



Towards Business Consciousness

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

5th ANNUAL REPORT

YEAR 2010 - 2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

FIFTH ANNUAL REPORT YEAR 2010 - 2011

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CORPORATE INFORMATION

Chairman	Gp.Capt.K.Balasubramanian, IAF (Retd.)
Directors	Mr.N.Sakthivel Mr.M.S.Ramakrishnan Mr.R.Ravichandran Mr.G.Jagadish
Chief Financial Officer	Mr.K. Muralidharan
Company Secretary	Mr R.Manthramurthy
Auditors	S Ramachandran & Co., Chartered Accountants Flat 8, Murali Anand Apts, 65, Alamelumangapuram, Mylapore, Chennai 600 004
Bankers	State Bank of India Overseas Branch, 86,Rajaji Salai,Chennai-600 001 Yes Bank Ltd. 143/1, Nungambakkam High Road Chennai - 600 034
Registered Office	Teledata Tower, 37/1,Velachery Tambaram Main Road, Velachery,Chennai-600 042
Share Transfer Agents	Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai -600 002

NOTICE

Notice is hereby given that the Fifth Annual General Meeting of the shareholders of Teledata Technology Solutions Limited will be held on 30 September, 2011 at 10.15 AM. at HOTEL KANCHI, No.28, Ethiraj Salai, Egmore, Chennai 600 008. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Directors' Report, the Audited Profit and Loss Account for the year ended 31 March 2011 and Balance Sheet as at that date and the Auditors' Report thereon.
2. To appoint a Director in place of Mr.G.Jagadish, who retires by rotation and being eligible offers himself for re - appointment
3. To appoint M/s. S Ramachandran & Co,(Regn.No.006775S), Chartered Accountants, Flat 8, Murali Anand Apts, 65, Alamelumangapuram, Mylapore, Chennai 600 004 as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such terms and at such remuneration as the Board of Directors may deem fit.

/By order of the Board/

For Teledata Technology Solutions Limited

Place: Chennai
Date : 05/09/2011

sd/-
N.Sakthivel
Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member. The proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the meeting.
2. The share transfer books and Register of Members of the company will remain closed from 26th September to 30th September, 2011(both days inclusive)
3. Members holding shares in physical form are requested to notify immediately any change in their address and bank details to the Company or their transfer Agents.
4. Members holding shares in Dematerialised form are requested to notify immediately any change in their address and Bank details to their Depository Participants.

/By order of the Board/

For Teledata Technology Solutions Limited

Place: Chennai
Date : 00-09-2011

sd/-
N.Sakthivel
Director

Additional Information:

Brief Profile of Mr.G.Jagadish, Director who retires by rotation and is eligible for reappointment.

Mr.G.Jagadish B.Com.,LLB.,MBA(Management and Human Resources). He is the Managing Director of Softsolve Pvt.Ltd., has got over 20 years of experience and has strong leadership quality. He is strong in personnel relationship.

DIRECTORS' REPORT

To
The Members,

Your directors have pleasure in presenting the fifth Annual Report of the company along with the audited statement of accounts for the year ended March 31, 2011. The Report also includes the Management Discussion and Analysis Report in accordance with the Guidelines on Corporate Governance.

The financial year 2010-11 saw the company consolidate the gains it had made in the previous years in the areas of expanded offshore services and global delivery capabilities from India, while performing creditably in the overseas market, particularly in the US and Dubai operations, in spite of increased global competition in all its markets. (Rs. In lakhs)

Particulars	Year ended 31st March 2011	Year ended 31st March 2010
Income from operations	21,054.52	23,113.89
Other income	212.75	347.90
Total Revenue	21,267.27	23,461.79
Total expenditure before Interest & Depreciation	(20,912.64)	(21,322.37)
Operating profit / Loss PBDT	354.63	2,139.42
Interest	(288.37)	(357.51)
Depreciation / Amortization	(87.69)	(134.42)
Profit before Tax	(21.43)	1,647.49
Provision for tax	(302.19)	(21.71)
Profit after Tax (PAT)	(323.62)	1,625.78
Less: Income tax for earlier years	-	-
Add: Expenditure transfer to CWIP	-	-
Surplus brought forward	4928.90	3,013.09
Profit / (Loss) available for appropriation before effect of changes in subsidiaries	4,605.28	4,638.87
Add : Prior Period Item	(0.23)	65.33
Profit/(loss) available for appropriation	4,605.05	4,704.20
Minority Interest	(18.16)	14.70
Cost of Control		
Dividend on Equity shares of subsidiary	0.00	0.00
Amount Transferred from General Reserve	310.00	210.00
Balance carried to Balance sheet	4,896.89	4,928.90

LISTING OF SHARES

Your Company's shares have been listed in Bombay Stock Exchange Ltd and National Stock Exchange of India Ltd with effect from 15th July, 2009. As the changes that the company had instituted in its organization and working were directed at providing a solid foundation for future growth, it would take some time for the efforts of the company to manifest in the share market. As a result of this, the shares of the company have been subdued during the course of the year.

Lines of Business

TTS provides world class services in the areas of IT Consulting, Enterprise Resource Planning (ERP), Customer Relationship Management (CRM), Data Warehousing and related technologies.

GDR Proceeds:

TTS successfully completed its Global Depository Receipts issue over a year ago. Thus far, the primary utilization of funds has been to:

- a) Provide working capital support for our businesses, and
- b) Provide funding to make the final payments for the acquisition of Abaris Inc

We are pleased to inform the shareholders that the acquisition payments for Abaris Inc. were completed by November 2010. All obligations towards the acquisition of Abaris have been fulfilled.

The remainder of the GDR funds is still safely in the banks.

Corporate Governance

The requirements for disclosure of corporate governance practices as prescribed under clause 49 of the listing agreement is annexed herewith.

Dividend

Your directors have not recommended any dividend for the financial year ended 31st March, 2011

Directors

During the year, there was no change in the constitution of the Board. Mr. G. Jagadish retires by rotation and being eligible offers himself for re-appointment.

Fixed Deposits

Your Company has not accepted fixed deposits and as such, no amount of principal or interest was outstanding as at the Balance Sheet date.

Particulars of Employees

None of the employees of the company are falling under the information to be furnished as per section 217 (2A) of the Companies Act 1956.

Auditors

M/S S.Ramachandran & Co., (Regn.No.06775S) Chartered Accountants retire at the ensuing Annual General Meeting. They are eligible for re-appointment and have confirmed their eligibility and willingness to accept Office as Statutory Auditors if re-appointed.

Directors' Responsibility Statement

In accordance with the provisions of Section 217(2AA) of the Companies Act, 1956, your directors confirm:

that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures,

that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period,

that the directors had taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of this Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities, and

that the directors had prepared the annual accounts on a going concern basis.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The particulars prescribed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are set out separately, which forms a part of this report.

Subsidiaries

The financial statements of the subsidiaries of your Company are drawn up in accordance with the applicable Accounting standards and forms part of the Consolidated Financial statements in the Annual Report. Your Company believes that the consolidated accounts present a full and fair view of state of affairs and financial conditions. The financial statements relating to the subsidiary companies are not appended to this report.

As per Section 212 of the Companies Act, 1956, we are required to attach the Director's Report, Balance Sheet, and Profit and Loss Account of our subsidiaries. The Ministry of Corporate Affairs, Government of India vide its circular no. 2/2011 dated February 8, 2011 has provided an exemption to companies from complying with section 212, provided such companies publish the audited consolidated financial statements in the Annual Report. Accordingly, the Annual Report 2010-11 does not contain the financial statements of our subsidiaries. The audited annual accounts and related information of our subsidiaries, where applicable, will be made available upon request. These documents will also be available for inspection during the business hours at our registered office in Chennai, India.

Acknowledgements

Your directors extend their gratitude to customers, alliance partners and employees for their continued valuable support. The unrelenting contribution made by our employees to ensure customer care deserves a special acknowledgement. Your directors place on record their appreciation for the excellent, continued co-operation from bankers, vendors and various government and non-government agencies including SEBI, Stock Exchanges, Registrar of Companies, STPI, RBI and others and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Gp. Capt. K. Balasubramanian, IAF (Retd.)
Chairman

N. Sakthivel
Director

Place: Chennai
Date: 05-09-2011

ANNEXURE TO DIRECTORS' REPORT

A) Conservation of Energy:

The operations of your Company are not energy intensive. The Company has, however, taken adequate measures to conserve energy consumption by using efficient computer terminals and building management systems. The impact of these efforts has enhanced energy efficiency. As energy cost forms a very small part of total expenses, the financial impact of these measures is not material and not measured.

B) Technology Absorption, Adaptation and Innovation:

The Company's business demands constant absorption of and adaptation to changing technologies to stay competitive in a rapidly changing world.

i) Efforts made towards technology absorption, adaptation and innovation

The Company continues to use the latest technologies for improving productivity and continues to keep its thrust in modern technology applications. The connectivity between offices is being enhanced to increase efficiency of the systems.

ii) Benefits derived as a result of the above efforts

The technology infrastructure has remained state-of-the-art and the Company is able to provide highly productive work environment to its employees. This has resulted in world-class product development and product improvement.

C) Foreign Exchange Earnings and Outgo:

Your Company is making continuous efforts to explore new foreign markets and increase its share in the market for export of software and software consulting services. The details of foreign exchange earned and the outgo is as under:

(Rs in Lakhs)

Particulars	31st March 2011	31st March 2010
Foreign exchange earnings	95.64	126.97
Foreign exchange outgo	38.56	-
Earnings in Foreign currency on receipt basis	134.05	23.10
Expenditure in Foreign currency	158.85	11.60

For and on behalf of the Board of Directors

Gp.Capt.K.Balasubramanian, IAF (Retd)
Chairman

N.Sakthivel
Director

Place: Chennai
Date : 05-09-2011

Addendum to Directors' Report

Directors' comments on Auditors Qualifications on Standalone Financials:

a) Note No. 2(b) of schedule P regarding compliance of filing necessary forms with Registrar of Companies for increase in authorized capital during the year 2009-10

DC: In respect of Auditors Observation regarding failure in filing of necessary forms with ROC for increase in Authorised Share Capital it may be noted that the company despite its best efforts, due to working capital crunch was not able to comply in filing the returns. The same is under process & the Company will file the return soon as per the statutory requirement.

b) Note No.18 in Schedule P regarding pending allotment of Shares of Rs.6334.98 Lakhs shown under SAMPA in subsidiaries for over three years

DC : The Company is taking necessary steps for the allotment of shares in subsidiary companies which is pending as SAMPA – Bitech.

Directors' comments on the qualifications made by Auditors in their report on Consolidated Financial Statements of the Company:

a) Note No. 16(iii) of Schedule Q regarding the Net worth of the Investment made in Soltius Holding Ltd., by Bitech International LLC, Dubai as the financials of the company are not made available and the company also stopped operations.

DC : The Company is taking necessary steps to estimate the worth of the investments in Soltius Holdings Ltd., made by Bitech International LLC, Dubai. Further steps will be taken once this is known.

For and on behalf of the Board of Directors

Gp. Capt. K. Balasubramanian, IAF (Retd.)
Chairman

N. Sakthivel
Director

Place: Chennai
Date: 05-09 - 2011

REPORT ON CORPORATE GOVERNANCE

ANNEXURE TO THE DIRECTORS' REPORT

1. Company's Philosophy on Code of Corporate Governance

The Basic philosophy of the company towards Corporate Governance is to protect and enhance the long term value of all the stakeholders – shareholders, clients, creditors and employees. The Company is committed to achieving these objectives within regulatory framework through transparency in its dealings.

