts.

(i) Revenue from fixed price contracts is recognised according to the milestones achieved as specified in the contracts on the Proportionate Completion Method based on the work completed. Any anticipated losses expected upon the contract completion are recognized immediately. Changes in job performance, conditions and estimated profitability may result in revisions and corresponding revenues and costs are recognized in the year in which such changes are identified.

(ii) In respect of time and material contract, revenue is recognized in the year in which the services are provided. Unbilled revenue represents cost and earnings in excess of billings while deferred revenue represents the billing in excess of cost and earnings.

(iii) Revenue from product sale and licensing arrangements are recognized on delivery and installation.

Notes to Consolidated Accounts for the year ended 31st March, 2011

b) Sale of IT Infrastructure and Support Services

Income from sale of IT Infrastructure is recognized upon completion of sale. Income from support services is recognized upon rendering of the services. Income from maintenance contracts relating to the year is recognized when the contracts are entered into on a time proportionate basis.

c) Revenue from E- Business Solutions

Revenue is recognized when invoices are raised and are accounted net of trade discounts, rebates, taxes and duties.

d) Other Incomes

(i) Interest income is recognized using time proportion method based on rates implicit in the transaction.

(ii) Dividend income is recognized when the company's right to receive dividend is established.

(iii) Miscellaneous income is recognized on accrual basis.

1.5. Software Product Development Cost

Internally developed software products are valued based on costs directly attributable to the development of such software and allocated indirect cost and they are capitalised individually once their technical feasibility is established in accordance with the requirements of Accounting Standard 26, 'Intangible Asset'.

Expenses incurred during research phase till the establishment of commercial feasibility is charged off to Profit and Loss Account.

Products capitalised are being amortized over a period of three to five years from the launch date and the unamortised product costs as at Balance Sheet date are shown under Assets separately.

1.6. Foreign Currency Transactions / Translation Reserve

i) All monetary items denominated in foreign currency are reflected at the closing exchange rates prevailing on the Balance Sheet date; the resultant exchange differences are recognized in the profit and loss account. Non monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

ii) Income and Expenditure items involving foreign exchange are translated at the exchange rate prevailing on the dates of transaction.

iii) Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Profit and Loss Account for the year.

iv) For the purposes of consolidation, the operations of overseas subsidiaries are considered as non integral in nature and accordingly assets and liabilities of non Indian subsidiaries are translated at the period end exchange rate and income and expenditure items are translated at the average rates during the period. The resultant translation adjustment is reflected as a separate component of Shareholders' funds as 'Foreign currency translation reserve'. Upon dissolution/ disposal of non Indian subsidiary, the balance in Foreign currency translation reserve in relation to that subsidiary will be transferred to the Profit and Loss Account.

1.7. Depreciation

Depreciation is provided on a pro rata basis on the Straight Line Method (SLM) over the estimated useful lives of the assets determined as follows:

Computers and purchased software	2 7 years
Furnitures, Fixtures and Equipments	1 20 years
Automobiles	3 10 years
Leasehold improvements	Period of Lease

1.8. Goodwill

Goodwill arising on consolidation/ acquisition of assets is not amortised. It is tested for impairment on a periodic basis and written off, if found impaired.

1.9. Taxation

Tax expenses comprising of both current tax and deferred tax are included in determining the net results for the period.

Deferred tax reflects the effect of timing differences between the assets and liabilities recognized for financial reporting purposes and the amounts that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognised and carried forward only to the extent, there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Current tax is determined based on the provisions of the Income Tax Act of the respective countries.

Notes to Consolidated Accounts for the year ended 31st March, 2011

1.10. Subsidiary Company Particulars

Name of the Subsidiary	Country of incorporation	Proportion of ownership interest as at March 31, 2011	Proportion of ownership interest as at March 31, 2010
TAKE Solutions Inc. (Controlled Directly and Indirectly through one of the subsidiaries)	USA	100%	100%
APA Engineering Private Limited (Formerly known as Autopartsasia Pvt Ltd)	India	58%	58%
Towell TAKE Investments LLC	Muscat	51%	51%
CMNK Consultancy & Services Pvt Ltd	India	100%	100%
TAKE Solutions Global LLP (Controlled Directly and Indirectly through one of the subsidiaries)	India	100%	100%
TAKE Solutions Global Holdings Pte Ltd	Singapore	100%	NA

1.11. Mergers, Acquisitions and Divestments

a. The Company's wholly owned subsidiary TAKE Solutions Inc, USA had acquired 100% stake in Clear Orbit Inc on 22nd June 2007.

On 30th September 2010, Clear Orbit Inc, Texas, USA, a step down subsidiary of the Company merged with TAKE Solutions Inc, USA, under a scheme of merger approved by the Treasurer, State of New Jersey and Secretary of State of the State of Delaware, USA.

Scheme of Arrangement stipulates that: On completion of the Merger, TAKE Solutions Inc, will record the liabilities and assets excepting Goodwill, received on merger at the respective carrying amounts in the hands of ClearOrbit Inc. The difference between the net assets recorded and the carrying amount of investment by TAKE Solutions Inc into ClearOrbit Inc will be deducted from Balance of Retained Earnings.

The Company has accounted for the merger under the pooling of interests method and as per the scheme of arrangement Rs. 173.20 crores has been adjusted against the retained earnings of TAKE Solutions Inc.

b. The company has invested in 100% Share Capital of TAKE Solutions Global Holdings Pte Ltd w.e.f Oct 2010 and subsequently TAKE Global Ltd UK was incorporated in December 2010 by TAKE Solutions Global Holdings Pte Ltd.