2. Board of Directors

a) Composition and category of Directors as of March 31, 2011

S.No	Name(s) of Director(s)	Category	Status	Independency
1	Gp.Capt. K.Balasubramanian IAF (Retd)	Chairman	Promoter	Non independent
2	N.Sakthivel	Non Executive	Non Promoter	Independent
3	M.S.Ramakrishnan	Whole time Director	Non Promoter	Non Independent
4	R.Ravichandran	Non Executive	Non Promoter	Independent
5	G.Jagadish	Non executive	Non Promoter	Independent

(b) Other Directorships

S.No	Name(s) of Director(s)	Category	Number of Directorships in other Indian companies	Number of Committee memberships held in Boards of other companies
1	Gp.Capt. K.Balasubramanian IAF (Retd)	Chairman	5	3
2	N.Sakthivel	Non Executive	6	4
3	M.S.Ramakrishnan	Whole time Director	1	2
4	R.Ravichandran	Non Executive	1	2
5	G.Jagadish	Non executive	1	Nil

c) Number of Board Meetings held during the Financial year ended 31st March, 2011

During the year, the Board met 07 times on various dates given below:

1. 15th April, 2010
2. 29th June, 2010
3. 07th July, 2010
4. 24th July, 2010
5. 04th November, 2010
6. 18th November, 2010
7. 03rd February, 2011

d) Attendance of the Board of Directors at the Board Meetings and Annual General Meetings.

S.no.	No. of Board Meetings Held: 07		Last AGM attendance (Yes /No)
	Name of Directors	Attended	
1	Gp.Capt. K.Balasubramanian I.A.F.(Retd)	7	Yes
2	N.Sakthivel	7	Yes
3	M.S.Ramakrishnan	7	Yes
4	R.Ravichandran	7	No
5	Mr. G.Jagadish	7	No

e) Particulars of Sitting Fees/ Remuneration/ Commission paid to the Directors during the Financial year 2010 -11.

Your Company has not paid sitting fees to any of the Directors for the Board Meeting attended by them during the year ended 31st March, 2011.

f) Code of Conduct for Board of Directors and Senior Management Personnel

The company has adopted a code of conduct for the Board and Senior Management personnel. The code has been communicated to directors and the senior management. And they all have confirmed compliance with the Code of Conduct as of 31.03.2011. The annual report contains a declaration to this effect signed by Managing Director.

Declaration pursuant to clause 49 of the listing agreement as on 31st March, 2011

To
The Shareholders of Teledata Technology Solutions Limited.

We hereby declare that all members of the Board and senior management have affirmed compliance with the respective provisions of the code of Business conduct and ethics of the company formulated by the Board of Directors.
For and on behalf of the Board

Place: Chennai
Date:

Gp.Capt.K.Balasubramanian IAF(Retd)
Chairman

3. Audit Committee

The Composition and terms of reference of the audit committee are in compliance with the requirements of Clause 49 of Listing Agreement.

The members of the Audit Committee are as follows:

S.No	Name(s) of Director(s)	Category	Status	Independency
1	Gp.Capt. K.Balasubramanian IAF (Retd)	Chairman	Promoter	Non independent
2	N.Sakthivel*	Non Executive	Non Promoter	Independent
3	R.Ravichandran	Non Executive	Non Promoter	Independent

* Mr.N.Sakthivel is the Chairman of the Audit Committee.

4. Share Transfer and Investor's Grievance Committee

The Company's shares are/ will be compulsorily traded in dematerialised form. The Company has constituted a share transfer / Investor Grievance committee comprising of the following members:

S.No:	Name(s) of Director(s)	Category	Status	Independency
1	Mr M.S.Ramakrishnan *	Chairman	Non Promoter	Non independent
2	Mr. N.Sakthivel	Non Executive	Non Promoter	Independent
3	Mr.R.Ravichandran	Non Executive	Non Promoter	Independent

* M.S.Ramakrishnan is the Chairman of the Committee.

M/s.Cameo Corporate Services Ltd are appointed as Registrar and Share Transfer Agent of the Company.

The details of shareholders grievances received/replied/pending:

Type of complaint	Received	Replied	Pending
Non receipt of dividend.	Nil	Nil	Nil
Non receipt of Annual report	07	07	0
Stock Exchanges / SEBI	0	0	0
Others(share price & non credit of shares)	4	4	0
Total	11	11	Nil

5. Details of Annual/Extraordinary General Meetings:

As the Company was incorporated only on 27.10.2006, the present meeting will be the Fifth Annual General Meeting of the Company. The Company convened the First Annual General Meeting on **16 November 2007** and conducted Extraordinary General Meetings on various dates since Incorporation the details of which are given below:

Year	AGM/EGM	Location	Date	Time
2006	EGM	2AB,GEE GEE Emerald No.151, Village Road, Nungambakkam, Chennai- 600 034	28-10-2006	2.00 P M
2006	EGM	2AB,GEE GEE Emerald No.151, Village Road, Nungambakkam, Chennai- 600 034	29-12-2006	11.00 A M
2007	EGM	2AB,GEE GEE Emerald No.151, Village Road, Nungambakkam, Chennai- 600 034	29-01-2007	10.00 A M
		-do-	24-10-2007	11.00 A M
		-do-	27-11-2007	10.30 A M
2008	AGM	Raj Place Sundar, No : 12, De,Durgabai Deshmukh Road, Opp to Sathya Studio, R.A.Puram, Chennai – 600 028.	29-09-2009	1.30 P M
2009	AGM	-do-	29-09-2009	1.45 P M
2010	AGM	HOTEL KANCHI, 1st floor, No.28, Ethiraj Salai, Deshmukh Road, Egmore, , Chennai 600 008.	20-12-2010	10.30 A M

The company has passed resolutions for the allotment of shares to the members of M/s.Agnite Education Limited formerly in the name of Teledata Informatics Ltd pursuant to the Composite scheme of Arrangement in the EGM held on 24.10.2007 vide Court Order dated 12/10/2007 sanctioned by Hon'ble High Court, Madras.

6. Disclosures

- There were no materially significant related party transactions, which may have potential conflict with the interests of the Company.
- There were no instances of non-compliance by the Company on any matter related to capital markets during the last three years. Hence there have been no penalties, strictures imposed by SEBI/Stock Exchange or any other statutory authorities against the Company.
- The transactions with the subsidiaries and associate companies etc. of routine nature have been reported elsewhere in the Annual Report as per Accounting Standard 18 (AS-18) issued by the Institute of Chartered Accountants of India .
- The company has adopted risk management policy and it is being reviewed by the Audit committee at regular intervals.
- All the mandatory requirements specified under clause 49 have been complied with.
- There are no material non listed Indian Subsidiary Company in respect of which disclosures are to be given as per Sub clause III of Clause 49 of the Listing Agreement. An appeal has been filed before the Division Bench of the Hon'ble High Court of Madras, Chennai, against the composite scheme of arrangement sanctioned by the Single Judge of the Hon'ble High court of Madras, Chennai and the appeal is pending for final arguments.

7. Means of Communication

- Financial Results are published by the Company in Trinity Mirror, Makkal Kural and Your Company has published Advertisement in Financial express (English)/ Makkal Kural (Tamil) and in Jan Satta (Hindi). The Company's quarterly results, Shareholding pattern are updated in Company/Stock Exchange website.
- The Results are also displayed in URL named www.tts-consulting.com. Any official news releases are also updated in the website. No specific presentation was made to financial analysts during the year.

8. Management Discussion and Analysis

Appended to this Report.

9. General Shareholders' Information

1	Date of book Closure	26 to 30 September 2011 (Both days inclusive)
2	Venue of Annual General Meeting	Hotel Kanchi, No.28, Ethiraj Salai, Egmore, Chennai – 600 008.
3	Time and Date of AGM	10:15 AM.30th September 2011
4	Registered Office	Teledata Tower 1 st Floor, 37/1, Velachery Tambaram Main Road, Velachery, Chennai – 600 042.
5	Financial Calendar : Financial Reporting for, Quarter ending 30 th June 2011 Quarter ending 30 th September 2011 Quarter ending 31 st December 2011 Quarter ending 31 st March 2012	April 2011– March 2012 End of July 2011 End of Oct 2011 End of Jan 2012 End of April 2012

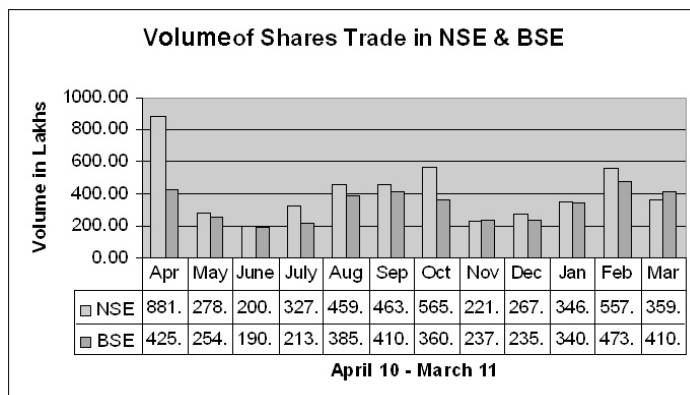
10. Stock Market Data: The shares of the company are listed in the Stock Exchange with effect from 15th July, 2009.

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

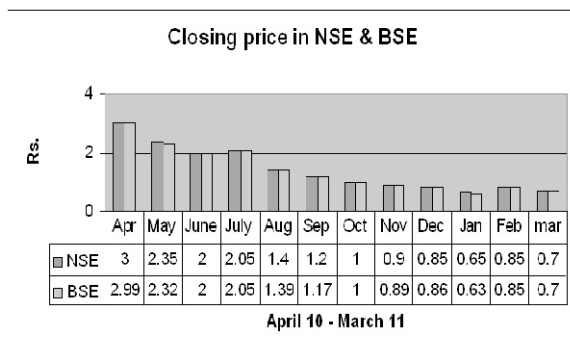
Month 2010	NSE High	Low	No. of shares traded (Volume in Lakhs)	BSE High	Low	No. of shares traded (Volume in Lakhs)
April	4.90	3.00	881.66	4.74	2.98	425.47
May	3.25	2.25	278.33	3.25	2.27	254.11
June	2.35	2.00	200.27	2.38	2.00	190.67
July	2.20	1.75	327.29	2.24	1.70	213.23
August	2.10	1.40	459.52	2.16	1.38	385.28
September	1.45	1.20	463.93	1.46	1.17	410.03
October	1.20	1.00	565.00	1.20	1.00	360.40
November	1.20	0.85	221.35	1.18	0.85	237.27
December	1.10	0.80	267.38	1.10	0.83	235.34
2011						
January	0.95	0.60	346.87	0.92	0.59	340.04
February	0.95	0.55	557.76	0.96	0.59	473.96
March	0.95	0.60	359.40	0.93	0.63	410.83

a) (Source : NSE & BSE data on daily closing share price of the Company)

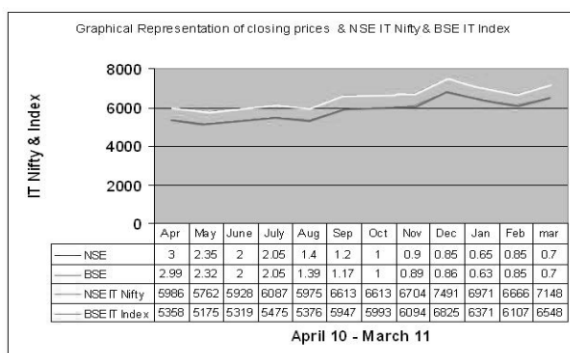
Graphical representation of volume of shares of the company during 2010-2011 is as follows:



C) Closing share prices and Indices of the company National Stock Exchange India Ltd (NSE) & Bombay Stock Limited (BSE).