TAKE Global Ltd UK, has acquired 100% Share Capital of WCI Consulting Group Ltd along with its subsidiaries WCI Consulting Ltd, UK and WCI Consulting Ltd, USA w.e.f Jan 2011. The Financial Statements from the date of acquisition have been considered in the Consolidated Financial Statements.

c. CMNK Consultancy & Services Pvt. Ltd, a 100% subsidiary of the company, has invested in 100% Share Capital of TAKE Solutions Information Systems Pte Ltd w,e,f October 2010 and subsequently 100% Equity Share Capital of CMNK Computer Systems Pte Ltd was acquired by TAKE Solutions Information Systems Pte Ltd.

During the year CMNK Consultancy & Services Private Limited, the wholly owned subsidiary of the company, has divested its 100% shareholding in CMNK Services Private Limited, with effect from 10th, February, 2011. The company sold its entire holding of 5,000 equity shares of Rs. 100 each in one of its subsidiaries, CMNK Services Private Limited for a total consideration of Rs.18,891,531. The Financial Statements of CMNK Services Private Limited for the period April 1, 2010 to 10th February 2011 (being the date of divestment) has been considered in the Consolidated Financial Statements. No Profit/ Loss arises on account of this divestment, which needs to be considered in Consolidated Profit and Loss Account as per the requirements of AS 21

d. During the year TAKE Solutions Inc. which had 100% shareholding in TAKE Solutions GMBH, has been divested with effect from 22nd February, 2011.

1.12. Segment Reporting

The company has identified business segments as its primary segment and geographic segments as its secondary segment.

The business segments of the company are Software Products & Consultancy Services, E Business Solutions and Others. Geographic segments of the Company are Asia Pacific Region and United States of America.

Notes to Consolidated Accounts for the year ended 31st March, 2011

Revenues and Expenses that are directly identifiable with the Segments have been disclosed accordingly. Certain Income and Expenses which are not specifically allocable to individual segments have been disclosed as "Unallocated Corporate Income" and "Unallocated Corporate Expenses" respectively.

The assets of the company are used interchangeably between segments, and the management believes that it is currently not practical to provide segment disclosures relating to total assets and liabilities since a meaningful segregation is not possible.

PRIMARY SEGMENT INFORMATION

Amount in Rs '000s

	Business Segments			
Particulars	**Software Products & Consultancy Services**	**E- Business Solutions**	**Others**	**Total**
REVENUE	**3,931,329**	**1,003,744**	**67,925**	**5,002,998**
	(3,144,265)	(326,180)	(47,285)	(3,517,730)
Segment Result	**1,539,844**	**211,494**	**13,966**	**1,765,304**
	(967,236)	(12,915)	(2,926)	(983,077)
Unallocated Corporate Income				**57,583**
				(146,384)
Unallocated Corporate Expenses				**947,463**
				(685,140)
Operating profit				**875,424**
				(444,322)
Interest Expenses				**74,956**
				(38,998)
Income Taxes				**64,952**
				(42,460)
Net Profit before minority interest				**735,516**
				(362,864)
Minority Interest				**35,571**
				(38,600)
Net Profit after Minority Interest				**699,945**
				(324,264)

SECONDARY SEGMENT INFORMATION

GEOGRAPHIC SEGMENT

Revenues Rs in '000s

Region	**For the year ended March 31, 2011**	**For the year ended March 31, 2010**
Asia Pacific	**2,154,764**	1,283,484
USA	**2,724,064**	2,234,246
Rest of the World	**124,170**	-
Total Revenue	**5,002,998**	**3,517,730**

Notes to Consolidated Accounts for the year ended 31st March, 2011

1.13. Related Party Disclosures for the year ended 31st March 2011

List of Related parties

Holding Company

TAKE Solutions Pte. Limited, Singapore

Subsidiaries (held directly)

1. APA Engineering Private Limited, India
2. TOWELL TAKE Investments LLC, Muscat
3. TAKE Solutions Inc., USA
4. CMNK Consultancy & Services Private Limited, India
5. TAKE Solutions Global Holdings Pte. Ltd., Singapore (Added during the year)

Subsidiaries (held indirectly)

6. RPC Power India Private Limited, India (by virtue of control over composition of Board of Directors)
7. TOWELL TAKE Solutions LLC, Muscat
8. TAKE Solutions MEA Limited, Dubai
9. Mirnah Technology Systems Limited, Saudi Arabia
10. Applied Clinical Intelligence, LLC, USA
11. Clear Orbit Inc, USA (Merged with TAKE Solutions Inc., USA w.e.f 30 Sep 10)
12. TAKE Solutions GMBH, Switzerland (Divested w.e.f 22 Feb 11)
13. TAKE Enterprise Services Inc, USA
14. TAKE Intellectual Properties Management Inc, USA
15. CMNK Services Private Limited, India (Divested w.e.f 10 Feb 11)
16. TAKE Solutions Information Systems Pte. Ltd., Singapore (Added during the year)
17. CMNK Computer Systems Pte. Ltd., Singapore (Added during the year)
18. TAKE Global Ltd., UK (Added during the year)
19. WCI Consulting Group Ltd., UK (Added during the year)
20. WCI Consulting Ltd., UK (Added during the year)
21. WCI Consulting Ltd., USA (Added during the year)

Partner in Partnership Firm

1. TAKE Solutions Global LLP, India.

Key Management Personnel

1. Mr. S. Sridharan, Managing Director
2. Mr. Srinivasan H.R., Vice Chairman & Non Executive Director
3. Mr. D.V. Ravi, Non Executive Director
4. Mr. Ram Yeleswarapu, Non Executive Director
5. Mr. Bala Latupalli, Non Executive Director

Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have taken place during the year

1. Aakanksha Management Consultancy & Holdings Private Limited, India
2. Shriram Capital Limitted, India

Other Related Party

1. TAKE Solutions Limited ESOP Trust the trust is effectively controlled by the company.
2. WJ. Towell & Co, LLC, Muscat Joint Venture Partner.

Notes to Consolidated Accounts for the year ended 31st March, 2011

Transactions with Related Parties

(Amount in Rs.'000)

Particulars	Holding Company	Key Management Personnel	Enterprises controlled by Key Management Personnel & their relatives	Other Related / Associated Parties
Revenue			**305**	**2941**
			(21)	(206)
Rent Expenditure			**24**	
			(24)	
Managerial Remuneration		**5,487**		
		(5,870)		
Remuneration to Non Executive Directors		**2,800**		
		(4,800)		
Commission to Independent Directors		**1,800**		
		(1,500)		
Loans/Advances Received				
	(Nil)			
Balance Receivable from Related Parties				**NIL**
	(Nil)			(7,919)
Balance payable to Related Parties				**7,947**
				(53,969)

Notes to Consolidated Accounts for the year ended 31st March, 2011

2.1. Leases

A. The Company has acquired assets under hire purchase (Amt in Rs. '000s)

Finance Charge recognized in the Profit & Loss Account Rs. 12/ (Rs. 38)

B. Obligation under Finance lease:

(Amt in Rs. '000s)

Minimum Lease Payments	As at March 31, 2011	As at March 31, 2010
Not later than one year	7,369	2,327
Later than one year but not later than five years	13,670	4,249
Later than five years	Nil	Nil

Present value of Minimum lease payments is Rs. 18,049/ (Rs. 5,769/)

Total rent expenses for finance leases amounted to Rs. 1,074.5/ (Rs. 754) for the year ended 31st March 2011.

C. Obligation under Non cancellable operating lease: (Amt in Rs. '000s)

Minimum Lease Payments	As at March 31, 2011	As at March 31, 2010
Not later than one year	27,992	22,928
Later than one year but not later than five years	72,494	27,293
Later than five years	1,739	693

Total rent expenses for operating leases amounted to Rs.49,096/ (Rs 53, 616/) for the year ended 31st March 2011.

2.2. Share Capital

As per the Guidance Note on Accounting for Employee Share based payments issued by the Institute of Chartered Accountants of India, shares allotted to Trust but not transferred to employees is required to be reduced from Share Capital and Reserves. Out of the 2,400,000 equity shares so far allotted to the trust, no shares have been transferred to employees upto 31st March 2011. Accordingly, the Company has reduced the Share Capital by the amount of face value of the equity shares issued to the Trust but not transferred to employees and Share Premium by the amount of Share Premium on such shares.

2.3. Earnings Per Share

Basic Earnings Per Share and Diluted Earnings Per Share are calculated by dividing the Net Profit After Tax for the year attributable to the Equity Shareholders by the Weighted Average number of Equity Shares outstanding during the year. As per the guidance note issued in January 2005 on Accounting for Employee Share Based Payments by the Institute of Chartered Accountants of India, 2,400,000 (2,400,000) weighted average number of shares held by the TAKE Solutions ESOP trust have been reduced from the equity shares outstanding for computing basic and diluted earnings per share for the year ended March 31, 2011.

Particulars	For the Year ended 31.03.2011	For theYear ended 31.03.2010
Basic		
1. Opening No. of Shares	120,000,000	120,000,000
2. Closing No. of Shares	120,000,000	120,000,000
3. Weighted Average No. of Shares	120,000,000	120,000,000
4. Profit Available for Equity Share Holders (Rs.' 000)	699,945	324,415
5. **EPS** (in Rs.)	**5.83**	**2.70**
6. Nominal Value of share (in Rs.)	**1.00**	**1.00**

Particulars	For the Year ended 31.03.2011	For the Year ended 31.03.2010
Diluted	**Equivalent No. of Shares**	**Equivalent No. of Shares**
1. Weighted Average No. of Potential Equity Shares	120,312,750	120,295,200
2. Profit Available for Potential Equity Share Holders (Rs.' 000)	699,945	324,415
3. **EPS** (in Rs.)	**5.83**	**2.70**
4. Nominal Value of share (in Rs.)	**1.00**	**1.00**

2.4. Provisions, Contingent Liabilities & Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

Notes to Consolidated Accounts for the year ended 31st March, 2011

Contingent Liabilities:

a) Bank Guarantees given by the related party as at 31.03.2011(Rs. In 000's) Rs.403/ (Rs.14,668/)

b) On May 23, 2008 the company has received an order for the assessment year 2003 04 from Income Tax Appellate Tribunal (ITAT) disallowing the software product expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation and thereby reducing the benefit of carrying forward of losses by Rs. 159.14 lacs to the subsequent assessment years. However, no demand has been raised for the said assessment year. The company has filed an appeal with the Honorable High Court of Tamil Nadu against the order of ITAT. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operation and hence, no adjustment has been made to the financial statements for the year ended March 31, 2011.

c) Demand from Income tax authorities for payment of additional tax of Rs. 99.58 lacs (net of amount paid to statutory authorities to the extent of Rs. 80.81 lacs) has been received upon completion of their tax review for the assessment year 2006 07. Also, Demand for payment of additional tax of Rs. 179.18 lacs has been received upon completion of their tax review for the assessment year 2007 08. Similarly, demand for payment of additional tax of Rs. 186.67 lacs have been received upon completion of their tax review for the assessment year 2008 2009. The tax demand is mainly on account of disallowance of software product development expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation. The matter is pending before the Commissioner of Income tax (Appeals), Chennai. The company is contesting the demand and the management including its tax advisors believe that its position is likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operation.

d) One of the subsidiaries, APA Engineering Private Limited, has received a demand from Income Tax authorities for payment of Tax to the extent of Rs. 9.32 (net of amount paid to statutory authorities to the extent of Rs. 24.18 lacs) for the Assessment Year 2006 07. The demand is on account of disallowance of claim under section 10A of the Income Tax Act, 1961. The said company filed an appeal with the Appellate Authorities and is hopeful of succeeding the same.