Graphical representation of closing prices of BSE 200 index & NSE Nifty



11. The Company's Transfer Agents and Depository Registrars are:

Cameo Corporate Services Ltd.
Fifth Floor, Subramanian Building,
No.1, Club House Road,
Chennai 600 002
Tamil Nadu, India.
Tel : 91-44-28460390/91/92/93
Fax : 91-44-2846 0129
E-mail: cameo@cameoindia.com

12. Share transfer system:

The Company has a share transfer /Investor Grievances Committee comprising of,

S.No:	Name(s) of Director(s)	Category	Status	Independency
1	Mr M.S.Ramakrishnan *	Chairman	Non Promoter	Non independent
2	Mr. N.Sakthivel	Non Executive	Non Promoter	independent
3	Mr.R.Ravichandran	Non Executive	Non Promoter	independent

The share transfer documents are verified by the Registrar and the Share Transfer Committee approves the share transfer in their meeting. The company secretary is the Secretary and compliance officer of the committee.

Details of shares transferred (in physical form) during 2010-2011 are as follows:

S.no	No.of Transfers	0
1	No. of Sellers	0
2	No. of Buyers	0
3	No. of Shares	0
4	Total No. of Shares in physical mode as on 31st March, 2011	45138028
5	Percentage on the Share Capital	9.0351

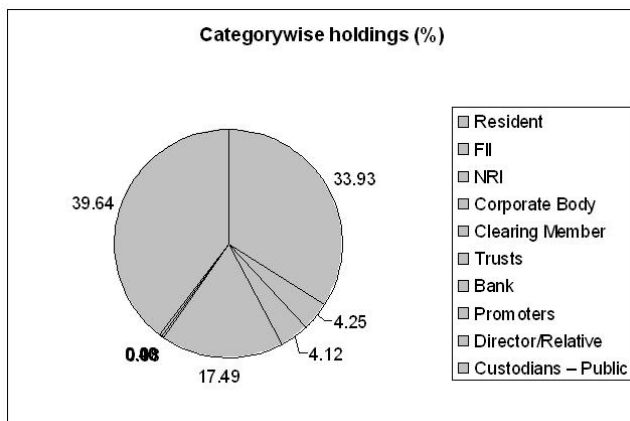
13. Distribution of Share holding as on March 31, 2011 is as follows:

Share or Debenture holding	Share / Debenture holders	Share / Debenture holdings		
	Number	% of total	Rs.	% of total
1 - 5000	110529	92.0530	71178532	7.1237
5001 - 10000	4195	3.4937	32447470	3.2474
10001 - 20000	2532	2.1087	38974008	3.9006
20001 - 30000	876	0.7295	21914394	2.1932
30001 - 40000	520	0.4330	18998950	1.9014
40001 - 50000	295	0.2456	13647400	1.3658
50001 -100000	611	0.5088	43915380	4.3951
100001 –And Above	513	0.4272	758093946	75.8723
Total	120071	100.000	999170080	100.000

14. Shareholding Pattern as on March 31, 2011

Client Type	No. of Holders	No. of Shares	% to total shares
Resident	118026	169523350	33.9328
FII	6	21214181	4.2463
NRI	716	20576644	4.1187
Corporate Body	1268	87360433	17.4865
Clearing Member	41	400567	0.0801
Trusts	5	1675	0.0003
Bank	1	2500	0.0005
Promoters	4	143685	0.0287
Director/Relative	3	2311505	0.4626
Custodians – Public	1	198050500	39.6430
TOTAL	120071	499585040	100.00

15. Graphical representation of shareholding pattern as on 31st March, 2011



16. Shares dematerialized upto March 31, 2011

No. of Shares	% of shares	No. of Share holders	% of Share holders
454447012	90.9649	119768	99.746

17. Address For Investors' Correspondence:

- a Mr. R.Manthramurthy, Company Secretary,
Teledata Technology Solutions Limited,
1st Floor, Teledata Tower,
37/1, Velachery Tambaram Main Road,
Velachery, Chennai 600 042
Phone: 91-44-4220 7000
Fax : 91-44-2243 2727
e-mail: manthramurthy@tts-consulting.in Webpage: www.tts-consulting.com
investors@tts-consulting.com,
- b. Mr.R.D.Ramasamy, Director,
Cameo Corporate Services Ltd.
Fifth Floor, Subramanian Building, No.1, Club House Road,
Chennai 600 002
Phone: 91-44-2846 0390 /91/92/93
Fax : 91-44-2846 0129
e-mail: cameo@cameoindia.com

18. Corporate Governance: Voluntary Guidelines – 2009

These guidelines are recommendatory in nature and the Board is making efforts to incorporate these guidelines into the current corporate governance practices being followed by the Company.

19. Corporate Social Responsibility – Voluntary Guidelines – 2009

The Board is acutely aware that the Company is part of the Society and as a responsible corporate citizen we are making efforts to integrate our interests in business with that of the society. The Company strives its best to be socially, environmentally and ethically responsible and the Board is working out detailed policies and procedures in this regard for implementation in the near future.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Teledata Technology Solutions Limited

We have examined the compliance of conditions of Corporate Governance by Teledata Technology Solutions Limited, for the period ended 31st March, 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 management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

We state that there are no investors grievances pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

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

**For S.Ramachandran & Co.,
Chartered Accountants
FRN : 006775S**

Place: Chennai
Date 05-09-2011

**Ramachandran S.
Partner
Membership no. 18355**

MANAGEMENT DISCUSSION AND ANALYSIS

General

The global economic downturn of the past year had a lingering effect on the GDP growth and employment in developed markets. As a result of an altered demand landscape, the IT and ITES sector had begun to transform itself by actively diversifying beyond core offerings and markets through new business and pricing models, specialize to provide end-to-end service offerings with deeper penetration across verticals, transform process delivery through re-engineering and enabling technology, innovate through research and development and drive inclusive growth in India by developing targeted solutions for the domestic Indian market.

Worldwide technology products and services related spend is estimated to reach USD 1.6 trillion in 2010, a growth of 4 per cent over 2010, with emerging verticals and emerging geographies, in addition to US, driving growth. Worldwide hardware spends increased by 6.4 per cent on the back of a global refresh cycle. IT services spend increasing by 1.4 per cent in 2010, within which IT outsourcing grew by 2.4 per cent.

Your company experienced a decline of nine percent in the revenues during the year, even though there was considerable success in cementing ongoing business relationships. Delay in the finalization of new contracts with prospective customers put some of the company's efforts on the back foot. While the global market did rebound to an extent during the year, your company had undertaken a process of realigning itself as a global solutions provider, a process which would only play out over time and would bear results in the longer term. The efforts during the year however had succeeded in reducing the fall in revenues year over year.

Key Aspects of Performance

Your company has made substantial investments in the Energy and Utilities space for the provision of data and transaction management and business (customer) intelligence solutions for the emerging Smart Grid and Smart Metering Market in the US, in line with strategy adopted in the last financial year. It has a beta version of its proprietary product running with a regional utility company. The success of this effort would enable the company to also pursue and develop a non-linear growth strategy, as against a purely employee driven revenue generation model.

The company has completed the acquisition process for Abaris Inc., the Oracle spearhead in the organization and has taken steps to sync the available Oracle expertise with the provision of consultants from other global locations for a seamless oracle implementation and growth experience for its customers.

The success of your company's Customer Relationship Management (CRM) initiative is best exemplified by the ongoing Amdocs-CRM effort which portends well for further expansion in the telecommunication space, particularly in the Indian environment.

Personnel

Your company has consistently believed in nurturing and caring for its workforce through good times and bad and believes that its employees are the key to its success. The focus on hiring only the very best has greatly enabled the setup of a better and newer delivery management system in line with the company's philosophy of customer-centric operations. Pursuing the growth strategy conceptualized in the past and implemented in the current year, the company has embarked on the addition of top level resources in order to oversee the transformation of your company from a purely technology solutions provider to a total business solutions partner.

Future Outlook

According to NASSCOM Strategic Review Report, 2011, the underlying theme of 2010 has been the steady recovery from recession. Worldwide GDP, which had declined by 0.6 per cent in 2009, grew 5 per cent in 2010 and is expected to stabilize at about 4.4 per cent in 2011. Developing nations continue to grow faster than the developed countries by at least three times. IT spend is directly linked to growth in GDP and in line with this trend, IT spend in 2011 is expected to grow nearly 4 per cent. Worldwide IT spending will also benefit from the accelerated recovery in emerging markets, which will generate more than half of all new IT spending worldwide in 2011. In 2011, growth will reflect new demand for IT goods and services, not pent-up demand from prior years. 2011 will also see a major surge in the use of private and public cloud and mobile computing on a variety of devices and through a range of new apps.

IT services is expected to grow by about 3.5 per cent in 2011 and 4.5 per cent in 2012. While focus on cost control and efficiency/productivity remain, customers are also evaluating how investments in IT impact can further business goals – ROI led transformation - leading to an increase in project-based spending. Services such as virtualisation, consolidation, and managed services that focus on ROI in the short term will drive opportunities in the market. Emerging Asian enterprises across multiple industries will continue to accelerate services spending in their efforts to challenge existing global MNCs. Organizations will look for alternative IT models - Cloud, on-demand services and SaaS – in order to reduce hardware infrastructure costs and provide scalability on demand. Worldwide packaged software revenue is estimated to reach USD 297 billion in 2011, a Y-o-Y growth of over 5 per cent, led by emerging regions, such as APAC and LATAM. These regions are expected to invest heavily in enterprise software initiatives as they continue to round out the IT infrastructure necessary to do business.

TTS, with its diverse skill sets, is uniquely positioned to take advantage of the growing market and with an increasing focus on organic growth, has embarked on a consolidation and growth phase.

Review of Financial Performance:

The financial performance of the company on a consolidated basis including the turnover of subsidiaries, have been taken for the purpose of analysis.

MANAGEMENT DISCUSSION AND ANALYSIS

I. Analysis of Profit and Loss Account:

Turnover & Other Income

The company has reported a turnover of Rs.21,054.52 lakhs for the year ended 31st March, 2011 compared to Rs.23,113.89 lakhs for the previous year ended 31st March, 2010, thereby showing a fall of 8.91% compared to the previous year.

The fall in the total revenue was mainly on account of economic slowdown and decrease in Enterprise Resource Planning (ERP) & Customer Relations Management (CRM) segments especially in the developed countries.
Expenditure

1. Purchase of Software/Outsourcing

The Purchase of Software/Outsourcing expenses for the period stood at Rs.13,325.79 lakhs compared to Rs.13,563.12 lakhs in the previous year. This includes the expenses incurred by overseas subsidiaries for outsourcing services. The decrease is mainly due to cost cutting measures adopted by management.

2. Administrative Expenses

The Administrative expenses for the period stood at Rs.7,539.59 lakhs compared to Rs.7,718.73 lakhs in the previous year, thereby registering a decline of about 2.32 %. This is because of decrease in personnel cost and rent expenses.

a. Personnel Cost

The personnel cost of the period stood at Rs.4,035.85 lakhs, compared to Rs.4,894.44 lakhs in the previous year, thereby recording a decline of about 18% which is mainly due to decrease in headcount.

b. Travelling and Conveyance

The traveling expenses during the period stood at Rs.257.91 lakhs, compared to Rs.245.00 lakhs in the previous period.

c. Miscellaneous Expenses

Miscellaneous expenses for the period stood at Rs.69.66 lakhs as against Rs.51.20 lakhs in the previous year.

d. Foreign Exchange Fluctuation Loss

The loss on account of exchange fluctuation during the period stood at Rs.221.29 lakhs. This is due to the rupee depreciation against dollar.

e. Service Charges

There was payment of Rs.608.75 lakhs for service charges for the period as against Rs.926.46 lakhs in the previous year. The increase is due to decrease in US outside service.

f. Others

The following major expenses have been incurred during the year against in the previous years.