2.5 Financial Instruments: Recognition and Measurement

The Company uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments and forecasted transactions. The company designates this hedging instrument as "cash flow hedge" applying the recognition and measurement principles set out in Accounting Standard 30.

Hedging instrument is initially measured at fair value and is re measured at subsequent reporting dates. Changes in the fair value of this derivative that is designated as an effective hedge of future cash flows is recognized directly in shareholders' funds as Hedging Reserve and reclassified into Profit & Loss Account upon the occurrence of hedged transactions. The ineffective portion is recognized immediately in profit and loss account as and when they arise.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or no longer qualifies for hedge accounting. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognized in shareholders' funds is transferred to profit and loss account for the period. The Loss transferred to Profit and Loss Account for the year ended March 31, 2011 is Rs.18,530/ (Rs. 26,254/) (Rs. in'000s)

2.6. Amount payable to the erstwhile Share Holders of the acquired subsidiaries to the tune of Rs. 1,63,074/ (Rs. 64,514/) (Rs. in '000s) is shown under Unsecured Loans.

2.7 During the FY 2009 10, the Company has raised External Commercial Borrowings from Citi Bank N.A to the extent of US $ 2,583,631 and DBS Bank Limited to the extent of US $ 2,400,000 primarily secured against present and future movable fixed assets of the Company and book debts of the Company and also against investments held by the company in its subsidiary, TAKE Solutions Inc., to the extent of 9,575,000 equity shares. Corporate Guarantee has been given by subsidiary company TAKE Solutions Inc as a collateral security.

2.8 The Current year figures are inclusive of operations of new subsidiaries acquired during the year and subsidiaries that were divested during the year. Therefore, the Current year figures are not comparable with Previous year figures.

2.9 Corresponding figures for Previous year presented have been regrouped, where necessary, to conform to the Current year's classification.

For Sundar Srini & Sridhar
Chartered Accountants

For and on behalf of the Board of Directors

S. Sridhar
Partner
Membership No: 25504

S. Sridharan
Managing Director

D. V. Ravi
Director

P. Srinivasan
Company Secretary

Place : Chennai
Date : May 27, 2011

Auditors' Report on Abridged Financial Statements

To the Members of TAKE Solutions Limited

We have examined the abridged Balance Sheet of TAKE Solutions Limited ("the Company") as at March 31, 2011, the abridged Profit and Loss account and the Cash Flow Statement for the year ended on that date, together with the notes thereon.

These abridged financial statements have been prepared by the Company pursuant to Rule 7A of the Companies (Central Government's) General Rules and Forms, 1956 and are based on the accounts of the Company for the year ended March 31, 2011 prepared in accordance with Schedule VI to the Companies Act, 1956 and covered by our report dated May 27, 2011 to the members of the Company which report is attached.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No: 004201S

S. Sridhar
Partner
Membership No. 25504

Place : Chennai
Date : May 27, 2011

Auditors' Report

AUDITORS' REPORT TO THE MEMBERS OF TAKE SOLUTIONS LIMITED

1. We have audited the attached Balance Sheet of TAKE Solutions Limited ('the company') as at 31st March 2011 and the Profit & Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

   a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;

   b) In our opinion, proper books of account, as required by law have been kept by the Company so far as appears from our examination of those books;

   c) The Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account of the Company;

   d) In our opinion, the Balance Sheet, the Profit & Loss Account & the 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 representation received from the directors as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274 (1)(g) 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 Balance Sheet, Profit and Loss Account & Cash Flow Statement read with Schedules 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 the case of the Balance Sheet of the Company, of the State of affairs of the Company as at 31st March 2011;

      (ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and

      (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No. 004201S

S. Sridhar
Partner
Membership No. 25504

Place : Chennai
Date : May 27, 2011

Auditors' Report

Annexure to the Auditors' Report:

The Annexure referred to in the auditors' report to the members of TAKE Solutions Limited (the company) for the year ended March 31, 2011. We report that:

1. a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

   b) The assets have been physically verified by the management at periodic intervals, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.

   c) The Company has not disposed off substantial part of its fixed assets, which will affect the going concern status of the Company.

2. a) The Stock of traded goods of the Company has been physically verified at periodic intervals during the year by the management. In our opinion, the frequency of such verification is adequate.

   b) In our opinion, and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

   c) In our opinion, the company has maintained proper records of inventory. The discrepancies noticed between the physical stocks as verified and the book records were not material and have been properly dealt with in the books of account.

3. (a) During the year, the Company has not given any loans, secured or unsecured to companies, firms and other parties covered in the register maintained under Section 301 of the Act. At the year end, the amount outstanding against the loans granted to two body coporates aggregated to Rs. 233.86 millions. The maximum balance outstanding during the year was Rs. 233.86 millions.

   (b) The rate of interest and other terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interests of the Company.

   (c) In the case of loan granted of Rs. 7.61 Mn to the body corporate listed in the register maintained under Section 301 of the Act, the terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand along with the interest due. In the case of loan granted of Rs. 226.25 Mn to the other body corporate listed in the register maintained under Section 301 of the Act, the terms of arrangement stipulate repayment schedule, however, the due date for repayment of principal along with interest due has not fallen during the financial year. Accordingly, paragraph 4(iii)(c) of the Order is not applicable to the Company in respect of repayment of the principal amount.

   (d) There are no overdue amounts and hence the provisions of sub clause (d) of clause 4(iii) of CARO are not applicable to the Company.

   (e) 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. Therefore, the provisions of sub clauses (e), (f) and (g) of clause 4(iii) of CARO are not applicable to the Company.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, no major weakness has been noticed in the internal control system.

5. a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.

   b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in 5(a) above and exceeding the value of Rs.5 lakhs with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

6. The Company has not accepted any deposits from the public. Accordingly, paragraph 4(vi) of the Order is not applicable.

7. The Company has adequate internal audit system, commensurate with the size and nature of the business.

8. Maintenance of cost records has not been prescribed for the Company by the Central Government under section 209(1) (d) of the Companies Act 1956 for any of the services rendered by the Company. Accordingly, paragraph 4(viii) of the Order is not applicable.

9. a) According to the information and explanations given to us and on the basis of our examination of the records of the company, amounts deducted /accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Investor Education and Protection Fund and Excise duty.

   b) Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the Company in depositing the same.

   c) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Cess and other material statutory dues were in arrears as at March 31, 2011 for the period of more than six months from the day they became payable.

Auditors' Report

d) According to the information and explanations given to us, there are no dues of Sales Tax, Wealth Tax, Service Tax, Customs duty and Cess, which have not been deposited with the appropriate authorities on account of any dispute except Income Tax which is given below:

Demand from Income tax authorities for payment of additional tax of Rs. 99.58 lacs (net of amount paid to statutory authorities to the extent of Rs. 80.81 lacs) has been received upon completion of their tax review for the assessment year 2006 07. Also, Demand for payment of additional tax of Rs. 179.18 lacs has been received upon completion of their tax review for the assessment year 2007 08. Similarly, demand for payment of additional tax of Rs.186.67 lacs has been received upon completion of tax review for the assessment year 2008 09. For all the above mentioned Assessment Years, the matter is pending before the Commissioner of Income tax (Appeals), Chennai.

10. The Financial statements of the Company as on 31st March 2011 do not show any accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediate preceding financial year. Accordingly, paragraph 4(x) of the Order is not applicable.

11. According to the records of the Company examined by us and the information and explanations given to us by the management, the Company has not defaulted in repayment of dues with respect to loans taken from any financial institutions and banks as at Balance Sheet date.

12. Based on our examination and according to the information and explanations given to us, the company has not granted loans and advances based on security by way of pledge of shares, debentures and other securities. Accordingly, paragraph 4(xii) of the Order is not applicable.

13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund/ nidhi/ mutual benefit fund/society/. Accordingly, paragraph 4(xiii) of the Order is not applicable.

14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, paragraph 4(xiv) of the Order is not applicable.

15. According to the information and explanations given to us, the Company has given corporate guarantee for loans taken by its subsidiaries from banks to the tune of Rs. 1,196 Millions and the terms and conditions whereof are not prejudicial to the interest of the company.

16. The company has taken term loan from bank and has applied the same for the purpose for which the Loan was taken.

17. On the basis of our examination of the Balance Sheet of the Company and according to the information and explanations given to us, in our opinion, funds raised on short term basis have not been used for long term investment and vice versa.

18. The company has not allotted any shares on preferential basis to Companies / firms / parties covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly paragraph 4(xviii) of the Order is not applicable.

19. The company has not issued any secured debentures. Accordingly paragraph 4(xix) of the Order is not applicable.

20. The Company has not raised any money by public issues during the year. Accordingly, paragraph 4(xx) of the Order is not applicable.

21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For Sundar Srini & Sridhar
Chartered Accountants
Firm Registration No. 004201S

S. Sridhar
Partner
Membership No. 25504

Place : Chennai
Date : May 27, 2011

Abridged Balance Sheet

Abridged Balance Sheet as at

(Statement containing salient features of Balance Sheet as per Section 219(1)(b)(iv) of the Companies Act, 1956

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
I. Sources of Funds		
1. Shareholders Funds		
(a) Capital		
Equity Capital	120,000	120,000
(b) Reserves and surplus		
(i) Capital reserve	36,246	36,246
(ii) Capital redemption reserve	49,109	49,109
(iii) Revenue reserve	57,021	33,650
(iv) Hedging reserve	(39,594)	(64,353)
(v) Surplus in profit and loss account	513,278	442,914
(vi) Share premium reserve	1,955,132	1,955,132
(vii) Stock option outstanding	1,564	1,779
2. Deferred Tax Liabilities	31,970	34,586
3. Loan Funds		
(a) Secured loans	334,233	251,946
(b) Unsecured loans	160,000	
Total of (1) to (3)	**3,218,751**	**2,861,009**
II. Application of Funds		
1. Fixed assets		
Net block (original cost less depreciation)	34,233	52,178
2. Capitalised Software Product costs	81,760	81,111
3. Investments		
(a) Investment in subsidiary companies Unquoted	1,096,408	1,043,855
(b) Others Quoted	260,000	260,000
4. Deferred Tax Assets		
5. (i) Current assets, loans and advances		
(a) Inventories	606	823
(b) Sundry debtors	137,379	43,571
(c) Cash and bank balances	93,217	38,134
(d) Other current assets	5,455	10,717
(e) Loans and advances		
(i) To subsidiary companies	1,533,966	1,411,359
(ii) To firm in which Company is a partner	181,979	12,102
(iii) Others	228,906	202,170
(ii) Less : Current Liabilities and Provisions		
(a) Liabilities	115,750	126,929
(b) Provisions	319,408	168,082
Net current assets (i - ii)	1,746,350	1,423,865
Total of (1) to (5)	**3,218,751**	**2,861,009**

"As per our report attached"

For Sundar Srini & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Abridged Profit and Loss Account

Abridged Profit and Loss Account for the year ended

(Statement containing salient features of Profit & Loss Account as per Section 219(1)(b)(iv) of the Companies Act, 1956