1. Amounts written off

During the year, the Company has written off Rs.465.50 lakhs towards bad & doubtful debts and advances, which includes advances unrecoverable to the tune of Rs.252.98 from Soltius.

2. Interest & other Finance charges

The outgo on account of interest expenses for the period stood at Rs.288.37 lakhs as against Rs.357.51 lakhs in the previous year.

3. Selling & Distribution Expenses

Selling and Distribution expenses for the period stood at Rs.47.26 lakhs as against Rs.40.52 lakhs during the previous year. The increase is mainly on account of increase in advertisement and business promotion expenses.

4. Depreciation

The depreciation for the year stood Rs.87.69 lakhs as against Rs.134.42 lakhs.

5. Profit before tax

Profit before tax (PBT) for the period stood at Rs.(21.43) lakhs as against Rs.1,647.49 lakhs during the previous period.

6. Provision for tax

Provision for tax during the year is Rs.302.19 lakhs.

7. Profit after Tax

The profit after tax for the year stood at Rs.(323.62) lakhs as against Rs.1,625.78 lakhs before providing for the minority interest. The decrease in profit is mainly due to reduction in sales.

II. Analysis of Balance Sheet:

1. Share Capital

The Paid-up Share Capital of the Company stood at Rs.9,991.70. There was no change over the previous year.

2. Reserves & Surplus

The Reserves and Surplus of the Company stood at Rs.17,098.62.

3. Secured Loans

The overall Secured Loans for the period stood at Rs.2,931.74 lakhs as compared to Rs.3,444.92 lakhs in the previous years.

4. Unsecured Loans

The outstanding unsecured loans at the end of the current year were at Rs.55.09 lakhs.

MANAGEMENT DISCUSSION AND ANALYSIS

5. Minority Interest

Minority Interest in subsidiaries represents the proportionate share of the minority shareholders in the net assets and net income of the subsidiaries and the same stands at Rs.(53.16) lakhs for the year as against Rs.(71.33) lakhs in the previous year.

6. Goodwill

Goodwill is at Rs.5,132.90 lakhs during the current year as against Rs.5,032.30 lakhs in the previous year. The increase in carrying value of the goodwill is due to additional earnout payments & reimbursement of legal fees paid during 2010 to the sellers of M5 Global Inc., subsidiary of Teledata Technology Solutions Inc.,

7. Fixed Assets

The Net Block during the year stood at Rs.207.60 lakhs as compared to Rs.197.46 lakhs in the previous year. The increase is mainly due to additions to fixed assets.

8. Investment

The Investments at the end of the year stood at Rs.3,673.61 lakhs as compared to Rs.3,673.53 lakhs in the previous year.

9. Sundry Debtors

Sundry debtors stood at Rs.11,831.17 lakhs for the period ended 31st March 2011 as against Rs.15,981.46 lakhs in the previous year. The debtor's level has come down due to revised credit terms. The company has taken steps to collect the receivables and hopes to improve the debtors' realization in the coming years.

10. Cash and Bank Balances

The Cash and Bank Balances at the end of the year stood at Rs.15,060.63 lakhs as against Rs.17,337.58 lakhs in the previous year.

11. Loans and Advances

Loans and Advances during the year stood at Rs.3,477.43 lakhs as against Rs.3,396.24 lakhs in the previous year.

12. Current Liabilities and Provisions

a. Sundry Creditors

The outstanding sundry creditors as at 31/03/2011 stood at Rs.3,036.28 lakhs as against Rs.8,014.92 lakhs in the previous year.

b. Provisions

The provisions for the year stood at Rs.282.32 lakhs compared to Rs.58.22 lakhs in the previous year.

AUDITOR'S REPORT

To,
The Members of Teledata Technology Solutions Limited

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

1. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance 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 principle used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 and on the basis of such checks we considered appropriate, and according to the information and explanations given to us, we enclose in the annexure a statement on the matters specified in paragraph 4 and 5 of the said Order to the extent applicable to the company.
3. Further to our opinion comments in the annexure referred to in paragraph (2) above, and subject to:-

- a) Note No. 2(b) of schedule P regarding compliance of filing necessary forms with Registrar of Companies for increase in authorized capital during the year 2009-10;
- b) Note No. 18 in Schedule P regarding pending allotment of Shares of Rs. 6334.98 Lakhs shown under SAMPA in subsidiaries for over three years;

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 purpose of our audit;
 - b) in our opinion, proper books of accounts as required by law have been kept by the Company so far as appear from our examinations of those books and proper return adequate for the purpose of audit have been received from the branches not visited by us.;
 - c) the Balance Sheet and the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
 - d) in our opinion, the Balance Sheet, Profit and Loss Accounts and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956.
 - e) on the basis of written representations received from the directors, as on 31st March, 2011, and taken on record by the Board of Directors of the Company, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
4. In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with the notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:-
- a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - b) in the case of Profit and Loss account, of the loss for the year ended on that date; and
 - c) in the case of Cash Flow Statement, of the cash flow of the year ended on that date.

For S Ramachandran & Co.,
Chartered Accountants
Firm No. 006775S

Ramachandran S
Partner
Membership No: 18355

Place: Chennai
Date: 05-09-2011

ANNEXURE TO THE AUDITOR'S REPORT **(Referred to in paragraph (2) of our report of even date)**

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

b) The fixed assets of the Company have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and nature of its assets.

c) The Company during the year has not disposed any of its fixed assets
2. In our opinion the valuation and maintenance of records of inventories is not applicable to the present activities of the company. Therefore, clause (ii) of paragraph 4 of the order is not applicable to the company.
3. (A)
 - a. According to the information and explanation given to us, the company has granted interest free unsecured loans to 5 parties covered in the register maintained under section 301 of the companies act, 1956. The maximum balance outstanding during the year was Rs.4322.72 Lakhs and the year end balance of the loan was Rs.3992.41Lakhs.
 - b. As explained to us by the management the other terms and conditions of the above said loans are not prejudicial to the interest of the company
 - c. The principal amount has not fallen due in this year as the same is payable on demand.(B)
 - a. According to the information and explanations given to us, the company has taken interest free unsecured loans from 3 parties covered in the registered maintained under section 301 of the companies act, 1956. The maximum balance outstanding during the year was Rs.71.61 lakhs and the balance outstanding during the year was Rs.71.55 lakhs.
 - b. As explained to us by the management the other terms and conditions of the above said loans are not prejudicial to the interest of the company
 - c. The principle amount has not fallen due for repayment.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and nature of business.
5. a. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into in the register maintained under section 301 of the companies act, 1956 have been so entered.

b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section section 301 of the companies act, 1956 aggregating during the year to Rs.500,000/- or more in respect of any party during the year have been made at prices which in the opinion of the management are reasonable having regard to prevailing market prices at relevant time. This being technical matter we have relied on management assessment.
6. In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public as per provisions of section 58A and 58AA or any other relevant provisions of companies act, 1956. Accordingly, the provisions of clause 4(vi) of the companies (Auditor's Report) order, 2003 is not applicable to the company. There are no orders from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any other Tribunal.
7. The company does not have any internal audit. However, the internal control that exists is commensurate with the size and operation of the company.
8. The central government has not prescribed maintenance of cost records u/s 209(1) (d) of the companies act, 1956 for the company.

9. a. According to the information and explanations given to us, undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other statutory dues have not been regularly deposited with the appropriate authorities
- b. According to the information and explanations given to us, the company is not regular in depositing undisputed statutory dues in respect of income tax, sale tax, wealth tax, service tax, customs duty, excise duty, cess were in arrears, as at March 31, 2011 for the period of more than six months from the date they became payable. Statement of Arrears of statutory dues outstanding for more than 6 months is given below:

(Rs. in lakhs)

Name of the Statute	Amount	Period to which the amount relates	Date of Payment	Amount Paid	Balance Payable
IT/TDS	6.69	July-Sep'10	31.05.2011	6.69	NIL
Provident Fund	4.16	Aug & Sep'10	--	--	4.16

- c. According to the information and explanations given to us, there are no dues of sales tax, wealth tax, service tax, customs duty and excise duty/cess which have not been deposited on account of any dispute.
10. Based on the audit procedures and according to the information and explanations given to us, the company has not defaulted in repayment of dues to any financial institutions or banks during the year.
11. The company has no accumulated losses at the end of the financial year and has incurred cash loss during the financial year under Audit and also incurred cash loss in the immediate preceding financial year.
12. In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the company is not a chit fund or a Nidhi /mutual benefit fund/society. Therefore, clause 4(xiii) of the companies (Auditor's Report) orders 2003 is not applicable to the company.
14. The company has not dealt or traded in shares, securities, debentures or other investments during the year. All securities and other investments have been held by the company in its own name.
15. As per information and explanations given to us, the company has given corporate guarantees which in our opinion are not prima facie prejudicial to the interest of the company.
16. In our opinion and according to the information and explanations given to us, the company has availed working capital loan from banks and portion of the amount was utilized for purpose other than working capital.
17. In our opinion and according to the information and explanations given to us, and on overall examination of balance sheet of the company, we are of the opinion that, no funds raised on short-term basis, have been used for long-term investments.
18. The company has not made preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. In our opinion and according to the information and explanations given to us, the company has not issued any secured debentures during the period covered under our report. Accordingly provisions of clause 4(xix) of the companies (Auditor's Report) Order, 2003 are not applicable to the company.
20. The company has raised money by way of Global Depository Receipts during the previous financial year. The management has disclosed the end use of money raised by the said GDR Issue (Refer Note No.2 (a) on Schedule P and the same has been verified by us.
21. Based on the audit procedures performed and information and explanations given by the management, we report no material fraud on or by the company has been noticed or reported during the course of audit.

For S Ramachandran & Co.,
Chartered Accountants
Firm No. 006775S

Ramachandran S
Partner
Membership No: 18355

Place: Chennai
Date: 05-09-2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

BALANCE SHEET AS AT 31ST MARCH 2011

(Rs.in Lakhs)

Particulars	Schedule	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Share Holders' Funds			
Share Capital	A	9,991.70	9,991.70
Reserves and Surplus	B	<u>15,502.86</u>	<u>15,816.44</u>
		25,494.56	25,808.14
Loan Funds			
Secured Loans	C	441.24	381.98
Unsecured Loans	D	<u>55.08</u>	<u>55.08</u>
		496.32	437.06
TOTAL		<u>25,990.88</u>	<u>26,245.20</u>
APPLICATION OF FUNDS			
Fixed Assets	E		
Gross Block		63.56	5.34
Less: Depreciation		<u>5.30</u>	<u>0.79</u>
		58.26	4.55
Investments	F	7,242.03	7,242.03
Current Assets, Loans and Advances			
Current Assets	G		
Sundry Debtors		91.42	130.54
Cash and Bank Balances		14,856.77	16,982.19
Other Current Assets		<u>24.37</u>	<u>-</u>
		14,972.56	17,112.73
Loans and Advances	H	<u>4,067.05</u>	<u>2,019.55</u>
		19,039.61	19,132.28
Less: Current Liabilities and Provisions			
Current Liabilities	I	335.78	131.37
Provisions	J	<u>13.24</u>	<u>2.29</u>
		349.02	133.66
Net Current Assets		18,690.59	18,998.63
TOTAL		<u>25,990.88</u>	<u>26,245.20</u>
Significant Accounting Policies	O		
Notes on Accounts	P		

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner
Membership Number: No.18355

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

(Rs.in Lakhs)

Particulars	Schedule	2010-11	2009-10
INCOME			
Service Income	K	702.15	154.90
Other Income	L	162.98	33.19
Total		865.13	188.09
EXPENDITURE			
Administrative Expenses	M	1,114.66	321.04
Interest and Finance Charges	N	59.54	19.44
Total		1,174.20	340.48
Profit Before Tax and Depreciation		(309.07)	(152.39)
Depreciation	E	4.51	0.65
Profit/(Loss) Before Tax		(313.58)	(153.04)
Provision for Taxes		-	-
Net Profit/(Loss) for the year		(313.58)	(153.04)
Add: Balance Brought Forward from the Previous Year		4.35	(52.61)
Surplus available for Appropriation		(309.23)	(205.65)
Transferred From General Reserve		310.00	210.00
Balance Carried to Balance Sheet		0.77	4.35
Basic/Diluted Earnings Per Share of Rs.2 each (in Rupees)		(0.06)	(0.09)
Significant Accounting Policies	O		
Notes on Accounts	P		

The Schedules referred to above and the notes thereon form an integral part of the Profit and Loss Account.
This is the Profit and Loss Account referred to in our report of even date.

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner
Membership Number: No.18355

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2010-11

(Rs.in Lakhs)

Particulars	Schedule	2010-11	2010-09
A Cash Flow From Operating Activities			
Net Profit Before Tax		(313.58)	(153.04)
Adjustments For:			
Depreciation		4.51	0.65
Foreign Exchange loss /(gain)		220.60	110.05
Bad Debts written off		252.99	-
Credit Balances Written Back		-	(0.38)
GDR Issue Expenses		14.04	10.30
Interest Paid		59.34	18.17
Interest Received		(162.98)	(0.01)
Operating Profit Before Working Capital Changes		74.92	(14.26)
Adjustments For:			
Decrease / (Increase) in Trade and other receivables		39.12	(130.50)
Decrease / (Increase) in Advances And Other Receivables		(2,545.47)	(460.64)
Increase / (Decrease) in Trade Payables		215.37	72.23
Cash Generated from Operations		(2,216.06)	(533.17)
Direct Tax and Fringe Benefit Tax Paid		-	-
Net Cash From Operating Activities		(2,216.06)	(533.17)
B Cash Flow From Investing Activities			
Purchase of Fixed Assets		(58.22)	(0.17)
Interest Received		162.98	0.01
Net Cash Used in Investing Activities		104.76	(0.16)
C Cash Flow From Financial Activities			
Proceeds From Issue of Share Capital		-	7,075.01
Securities Premium		-	10,081.89
Increase / (Decrease) of Borrowings		59.26	386.98
GDR Issue Expenses		(14.04)	(10.30)
Interest Paid		(59.34)	(18.17)
Net Cash From / (Used in) Financial Activities		(14.12)	17,515.41
D Net Increase/(Decrease) in Cash And Cash Equivalents (A)+(B)+(C)		(2,125.42)	16,982.08
Cash and Cash Equivalents at Beginning of the Year		16,982.19	0.11
Cash and Cash Equivalents at End of the Year		14,856.77	16,982.19

Notes:

1 Previous year figures have been regrouped, reclassified wherever applicable.

2 Cash flow has been prepared based on the financial statements.

This is the Cash Flow Statement referred to in our report of even date

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Membership Number: No.18355

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.in Lakhs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
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SCHEDULE - A

SHARE CAPITAL

AUTHORISED

50,00,00,000 shares of Rs.2/- each	10,000.00	10,000.00
------------------------------------	-----------	-----------

ISSUED, SUBSCRIBED, CALLED UP AND PAID UP

49,95,85,040 shares of Rs.2/- each fully paid up	9,991.70	9,991.70
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TOTAL	<u>9,991.70</u>	<u>9,991.70</u>
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SCHEDULE - B

RESERVES AND SURPLUS

Securities Premium Account

Opening Balance	13,304.50	3,222.62
Add : Premium Received during the year	<u>-</u>	<u>10,081.89</u>
	13,304.50	13,304.51

General Reserve

Opening Balance	2,507.59	2,717.58
Less : Transferred to Profit & Loss Account	<u>310.00</u>	<u>210.00</u>
	2,227.59	2,507.59

Profit & Loss Account	5.53	4.35
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TOTAL	<u>15,502.86</u>	<u>15,816.44</u>
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SCHEDULE - C

SECURED LOANS

From Banks		
- Cash Credit	18.76	28.26
- WCDL	352.46	353.72
- Bill Discounting	51.67	-
- Vehicle Loans	<u>18.35</u>	<u>-</u>
	441.24	381.98
	<u>441.24</u>	<u>381.98</u>

SCHEDULE - D

UNSECURED LOANS

Loans from Body corporates.	50.08	50.08
Loan from Others	<u>5.00</u>	<u>5.00</u>
TOTAL	<u>55.08</u>	<u>55.08</u>

TELEDATA TECHNOLOGY SOLUTIONS LIMITED
SCHEDULES FORMING PART OF THE BALANCE SHEET

<u>SCHEDULE - E</u>									
STATEMENT OF FIXED ASSETS & DEPRECIATION AS PER COMPANIES ACT, 1956 AS ON 31ST MARCH, 2011									
(Amount in Lakhs.)									
Description of the Asset	Gross Block			Depreciation			Net Block		
	Cost as on 01/04/2010	Additions	Deletions	Cost as on 31/03/2011	Acc Depreciation as on 01/04/2010	for the year	Deletions	Acc. Depreciation as on 31/03/2011	As on 31/03/2011
Computers & Accessories	3.49	26.68	-	30.17	0.67	2.95	-	3.62	26.56
Office Equipment	1.68	1.95	-	3.63	0.12	0.14	-	0.26	3.37
Furniture & Fixtures	0.17	0.09	-	0.26	0.00	0.01	-	0.01	0.24
Vehicles	-	29.49	-	29.49	-	1.41	-	1.41	28.08
TOTAL	5.34	58.22	-	63.56	0.79	4.51	-	5.30	58.26
Previous Year	5.17	0.17	-	5.34	0.15	0.65	-	0.79	4.55
									5.03

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.in Lakhs)

Particulars	As at 31st March, 2011	As at 31st March, 2010
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SCHEDULE - F

INVESTMENTS(Non trade unquoted)

Investment In Bitech International LLC 300 shares of 1000 AED representing 100% shares of Bitech.	837.99	837.99
Investment in To Be One Technology Company Ltd , Representing 60% of total Equity of Thai Baht 100 Each	69.06	69.06
Share Application Money Pending Allotment -Bitech International LLC	6,334.98	6,334.98
TOTAL	<u>7,242.03</u>	<u>7,242.03</u>

SCHEDULE - G

CURRENT ASSETS

I. SUNDRY DEBTORS

(Unsecured, Considered Good)

Debts outstanding for period exceeding six months

Other Debts	-	33.33
	91.42	97.21
	91.42	130.54

II. CASH AND BANK BALANCES

Cash on Hand	0.13	-
Balance with Scheduled Banks		
i) Current Account	0.28	0.16
Balance with Non - Scheduled Banks (Euram Bank - Vienna, Austria)		
i) Deposit Account	14,856.36	16,982.03
	14,856.77	16,982.19

III. OTHER CURRENT ASSETS

Accrued Income	24.37	-
TOTAL	<u>14,972.56</u>	<u>17,112.73</u>

SCHEDULE - H

LOANS AND ADVANCES

(Unsecured and Considered Good)

Advances recoverable in cash or in kind or for value to be received

	7.50	32.85
	7.50	32.85
Due from Body Corporates	1,264.64	1,076.15
Due from Subsidiaries	2,729.26	910.04
Tax Deducted at Source	65.65	0.51
TOTAL	<u>4,067.05</u>	<u>2,019.55</u>

SCHEDULE - I

CURRENT LIABILITIES

Sundry Creditors

Creditors for Capital Expenditure

Creditors for Expenses	1.08	-
	200.89	65.04
	201.97	65.04

Due to Subsidiaries	21.46	21.53
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Due to Body Corporates	-	3.26
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Other Current Liabilities	112.35	41.54
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TOTAL	<u>335.78</u>	<u>131.37</u>
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TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Rs.in Lakhs)

Particulars	2010-11	2009-10
SCHEDULE - J		
PROVISIONS		
- for Gratuity	13.24	2.29
TOTAL	<u>13.24</u>	<u>2.29</u>
SCHEDULE - K		
SERVICE INCOME		
- Export	95.64	126.97
- Domestic	606.51	27.93
(Tax Deducted at Source - Rs.65.14 Lakhs Previous Year - Rs.0.01 Lakhs)		
TOTAL	<u>702.15</u>	<u>154.90</u>
SCHEDULE - L		
OTHER INCOME		
Interest Income	162.98	0.01
Credit Balances Written Back	-	0.38
Foreign Exchange Flactuation Income	-	-
Other Income	-	32.80
TOTAL	<u>162.98</u>	<u>33.19</u>
SCHEDULE - M		
ADMINISTRATIVE EXPENSES		
Payment to Auditors	3.57	2.80
Personnel Cost		
Salary Account	283.35	65.03
PF Employer Contribution	7.14	1.86
Gratuity	10.01	0.37
Staff Welfare	0.13	1.98
	<u>300.63</u>	<u>69.24</u>
Rent	38.21	-
Share Transfer, Depository & Listing Fees	18.26	12.42
Travelling & Conveyence	24.94	6.56
Advertisement Expenses	12.88	7.82
AGM Expenses	17.43	36.56
Consultancy Charges Account	24.00	27.17
Advances written off	252.99	-
Foreign Exchange Fluctuation Loss	220.60	110.06
GDR Issue Expenses	14.04	10.30
Recruitment Expenses	2.67	1.80
ROC & Filing Fees	0.12	31.73
Repairs & Maintenance	1.63	0.10
Service Charges	171.49	1.06
Telephone & Fax Charges	2.49	0.46
Miscellaneous Expenses	8.71	2.96
TOTAL	<u>1,079.89</u>	<u>321.04</u>
SCHEDULE - N		
INTEREST AND FINANCIAL CHARGES		
Interest		
- Banks	50.66	18.10
- Others	8.68	0.07
	<u>59.34</u>	<u>18.17</u>
Bank Charges	0.20	1.27
TOTAL	<u>59.54</u>	<u>19.44</u>

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE -O

SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Preparation of Financial Statements

The financial statements are prepared under the historical cost convention from the books of accounts maintained on accrual basis, in conformity with accounting principles generally accepted in India, and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, (the Act).

B. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from these estimates. Any revision in accounting estimates is recognised prospectively in current and future periods.

C. Revenue Recognition

The Company follows mercantile system of accounting and recognises income and expenditure on accrual basis, in accordance with the requirements of the Companies Act, 1956.

D. Fixed Assets

- i) Fixed assets are stated at cost less depreciation. All cost relating to acquisition and installation of fixed assets are capitalised including directly attributable finance costs relating to borrowed funds and cost of bringing the asset to the working condition for its intended use.
- ii) Software product development expenditure including expenditure on upgrades and new version are capitalized on completion of the product. Cost of software purchased and procured for product development/customisation is added to software purchase expenditure.
- iii) Capital work in progress comprises of all directly attributable costs of bringing the assets to their working condition for their intended use and all indirect and incidental expenses.

E. Depreciation / Amortisation

Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Software product development expenditure are amortised over a period of three years.

F. Borrowing Cost

Borrowing cost are recognised as expense in the year in which they are incurred except those which are directly attributable to acquisition/construction of fixed assets, till the time such assets are ready for use, in which case the borrowing costs are capitalised as part of the cost of the asset.