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
I. Income		
Revenue from operations	452,490	469,961
Interest	63,240	62,448
Dividend	1,275	17,604
Other Income/(loss)	119,622	5,691
TOTAL	**636,627**	**555,704**
II. Expenditure		
Cost of Goods Sold & Other Direct Cost	64,947	53,585
Selling expenses	16,200	14,187
Salaries, Wages and other employee benefits	90,079	92,667
Managerial remuneration	5,487	5,870
Interest	40,370	35,524
Depreciation and amortization	55,818	61,289
Auditor's remuneration	1,250	974
Bad debts	84	3,767
Other expenses	94,339	139,536
TOTAL	**368,574**	**407,399**
III. Profit Before Tax (I -II)	268,053	148,305
IV. Provision For Taxation	34,354	33,502
V. Profit After Tax (III - IV)	233,699	114,803
VI. Dividend		
Equity shares	119,635	24,000
Preference shares		91
Tax on dividend	20,329	4,176
VII. Transfer To Reserves/Surplus	**93,735**	**86,536**

"As per our report attached"

For Sundar Srini & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Abridged Cash Flow Statement

Abridged Cash Flow Statement for the year ended

(Amount in Rs. '000)

PARTICULARS	31.03.2011	31.03.2010
A) Cash Flows From Operating Activities		
Net profit before tax	268,053	148,305
Adjustments to reconcile net profit before tax to cash provided by operating activities		
Depreciation and amortization	55,818	61,289
Interest and dividend, Net	(24,145)	(44,528)
(Profit)/loss on sale of Fixed Assets	(257)	(58)
(Profit)/loss on sale of Investments		(2,387)
Foreign exchange differences, net Loss/(Gain)	18,706	38,591
Provision for Gratuity, compensation absences & other benefits	1,801	508
Bad debts written off	84	3,767
Impairment	500	
Changes in working capital		
(Increase)/Decrease in current assets other than cash & cash equivalents	(473,751)	(395,295)
Increase/(Decrease) in current liabilities & provisions	14,081	13,356
Net cash generated from operations	(139,110)	(176,452)
Interest paid working capital loans	(10,195)	(17,281)
Direct taxes paid	(4,160)	(14,800)
Net Cash Used In Operating Activities	**(153,465)**	**(208,533)**
Cash Flows From Investing Activities		
Purchase of fixed assets, Net	6,440	(11,853)
Product development expenses	(44,689)	(34,543)
Investments in subsidiaries	(5,142)	
Investments others		(803)
Interest and dividend received	64,515	80,052
Sale of Investments		92,942
Net Cash From/(Used In) Investing Activities	**21,124**	**125,795**
Cash Flows From Financing Activities		
Repayment of preference share capital		(49,109)
Proceeds from long term borrowings		224,414
Proceeds from short term borrowings	160,000	
Proceeds from Working Capital Demand Loans	102,060	(107,360)
Repayment of borrowings/loans	(19,981)	(376)
Dividends paid	(24,480)	(24,343)
Interest Long Term Loans	(30,175)	(18,244)
Net Cash Generated By Financing Activities	**187,424**	**24,982**
Net Increase/(Decrease) In Cash and Cash Equivalents	55,083	(57,757)
Cash And Cash Equivalents at The Beginning of The Year	38,134	95,891
Cash And Cash Equivalents at The End of The Year	**93,217**	**38,134**

"As per our report attached"

For Sundar Srini & Sridhar
Chartered Accountants

S.Sridhar
Partner
Membership No: 25504

Place : Chennai
Date: May 27, 2011

For and on behalf of the Board of Directors

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Notes to the Abridged Financial Statements for the year ended March 31, 2011

1.Notes on accounts

Amounts in the abridged financial statements are presented in Rupees in thousands except as otherwise stated. The previous year figures have been regrouped/reclassified, wherever necessary, to conform to the current presentation.

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI).Accounting policies have been consistently applied by the Company and are consistent with those used during the previous year.

(Refer to Schedule 12, 1 & 2 (j) in the Significant Accounting Policies and Notes to Accounts of the annual standalone financial statements).

2.Contingent liabilities

Amount in Rs. '000s

Particulars	Year ended 31-03-2011	Year ended 31-03-2010
Corporate guarantee given by the Company to its direct and indirect subsidiaries		
a) APA Engineering Private Limited	20,000	20,000
b) TAKE Global Ltd, UK	976,057	NIL
Corporate guaratee given by the Company to its Limited Liability Partnership TAKE Solutions Global LLP	215,000	NIL
Claims against the Company, not acknowledged as debts [Net of amount paid to statutory authorities Rs.8,081]	46,543	27,876
Outstanding Bank Guarantee	NIL	14,000

Claims against the Company not acknowledged as debts is in respect to demand from Indian Income tax authorities for payment of additional tax of Rs. 465.43 lakhs (Rs. 278.76 Lakhs) upon completion of their tax review for the assessment years 2006 07, 2007 08 and 2008 09. The tax demand is mainly on account of disallowance of software product development expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation. The matter is pending before the Commissioner of Income tax (Appeals), Chennai.

On May 23, 2008 the company has received an order for the Assessment Year 2003 04 from Income Tax Appellate Tribunal (ITAT) disallowing the software product expenses claimed by the company as revenue expenditure and instead allowing the same as a capital expenditure with consequential depreciation and thereby reducing the benefit of carrying forward of losses by Rs. 159.14 lacs to the subsequent assessment years. However, no demand has been raised for the said assessment year. The company has filed an appeal with the Honorable High Court of Tamil Nadu against the order of ITAT. The management believes that the ultimate outcome of the proceeding will not have a material adverse effect on the company's financial position and results of operation and hence, no adjustment has been made to the financial statements for the year ended March 31, 2011.