G. Retirement benefits.

- i) The Company's Contribution to provident fund are charged to profit and loss account.
- ii) The Liability for gratuity determined as on the balance sheet date, as per the provision of Payment of Gratuity Act, is provided for and this liability is not funded

H. Provision for Doubtful Debt.

The company provides allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on the company's experience and a review of the current position of the existing accounts receivable.

I. Inventories

- i) Inventories are stated at the lower of cost and net realisable value.
- ii) Cost is calculated using the First in first out (FIFO) formula and comprises all cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii) An allowance is made for all deteriorated, damaged, obsolete and slow-moving supplies.

J. Investments

- i) Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if there is a decline other than temporary in the opinion of the management.
- ii) Current Investments are stated at cost or market value whichever is lower.

K. Foreign Currency Transactions

- i) Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transactions. Monetary items are translated at year-end foreign exchange rates. Resultant exchange difference, arising on

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE -O

SIGNIFICANT ACCOUNTING POLICIES

payment or conversion of liabilities / assets, is recognised as income or expense, in the year in which they arise.

ii) The premium or discount on forward exchange contracts and currency option contracts are amortised and recognised in Profit and Loss Account over the period of the contract. Forward exchange contracts and currency option contracts outstanding at the balance sheet date, other than designated cash flow hedges, are stated at fair values and any gain or loss is recognised in the profit and loss account.

L. Lease

i) Assets leased by the company in the capacity of lessee where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such assets are capitalised at the inception of the lease at lower of fair value or present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

ii) Payments made under operating leases are recognised in the income statement on straight line basis over the term of the lease. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

M. Taxes on Income

i) Current income tax expense comprises taxes on income from operations in Indian jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961.

ii) Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets consisting of unabsorbed depreciation and carry forward of losses are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise these assets.

N. Earnings per share

The basic earnings per share is computed by dividing the net profit after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share, if any is computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

O. Impairment

Except otherwise than for Financial Assets, Inventories and Deferred Tax Asset, the Carrying Amounts of all the Assets are reviewed at each balance sheet date to determine any indications of impairment. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

P. Provision, Contingent Liabilities and Contingent Assets

Contingent liabilities, if any, are disclosed by way of Notes on accounts. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provision is made in the Accounts in respect of those contingencies which are likely to materialise into liabilities after the year end, till the approval of accounts by the Board of Directors and which have material effect on the position stated in Balance sheet.

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE - P

NOTES TO ACCOUNTS

1) Scheme of arrangement:

Pursuant to the Composite Scheme of Arrangement (the Scheme) under Section 391 to 394 of the Companies Act, 1956, as approved by the Honorable High Court of Judicature at Madras vide its Order dated 12th October, 2007, the Teledata Informatics Ltd (TDIL) had demerged and transferred its Technology related business to Teledata Technology Solutions Limited (TTSL), effective from the appointed date i.e., 1st November, 2006. In view of the Order dated 12th October, 2007, the operations from the appointed date of demerger till the balance sheet date have resulted in receivable from Teledata Informatics Ltd is Rs.1153.06 Lakhs

2) Global Depository Receipts:

a) On 30/01/2010, the Company issued 35,37,505 Global Depository Receipts(GDRs) which are listed at the Luxembourg Stock Exchange at an offer price of USD 10.45 per GDR(Each GDR represents 100 equity shares in the capital of the company), representing 35,37,50,500 underlying Equity Shares of nominal value of Rs.2.00 each(offered at Rs.4.85 each) and raised a proceeds of USD 3,69,66,927.25(INR 17,156.89 Lakhs). The Proceeds amounting to from the said GDRs were received on 11/03/2010 and credited to EURAM Bank (European American Investment Bank) whose registered office is at Wallnerstrasse 4, A-1010, Vienna, Austria. The equity shares represented by the GDRs(19,80,50,500 Shares) is approximately 39.64% of the company outstanding shares as on 31/03/2011. The proceeds of the issue have been upto the date of financial statement as follows :

Amount Utilised out of GDR Proceeds	(Rs. in lakhs)
- Account Opening Fee	0.09
- Escrow Fee	1.10
- GDR Issue Expenses	25.58
- Advance to Subsidiaries	2,053.98
Total Utilisation	2,080.76
Details of Unutilised money out of GDR issue, is given below :	
- Deposit Account with Euram Bank	14,470.54
- Balance in Current Account	161.34
Total	14,631.89

b) Further to Note No.2(a) above, the company has not filed necessary forms with Registrar of the Companies for increase in Authorised Share Capital during the year 2009-10. However, the management has taken steps to regularise the same during the current year.

3) Securities Premium Account:

Difference between the issue price of GDRs represented by inherent equity shares and the face value of inherent equity shares has been recorded as Securities Premium.

4) Secured Loans:

- The Credit facilities of the bank are primarily secured by current assets of the company
- The credit facilities of the bank are further secured by corporate guarantee and pledge of shares by Associate Companies
- Vehicle loans are secured by exclusive hypothecation of vehicles acquired through execution of Demand Promissory Note.

5) Provision for Tax:

The loss has resulted in a deferred tax asset of Rs.145.13 Lakhs as follows. This has been not been accounted in view of Prudence as per accounting standard 22 issued by Institute of Chartered Accountants of India. Had this amount been taken loss for the year will decrease by Rs.145.13 Lakhs and the Deferred tax asset will be created for Rs.145.13 Lakhs.(The deferred tax asset of Rs.57.54 Lakhs has not been recognized last year in view of prudence)

Particulars of Timing difference	2010-11 (Rs. in lakhs)	2009-10 (Rs. in lakhs)
Deferred tax asset		
Loss computed	448.83	163.41
Disallowance under Sec.43B of the income tax	6.84	0.00
Preliminary expenses	1.43	2.87
Demerger expenses	0.15	0.73
Provision for Gratuity	13.24	2.29
Total	469.68	169.30
Deferred tax liability	0.00	0.00
Total	0.00	0.00
Net Deferred tax Asset/(Liability)	469.68	169.30
Deferred taxation @30.90%	145.13	57.54

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE - P

6) Employee Benefits:

- The Company has not adopted Accounting Standard 15, Employee Benefits (revised 2005), issued by the Institute of Chartered Accountants of India [the 'revised AS 15']. The valuation of employee benefits have been done on actual basis as against the actuarial valuation on projected unit cost basis. The Company is taking steps to get the actuarial valuation done.
- The Provident Fund is a defined contribution scheme whereby the Company deposits an amount determined as a fixed percentage of Pension wages to the fund every month. The benefit vests upon commencement of employment.

7)Contingent Liabilities:

(Rs.in.lakhs)

Particulars of the Company	2010-11	2009-10
Corporate Guarantee given to Teledata Informatics Ltd	31,000.00	31,000.00
Corporate Guarantee given to Teledata Marine Solutions Ltd	20,000.00	20,000.00
Corporate Guarantee given to Baytech Inc B V I, wholly owned subsidiary of Teledata Informatics Ltd	35,720.00	36,112.00
TOTAL	86,720.00	87,112.00

8)Details of Auditors Remuneration:

(Rs.in.lakhs)

Particulars	2010-11	2009-10
Audit Fees	2.00	2.00
Certification Fee	1.24	0.53
Service Tax	0.33	0.26
Total	3.57	2.79

9) Net Profit under Sec 349 of the companies Act:

The Company is of the opinion that the computation of net profit under section 349 of the Companies Act, 1956 is not required to be made as no commission is paid / payable to the Directors for the year ended 31st March, 2011.

10)Loan and Dues From /To Related Parties & Associates:

- The company has advanced interest free loan to parties other than wholly owned subsidiaries covered under section 301. The Company is in the process of regularising of the same as per the provisions of Sec.372A of the companies Act, 1956 & the loans advanced are not prejudicial to the interests of the company.

11)Investments/Advances to Subsidiaries:

- Due from Subsidiaries includes Purchase consideration receivable from Bitech International LLC., a wholly owned subsidiary for Rs.558.98 Lakhs. As Bitech was not in a position to clear the dues by 27th December, 2009 it had requested to extend the repayment period by another 2 years and as per the supplement agreement dated 24th December, 2009, with payments starting in June 2011 and this has been further extended for a period of 6 months by another supplement agreement dated 20th June, 2011, with payments starting in Dec 2011.

12)The information required by Paras 3 and 4 of Part II of Schedule VI to Companies Act is as under:

A.FOB Value of Exports (Accrual Basis)

(Rs. in lakhs)

Description	2010-11	2009-10
FOB Value of Exports	95.64	126.97
Total	95.64	126.97

B.Expenditure Incurred in Foreign Currency (Accrual Basis)

(Rs. in lakhs)

Description	2010-11	2009-10
Travelling Expenses	1.00	0.00
Service Charges	136.76	0.00
Stock Exchange Fee	5.95	1.30
Escrow Fee	1.10	0.00
GDR Issue Expenses	14.04	10.30
Total	158.85	11.60

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE - P

C.Earnings in Foreign Exchange (on receipt basis)

(Rs. in lakhs)

Description	2010-11	2009-10
Income from Software Services	134.05	23.10
Total	134.05	23.10

13.Quantitative Details:

The Company is engaged in providing IT Enabled Services. The Provision of the services cannot be measured in any generic unit. Hence it is not feasible to give the quantitative details of sale and other information as required under Part II of Schedule VI of the Companies Act, 1956.

14. Calculation of Earnings per share:

(Rs. in lakhs)

Particulars	Basic(2010-11)	Basic (2009-10)	Diluted (2009-10)
Net Profit available for equity share holders	(313.59)	(153.05)	(153.05)
Basic / Diluted Weighted Average No. of Equity Shares (Nos.)	4,995.85	1,642.49	1,642.49
Basic / Diluted Earning per share of Rs.2 each in Rupees.	(0.06)	(0.09)	(0.09)

15) Segment Reporting-Accounting standard 17

- Since the Company is engaged in Software Consultancy & Services, Primary Segment Information by Business Segment is not applicable
- Segment information (by geographical segment):

Particulars	USA	India
Revenue	95.64	606.51

- During the current year management has carried out the process of identification of enterprises, which have provided goods and services to the company and which qualify under the definition of Medium and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Based on the inputs received on the above, there were no such enterprises and the disclosure in respect of the amounts payable to such medium and small enterprises as at 31st March, 2011 has not been made available in the financial statements.

17)Related Party Transactions-Accounting Standard 18

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

i. List of related parties with whom transactions have taken place and relationships: (excluding reimbursement of expenses)

(As certified by the management)

Name of the Related Party	Nature of Relationship
Associate Companies :	
Teledata Informatics Ltd	Common Key Management Personnel & Associate.
Teledata Marine Solutions Limited	Common Key Management Personnel
Silver harvest investment and trading company Pvt Ltd.	Major shareholder & Associate
Teledata Informatics Limited, Dubai	Common Key Management Personnel & Associate.
Subsidiary Companies :	
Bitech International LLC,Dubai	Wholly Owned Subsidiary of the company.
To be One Technology Co., Ltd	Subsidiary holding 60%
Soltius Infotech India Pvt Ltd	Subsidiary of Bitech International LLC, Dubai
Vanguard Technologies (India) Pvt Ltd	Subsidiary of Bitech International LLC, Dubai
Transworld Solutions India Pvt Ltd	Subsidiary of Bitech International LLC, Dubai
Teledata Technology Solutions Inc	Subsidiary of Bitech International LLC, Dubai

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE - P

Key Management Personnel with Nature of Relationship

Name of the Related Party	Nature of Relationship
N Sakthivel	Director
Gp. Capt. K. Balasubramanian, IAF(Retd.)	Director
M.S.Ramakrishnan	Whole Time Director
R.Ravichandran	Director
G Jagadish	Director

Details of the transactions are as follows:

Related Parties: Related Party transactions given below are net of inter subsidiary transactions taken place during the year.
(Rs. in lakhs)

Particulars	2010-11	2009-10
1)Loans and Advances granted during the year :		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	460.19	62.04
Teledata Marine Solutions Ltd	94.25	18.43
Transworld Solutions India Pvt Ltd	0.07	0.08
Vanguard Technologies (India) Pvt Ltd	33.78	155.00
Soltius Infotech India Pvt Ltd	50.17	211.49
Teledata Technology Solutions Inc	-	0.71
Total	638.45	447.75
2)Loans and Advances taken during the year :		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	360.28	123.39
Teledata Marine Solutions Ltd	7.17	39.70
Transworld Solutions India Pvt Ltd	-	-
Vanguard Technologies (India) Pvt Ltd	54.03	1.36
Silver Harvest Investment & Trading Co., Ltd	-	-
Bitech, Dubai	2,054.64	0.72
Soltius Infotech India Pvt Ltd	0.05	16.25
Teledata Technology Solutions Inc	-	0.01
Total	2,476.17	181.43
3)Closing Balance of Advances (Dr Balances) :		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	1,153.06	1,053.15
Teledata Marine Solutions Ltd	110.09	23.00
Vanguard Technologies (India) Pvt Ltd	119.73	164.98
Teledata Technology Solutions Inc	-	0.70
Bitech, Dubai	2,609.53	567.19
Soltius Infotech India Ltd	-	177.87
	2,196.88	1,986.89

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE - P

(Rs. in lakhs)

4)Closing Balance of Advances (Cr Balances) :		
Associate/Subsidiary Companies:		
Transworld Solutions India Pvt Ltd	21.46	21.53
Silver Harvest Investment & Trading Co., Ltd	25.00	25.00
Teledata Informatics Ltd, Dubai	25.09	25.09
Total	71.55	71.62
5) Revenue from Services :		
Teledata Technology Solutions Inc.,	95.64	126.97
	95.64	126.97
6)Major shareholder .		
Silver harvest investment and trading company Pvt Ltd.	55,000,000 nos	55,000,000 nos

Note :-

1.Advances includes expenditures incurred on behalf of the other company.

2.Nos= Number of shares.

18) The Company is taking necessary steps for the allotment of shares in subsidiary companies which is pending over the years as SAMPA - Bitech

19) Balances in sundry debtors, loans and advances and other current assets are subject to confirmation. The company had initiated the process of obtaining of confirmations during the year and partially obtained confirmations from third parties for the balances at the end of the year. In the opinion of the management the balances outstanding are good and recoverable and no provision is required in respect of the same.

20) Previous year figures have been regrouped or reclassified wherever considered necessary to bring them in line with current year figures.

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner
Membership Number: No.18355

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

BALANCE SHEET ABSTRACTS AND GENERAL BUSINESS PROFILE			
i. Registration Details			
CIN / Registration Number	061389	State Code	1 8
Balance Sheet Date	31/3/2011		
ii. Capital Raised During the year			
Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil
GDR Issue	Nil		
iii. Position of Mobilisation and Deployment of Funds (Amt. In Rs.000s)			
Total Liabilities	2,599,088.00	Total Assets	2,599,088.00
<i>Sources of funds</i>			
Paid up Capital	999,170.00	Reserves and Surplus	1,550,286.00
Secured Loans	44,124.00	Unsecured Loans	5,508.00
Deferred tax Liability	-	Share Warrants	-
<i>Application of Funds</i>			
Net Fixed Assets	5,826.00	Investments	724,203.00
Net Current Assets	1,869,059.00	Plantation Cost	-
Deferred Tax Asset	-	Miscellaneous Expenditure	-
iv. Performance of the Company (Amt. In Rs.000s)			
Turnover	86,513.00	Total Expenditure	117,871.00
Profit before tax	(31,358.00)	Profit after tax	(31,358.78)
Basic Earnings Per Share (Rs.)	(0.06)	Dividend Rate (%)	Nil
Diluted Earnings Per Share (Rs.)	NA		
v. General Name of Principle products			
Item Code No. (ITC Code)	8 5 2 4 9 0 0 9 - 1 0		
Product Description	Computer Software,I T enabled services.		

For and on behalf of the Board

-S/d-

Gp.Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-

Sakthivel
Director

R. Manthramurthy
Company Secretary
Date 05-09-2011

Muralidharan K
Chief Financial Officer

Statement Pursuant to Section 212 of the Companies Act, 1956

(Rs. in Lakhs)

Subsidiary	Bitech International LLC	Bitech International Pte Ltd(*)	Nemera International Co., Ltd(*)	Nemera International Pte Ltd(*)	Teledata Technology Solutions Inc.(*)	Vanguard Technologies(India) Private Limited(*)	Netsol Technologies Co., Ltd(*)	To Be One Technology Co., Ltd
Financial Period ended	31-Mar-11	31-Dec-10	31-Mar-11	31-Mar-11	31-Dec-10	31-Mar-11	31-Mar-11	31-Mar-11
Holding Company's Interest as at March 31, 2011	100% in Capital	100% in Capital	100% in Capital	100% in Capital	100% in Capital	100% in Capital	100% in Capital	60% in Capital
Shares held by the holding company in the subsidiary	300 Shares @ AED 100 Each	880,000 Shares @ SGD 1 Each	120,000 shares @ Baht 100 each fully paid	153340 Shares @ SGD 1 Each	Common Stock 72,000,000 Shares @ \$ 0.0001 each	503630 Equity Shares @ Rs. 10 Each	80,000 shares @ Baht 100 each fully paid & 1,00,000 Shares @ Baht 25 partly paid	1,00,000 shares @ Baht 100 each
Net Aggregate profits/losses of the subsidiary for the current period so far as it concerns the members of the holding company:								
a. Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-
b. Not dealt with or provided for in the accounts of the holding company	148.29	(13.86)	24.60	4.26	(208.54)	(28.77)	20.03	45.72
Net Aggregate profits/losses for the previous financial years of the subsidiary so far as it concerns the members of the holding company:								
a. Dealt with or provided for in the accounts of the holding company	-	-	-	-	-	-	-	-
b. Not dealt with or provided for in the accounts of the holding company	2,091.33	(12.79)	14.37	(2.80)	(408.88)	2.69	17.02	(38.46)

Notes : The above details are as at March 31, 2011

* Wholly Owned Subsidiaries of Bitech International LLC

For and on behalf of the Board

-S/d-
Gp.Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

R. Manthramurthy
Company Secretary
Date 05-09-2011

Muralidharan K
Chief Financial Officer

AUDITOR'S REPORT

To,
The Members of Teledata Technology Solutions Limited

We have audited the attached consolidated Balance Sheet of **TELEDATA TECHNOLOGY SOLUTIONS LIMITED** ("the parent company") and its subsidiaries (collectively known as "group") as at 31st March, 2011, and also the consolidated Profit and Loss account and the consolidated Cash Flow statement for the year ended on that date annexed thereto.

1. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with generally accepted accounting standards in India. These standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respect, in accordance with an identical financial reporting framework and are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amount and disclosure in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements of subsidiaries of the parent company, whose financial statements reflect total assets (net) of Rs.29,292.76 Lakhs as at March 31, 2011, total revenue of Rs.20,634.54 Lakhs and profit (net of losses) after tax of Rs. (10.01) Lakhs for the year ended on that date. [Refer note no. 4 to Schedule Q]
3. *Note No. 5(b) of schedule Q regarding compliance of filing necessary forms with Registrar of Companies for increase in authorized capital during the year 2009-10;*
4. *Note No. 16(iii) of Schedule Q regarding the Net worth of the Investment made in Soltius Holding Ltd., by Bitech International LLC, Dubai as the financials of the company are not made available and the company also stopped operations.*
5. We report that the consolidated financial statements have been prepared by the company in accordance with the requirement of Accounting standard (AS) 21, 'Consolidated financial statement' issued by the Institute of Chartered Accountants of India and on the basis of the separate audited/management certified financial statements of the company and its subsidiaries included in the consolidated financial statements.
6. Based on our examination of the audited/management certified financial statements of subsidiaries mentioned above and on the other financial components, and to the best of our information and according to the explanations given to us, subject to the comments made in paragraph 3 & 4 above, we are of the opinion that, the attached group financial statement read together with the notes thereon, give a true and fair view in conformity with the accounting principles generally accepted in India:-
 - i) in the case of consolidated Balance Sheet, of the consolidated state of affairs of group as at 31st March, 2011; and
 - ii) in the case of Consolidated Profit and Loss, of the consolidated results of operations of the group for the year ended on that date; and
 - iii) in the case of consolidated Cash Flow Statements, of the consolidated cash flows of the group for the year ended on that date.

For S Ramachandran & Co.,
Chartered Accountants
FRN No.006775S

Ramachandran S
Partner
Membership No: 18355

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31st March 2011

(Rs.in Lakhs)

Particulars	Schedule	As at 31st March, 2011	As at 31st March, 2010
SOURCES OF FUNDS			
Share Holders' Funds			
Share Capital	A	9,991.70	9,991.70
Share Application Money		79.96	79.96
Reserves and Surplus	B	<u>17,098.62</u>	<u>17,407.77</u>
		27,170.28	27,479.43
Minority Interest		(53.16)	(71.33)
Loan Funds			
Secured Loans	C	2,931.74	3,444.92
Unsecured Loans	D	<u>55.09</u>	<u>55.08</u>
		2,986.83	3,500.00
TOTAL		<u>30,103.95</u>	<u>30,908.10</u>
APPLICATION OF FUNDS			
Goodwill on Consolidation (Net)		5,132.90	5,032.30
Fixed Assets	E		
Gross Block		2,109.94	2,032.00
Less: Depreciation		<u>1,902.34</u>	<u>1,834.53</u>
Net Block		207.60	197.47
Capital Work In Progress		-	-
Net Block		207.60	197.47
Intangible assets		116.63	218.53
Investments	F	3,673.61	3,673.53
Deferred Tax Asset		25.82	2.80
Current Assets, Loans and Advances			
Current Assets	G		
Inventories		-	1.36
Sundry Debtors		11,831.17	15,981.46
Cash and Bank Balances		15,060.63	17,337.58
Other Current Assets		<u>66.66</u>	<u>28.80</u>
		26,958.46	33,349.20
Loans and Advances	H	<u>3,477.43</u>	<u>3,396.24</u>
		30,435.89	36,745.44
Less: Current Liabilities and Provisions			
Current Liabilities	I	9,206.18	14,903.75
Provisions	J	<u>282.32</u>	<u>58.22</u>
		9,488.50	14,961.97
Net Current Assets		20,947.39	21,783.47
Miscellaneous Expenditure			
TOTAL		<u>30,103.95</u>	<u>30,908.10</u>

Significant Accounting Policies

P

-

Notes on Accounts

Q

The Schedules referred to above and the notes thereon form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner
Membership Number: No.18355

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st March 2011

(Rs.in Lakhs)

Particulars	Schedule	31st March 2011	31st March 2010
INCOME			
Sales & Service Income	K	21,054.52	23,113.89
Other Income	L	212.75	347.90
Total		21,267.27	23,461.79
EXPENDITURE			
Purchases and Outsourcing Expenses		13,325.79	13,563.12
Administrative Expenses	M	7,539.59	7,718.73
Selling and Distribution Expenses	N	47.26	40.52
Interest and Finance Charges	O	288.37	357.51
Total		21,201.01	21,679.88
Profit Before Tax and Depreciation		66.26	1,781.91
Depreciation		87.69	134.42
Profit Before Tax		(21.43)	1,647.49
Provision for Taxes			
- Current Tax		325.84	21.71
- Deferred Tax		(23.65)	-
Net Profit for the year before Minority Interest		(323.62)	1,625.78
Less: Minority Interest		18.16	(14.70)
Net Profit for the year after Minority interest		(341.78)	1,640.48
Balance B/f from Previous year		4,928.90	3,013.09
Add : Prior period item		(0.23)	65.33
Surplus available for appropriation		4,928.67	3,078.42
Amount transferred from General Reserve		310.00	210.00
Less : Appropriations			
Dividend on Equity shares-Subsidiary		-	-
Balance carried to Balance sheet		4,896.89	4,928.90
Basic/Diluted Earnings Per Share of Rs.2 each (in Rupees)		(0.07)	0.99
[Refer Note No.21 of Schedule Q]			
Significant Accounting Policies	P		
Notes on Accounts	Q		