The Company is contesting the demands and the Management, including its tax advisors, believes that its position will likely be upheld in the appellate process. No tax expense has been accrued in the financial statements for the tax demand raised. The Management believes that the ultimate outcome of this proceeding will not have a material adverse effect on the Company's financial position and results of its operations.

(Refer to Schedule 12, 1, AS 29 (a), (b), (c), (d) & (e) in the Significant Accounting Policies and Notes to Accounts of the annual standalone Financial Statements).

3. Quantitative details

The Company is primarily engaged in the development and maintenance of computer software. The production and sale of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3,4C and 4D of part II of schedule VI to the Companies Act, 1956.

(Refer to schedule 12, 2 (c)in the Significant Accounting Policies and Notes to Accounts of the annual standalone financial statements).

Notes to the Abridged Financial Statements for the year ended March 31, 2011

4. Related party Disclosure & transactions

Related party Disclosure for the year ended March 31, 2011

List of Related parties

Holding Company

TAKE Solutions Pte. Limited, Singapore

Subsidiaries (held directly)

1. APA Engineering Private Limited, India
2. TOWELL TAKE Investments LLC, Muscat
3. TAKE Solutions Inc., USA
4. CMNK Consultancy & Services Private Limited, India
5. TAKE Solutions Global Holdings Pte. Ltd., Singapore (Added during the year)

Subsidiaries (held indirectly)

6. RPC Power India Private Limited, India (by virtue of control over composition of Board of Directors)
7. TOWELL TAKE Solutions LLC, Muscat
8. TAKE Solutions MEA Limited, Dubai
9. Mirnah Technology Systems Limited, Saudi Arabia
10. Applied Clinical Intelligence, LLC, USA
11. Clear Orbit Inc, USA (Merged with TAKE solutions Inc., USA w.e.f 30 Sept 10)
12. TAKE Solutions GMBH, Switzerland (Divested w.e.f 22 Feb 11)
13. TAKE Enterprise Services Inc, USA
14. TAKE Intellectual Properties Management Inc, USA
15. CMNK Services Private Limited, India (Divested w.e.f 10 Feb 11)
16. TAKE Solutions Information Systems Pte. Ltd. Singapore (Added during the year)
17. CMNK Computer Systems Pte. Ltd., Singapore (Added during the year)
18. TAKE Global Ltd., UK (Added during the year)
19. WCI Consulting Group Ltd., UK (Added during the year)
20. WCI Consulting Ltd., UK (Added during the year)
21. WCI Consulting Ltd., USA (Added during the year)

Partner in Partnership Firm

1. TAKE Solutions Global LLP, India

Key Management Personnel

1. Mr. S. Sridharan, Managing Director
2. Mr. Srinivasan H.R., Vice Chairman & Non Executive Director
3. Mr. D.V. Ravi, Non Executive Director
4. Mr. Ram Yeleswarapu, Non Executive Director
5. Mr. Bala Latupalli, Non Executive Director

Enterprises over which Key Management Personnel and their relatives exercise significant influence with whom transactions have taken place during the year

1. Aakanksha Management Consultancy & Holdings Private Limited, India.
2. Shriram Capital Limited, India

Other Related Parties

1. TAKE Solutions Limited ESOP Trust, India the trust is effectively controlled by the company
2. WJ. Towell & Co, LLC, Muscat Joint Venture Partner.

Notes to the Abridged Financial Statements for the year ended March 31, 2011

The details of amounts due to or due from Related Parties as at March 31, 2011 and March 31, 2010 are as follows:

Amount in Rs in 000s

Particulars	Year ended 31.03. 2011	Year ended 31.03. 2010
Loans & advances Given	192,798	390,486
Loans & advances Received	47,412	NIL
Sundry Debtors	82,235	14,637
Sundry Creditors	15,496	8,544
Balance Receivable	1,705,811	1,423,461
Balance Payable	2,179	2,323

The details of the Related Party Transactions entered into by the Company for the years ended March 31, 2011 and March 31, 2010 are as follows:

Amount in Rs. 000s

Particulars	Year ended 31.03. 2011	Year ended 31.03. 2010
Revenue transactions		
Revenue	134,619	138,117
Interest income	38,590	34,469
Share of profit	117,849	2,820
Cost of Share of Revenue	6,947	4,735
Rent expenditure	24	24
Dividend paid to Holding company	13,978	14,424

(Refer to Schedule 12, AS 18, in the Significant Accounting Policies and Notes on accounts of the annual standalone Financial Statements).

(1) During the year, the Company has invested Rs 348,785 [10,000 Equity Shares of Sing $ one each] representing 100% stake in TAKE Solutions Global Holdings Pte. Ltd., Singapore.

(2) During the year, the Company has made additional investment in TOWELL TAKE Investments LLC amounting to Rs. 4,792,980 [39,219 Equity Shares of OMR one each] and Rs. 47,411,640 [392,190 Equity Shares of OMR one each] against Share Application Money remitted in the Previous Year(s).

(Refer to Schedule 12, 1, AS 13, (d), (e) in the Significant Accounting Policies and Notes to Accounts of the annual standalone Financial Statements).

5. Transactions with Key Management personnel

Particulars of remuneration and other benefits paid to Whole Time Directors, Non Executive Directors and Independent Directors for the years ended March 31, 2011 and March 31, 2010 are as follows:

Amount in Rs 000s

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Whole time Directors		
Remuneration (including Company's Contribution to PF)	5,487	5,870
Non Executive Directors		
Remuneration	2,800	4,800
Independent Directors		
Commission	1,800	1,500
Sitting Fee	640	640

Computation of Net profit in accordance with Section 198 and with section 349 of the Companies Act, 1956, and calculation of commission payable to Independent Directors are as follows:

Amount in Rs. 000s

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Profit before Tax	268,053	148,305
Add: Remuneration paid to Managing & Whole Time Directors	5,487	5,870
Add: Directors' Sitting Fee	640	640
Add: Remuneration to Non Executive Directors	2,800	4,800
Add: Commission to Independent Directors	1,800	1,500
Add: Provision for Doubtful Debts	Nil	Nil
Net Profit for Section 198 of the Companies Act, 1956	278,780	161,115
11% of the above	30,666	17,723
Eligible Commission to Independent Directors@1% of Net Profit	2,788	1,611

Notes to the Abridged Financial Statements for the year ended March 31, 2011

The above excludes gratuity and leave encashment payable which cannot be separately identified from the composite amount advised by the actuary.

(Refer to Schedule 12, 2 (b) in the Significant Accounting Policies and Notes on accounts of the annual standalone Financial Statements).

6.Dues to micro, small and medium enterprises

The Company has no dues to micro, small and medium enterprises as at March 31, 2011 and March 31, 2010.

(Refer to Schedule 12, 2 (j) in the Significant Accounting Policies and Notes on accounts of the annual standalone Financial Statements).

7. Important Ratios

Ratios	Year ended 31.03. 2011	Year ended 31.03. 2010
Sales to Total assets ratio	0.14	0.16
Operating profit ratio	11.09%	12.68%
Return on Average net worth	8.87%	4.58%
Profit after tax to sales ratio	51.65%	24.43%

(The unabridged standalone audited financial statements is available on our website, www.takesolutions.com)

Statement pursuant to Sec 212(8) of the Companies Act, 1956

(Amount in Rs 000's)

Subsidiary	Country	Reporting Currency	Exch Rate (Rs.)	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments Long-term	Investments Current	Investments Total	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend
TAKE Solutions Inc.	USA	USD	45.40	1,470,895	(546,541)	1,927,845	956,632	–		–	2,211,596	201,742	14,002	187,740	–
Towell-TAKE Investments LLC	Oman	OMR	118.24	117,757	8,382	408,657	193,750	–		–	591,699	20,148	4,342	15,806	–
APA Engineering Private Ltd.	India	Rs.	1.00	519	63,368	193,750	105,495	1,600		1,600	458,417	15,673	87	15,586	2,076
CMNK Consultancy & Services Private Ltd.	India	Rs.	1.00	50,000	765,881	2,250,501	1,434,620	947,231	240,000	1,187,231	1,233,141	272,404	1,915	270,489	–
CMNK Consultancy & Services Private Ltd.	India	Rs.	1.00	50,000	450,772	447,792	1,134,251	1,187,231	–	1,187,231	24,328	27,207	4,495	22,712	–
TAKE Solutions Global Holdings Pte Ltd	Singapore	SGD	35.98	360	12,243	1,369,410	1,356,808				179,787	24,326	9,823	14,503	
TAKE Solutions Global LLP	India	Rs.	1.00	100	121,887	372,155	250,167	–		–	240,960	119,469	430	119,039	

Comparision to : 2009-10

Subsidiary	Country		Exch Rate (Rs.)	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments Long-term	Investments Current	Investments Total	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend
TAKE Solutions Inc.	USA	USD	47.75	1,458,972	1,025,632	3,267,448	737,233	–		–	2,238,736	252,589	170	206,848	–
TAKE United Sdn Bhd.	Malaysia	RM			–	–	–	–	–	–	38,120	(49,189)	284	(49,473)	–
Towell-TAKE Investments LLC	Oman	OMR	124.48	17,612	7,388	319,005	197,367	–		–	567,282	22,211	3,947	8,212	–
APA Engineering Private Ltd. (Formerly known as Autopartsasia Private limited)	India	Rs.	1.00	519	54,068	170,918	97,420	1,600		1,600	346,278	5,850	61	4,470	–
CMNK Consultancy & Services Private Ltd.	India	Rs.	1.00	50,000	450,772	447,792	1,134,251	1,187,231		1,187,231	24,328	27,207	4,495	22,712	–
TAKE Solutions Global LLP	India	Rs.	1.00	100	2,848	15,785	12,836	–		–	6,073	2,848	–	2,848	

Balance Sheet Abstract and Company's General Business Profile

I Registration Details

Registration No. L63090TN2000PLC046338

Balance Sheet Date : 31 03 2011 (Date Month Year) State Code: 18

II Capital raised during the year (Amount in Rs. Thousands)

Public Issue:	NIL	Rights Issue:	NIL
Bonus Issue:	NIL	Private Placement:	NIL

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities:	3218751	Total Assets:	3218751
Sources of Funds Paid up Capital	120000	Reserves & Surplus	2572756
Secured Loans	334025	Unsecured Loans	160000
Deferred Tax Liability	31970		
Application of Funds			
Net Fixed Assets	34233	Investments	1356408
Net Current Assets	1746350	Misc. Expenditure	NIL
Accumulated Losses	NIL	Deferred Tax Asset	NIL
Capitalised Software Product Costs	81760		

IV Performance of Company (Amount in Rs. Thousands)

Turnove r	636627	Total Expenditure (net)	368574
Profit/Loss Before Tax	268053	Profit / Loss After Tax	233699
Earning Per Share in Rs	1.95	Dividend Rate %	100

V Generic Names of Principal Products of the Company

Item Code No. (ITC Code) 892

Product Description SOFTWARE DEV PRODUCT & SERVICES

S. Sridharan
Managing Director

D.V. Ravi
Director

P. Srinivasan
Company Secretary

Place : Chennai
Date: May 27, 2011

Notes

Notes