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner
Membership Number: No.18355

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CASH FLOW STATEMENT FOR THE YEAR 2010-11

(Rs.in Lakhs)

Particulars	31-03-11	31-03-10
A Cash Flow From Operating Activities		
Net Profit Before Tax	(21.41)	1,647.49
Adjustments For:		
Depreciation	87.69	134.42
Foreign Exchange (Gain) / Loss	221.29	110.51
Bad Debts written off	294.46	286.29
Credit Balances Written Off	-	(230.37)
GDR Issue Expenses	14.04	10.30
Interest Paid	234.74	269.88
Interest Received	(170.86)	(8.15)
Operating Profit Before Working Capital Changes	659.96	2,220.37
Adjustments For:		
Decrease / (Increase) in Inventories	1.36	0.04
Decrease / (Increase) in Trade And Other Receivables	4,329.77	5,790.57
Adjustments for prior period item	(0.23)	65.29
Increase / (Decrease) in Currency Translation Reserve	32.25	(675.91)
Increase / (Decrease) in Trade Payables	(6,534.84)	(2,809.05)
Increase / (Decrease) in Provisions	224.10	(1,804.25)
Cash Generated from Operations	(1,287.64)	2,787.06
Direct Tax and Fringe Benefit Tax	(302.19)	(21.71)
Net Cash From Operating Activities	(1,589.83)	2,765.35
B Cash Flow From Investing Activities		
Net (purchase)/sale of fixed assets	4.68	(127.27)
(Increase)/decrease in investment	(100.69)	(3,245.80)
Interest Received	170.86	8.15
Net Cash Used in Investing Activities	74.85	(3,365.92)
C Cash Flow From Financial Activities		
Proceeds From Issue of Share Capital	-	17,157.90
Increase / (Decrease) of Borrowings	(513.18)	(153.04)
(Increase) / Decrease in loan given.	-	5.00
GDR Issue Expenses	(14.04)	(10.30)
Interest Paid	(234.74)	(269.88)
Net Cash From / (Used in) Financial Activities	(761.97)	16,729.68
D Net Increase in Cash And Cash Equivalents	(2,276.95)	16,129.11
Cash and Cash Equivalents at Beginning of the Year	17,337.57	1,208.47
Cash and Cash Equivalents at End of the Year	15,060.63	17,337.58

Notes:

1 Consolidated Cash flows has been prepared on the basis of financial statements

2 Previous year figures have been regrouped, reclassified wherever applicable.

This is the Cash Flow Statement referred to in our report of even date

As per our Report of even date

For and on behalf of the Board

For S.Ramachandran and Co.
Chartered Accountants
FRN : 006775S

-S/d-
Gp. Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Ramachandran S
Partner

R. Manthramurthy
Company Secretary

Muralidharan K
Chief Financial Officer

Membership Number: No.18355

Place: Chennai
Date: 05.09.2011

Place: Chennai
Date: 05.09.2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.in Lakhs)

Particulars	As at 31st March 2011	As at 31st March 2010
SCHEDULE - A		
SHARE CAPITAL		
AUTHORISED		
50,00,00,000 shares of Rs.2/- each	10,000.00	10,000.00
ISSUED, SUBSCRIBED, CALLED UP AND PAID UP		
49,95,85,040 shares of Rs.2/- each fully paid up	9,991.70	-
		9,991.70
TOTAL	9,991.70	9,991.70
SCHEDULE - B		
RESERVES AND SURPLUS		
Securities Premium Account		
Opening Balance	13,304.50	3,222.61
Add Premium Received during the year	-	10,081.89
	13,304.50	13,304.50
General Reserve		
Opening Balance	2,507.59	2,717.59
Less : Transferred to P&L	310.00	210.00
	2,197.59	2,507.59
Foreign Currency Translation Reserve	(3,300.38)	(3,333.22)
Profit and Loss account	4,896.91	4,928.90
TOTAL	17,098.62	17,407.77
SCHEDULE - C		
SECURED LOANS		
From		
- Bank	2,917.98	3,444.92
- Others	13.76	-
TOTAL	2,931.74	3,444.92
SCHEDULE - D		
UNSECURED LOANS		
Loans From Body Corporates and others	50.09	50.08
From Others	5.00	5.00
TOTAL	55.09	55.08

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - E FIXED ASSETS										(Rs. in lakhs)	
Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK
	As at 01.04.10	Additions	Deletions	Currency Translation Reserve	As at 31.3.2011	As at 01.04.10	For the period	Deletions / Adjustments	Currency Translation Reserve	As at 31.3.2011	As at 31.3.2011
Computers and Accessories	1,283.89	55.08	-	(11.96)	1,327.01	1,240.82	49.51	-	(12.97)	1,277.36	49.65
Furniture and Fixtures	223.25	1.32	4.77	(1.92)	217.88	188.07	8.31	4.77	(1.68)	189.93	27.95
Vehicles	54.02	34.99	-	(0.57)	88.44	32.33	12.30	-	(0.61)	44.02	44.42
Office Equipments	294.14	6.09	0.26	2.22	302.19	216.55	12.23	-	2.31	231.08	71.10
Renovation	0.30	-	-	0.02	0.32	0.30	-	-	0.02	0.32	-
Software	176.40	-	-	(2.30)	174.10	156.46	5.35	-	(2.17)	159.63	14.46
TOTAL	2,032.00	97.48	5.03	(14.51)	2,109.94	1,834.53	87.70	4.77	(15.10)	1,902.34	207.58
Previous Year	2,463.51	27.20	198.02	(260.70)	2,031.99	2,003.64	134.42	79.55	(223.99)	1,834.53	197.47
											197.47
											459.87

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.in Lakhs)

Particulars	As at 31st March 2011	As at 31st March 2010
SCHEDULE - F		
INVESTMENTS		
Long Term quoted (At cost)		
Mutual fund	1.47	1.40
Long Term Unquoted (At Cost)	20.65	20.64
Investments in Subsidiary Companies		
Transworld Solutions India P Ltd		
(4,70,000 Shares of Rs 10each)	47.00	47.00
Investment in associates other than subsidiaries		
Soltius holdings company Ltd representing		
40% shareholding equal to 40 Equity shares of \$1 each.	3,604.49	3,604.49
TOTAL	<u>3,673.61</u>	<u>3,673.53</u>
SCHEDULE - G		
CURRENT ASSETS		
I. INVENTORIES (in Subsidiaries)	-	1.36
II. SUNDRY DEBTORS		
(Unsecured and Considered Good)		
Debts outstanding for period exceeding six months	10,630.16	11,251.98
Other Debts	<u>1,201.01</u>	<u>4,729.48</u>
	11,831.17	15,981.46
III. CASH AND BANK BALANCES		
Cash on Hand	7.47	3.42
Balance with Scheduled Banks		
i) Current account	19.63	3.83
ii) Deposits account	<u>26.13</u>	
Balance with Non-scheduled Banks		
i) Current account	149.45	346.80
ii) Deposits account	<u>14,857.95</u>	<u>16,983.53</u>
	15,060.63	17,337.58
IV. OTHER CURRENT ASSETS		
Income Accrued	66.66	28.80
TOTAL	<u>26,958.46</u>	<u>33,349.20</u>
SCHEDULE - H		
LOANS AND ADVANCES		
(Unsecured and Considered Good)		
Advances recoverable in cash or in kind or for value to be received		
- Capital Advances	204.71	207.42
- Others	<u>1,019.67</u>	<u>799.75</u>
Advance Income tax and Tax Deducted at Source	177.41	298.46
Due from Related parties	2,013.09	2,034.15
Deposits with		
- Government Departments	-	-
- Others	<u>62.55</u>	<u>56.32</u>
	62.55	56.32
TOTAL	<u>3,477.43</u>	<u>3,396.10</u>

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED SCHEDULES FORMING PART OF THE BALANCE SHEET

(Rs.in Lakhs)

Particulars	As at 31st March 2011		As at 31st March 2010	
SCHEDULE - I				
CURRENT LIABILITIES				
Sundry Creditors				
Creditors for Expenses	2,108.62		- 1,105.99	
Others	<u>927.66</u>	3,036.28	<u>6,908.93</u>	8,014.92
Short term loans from related parties	4,867.45		5,346.24	

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

CONSOLIDATED SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

(Rs.in Lakhs)

Particulars	As at 31st March 2011	As at 31st March 2010
SCHEDULE - K		
SALES & SERVICE INCOME		
Software Sales & Services	21,054.52	23,113.89
TOTAL	21,054.52	23,113.89
SCHEDULE - L		
OTHER INCOME		
Dividend Received	0.07	0.05
Interest Received	170.86	8.15
Amounts Written Back	-	230.37
Profit on Disposal of Asset	-	1.74
Miscellaneous Income	41.82	107.59
TOTAL	212.75	347.90
SCHEDULE - M		
ADMINISTRATIVE EXPENSES		
Advertisement Expenses	12.88	7.82
AGM Expenses	17.43	36.56
Amortisation Expenses	69.32	68.63
Assets Written Off	-	54.02
Advance Written Off	294.46	
Bad Debts written off	212.51	286.29
Dues and subscription	27.66	26.41
Foreign Exchange Fluctuation Loss	221.29	110.51
GDR Issue Expenses	14.04	10.30
Insurance	948.42	44.58
Miscellaneous expenses	69.66	51.20
Office expenses	37.84	52.44
Payment to Auditors	6.59	5.65
Personnel Cost	4,035.85	4,894.44
Postage and Telegram	9.44	16.96
Power and fuel	3.90	4.77
Printing and Stationery	2.85	2.82
Professional & Consultancy Fees	180.58	209.42
Rates & Taxes	39.69	27.30
Recruitment Expenses	34.78	21.79
Rent	233.93	360.22
Repairs and Maintenance:	40.88	9.18
ROC & Filing Fee	0.12	31.73
Service Charges	608.75	926.46
Share Transfer, Depository & Listing Fee	18.25	12.42
Telephone Charges	122.20	152.63
Travelling and Conveyance	257.91	245.00
Vehicle Expenses	18.36	49.18
TOTAL	7,539.59	7,718.73
SCHEDULE - N		
SELLING AND DISTRIBUTION EXPENSES		
Advertisement Expenses	18.31	8.05
Business Promotion Expenses	12.46	7.29
Selling & Marketing expenses	16.49	25.18
TOTAL	47.26	40.52
SCHEDULE - O		
INTEREST AND FINANCE CHARGES		
Interest		
- Banks	224.68	269.52
- Others	10.07	0.36
	234.75	269.88
Bank Charges	53.62	87.63
TOTAL	288.37	357.51

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

SCHEDULE P:

SIGNIFICANT ACCOUNTING POLICIES IN CONSOLIDATED FINANCIAL STATEMENTS

A. Basis of Preparation of Financial Statements

The consolidated financial statements of Teledata Technology Solutions Ltd, its subsidiaries ("the Group") are prepared under the historical cost convention and in accordance with Accounting Standard 21 on "Consolidated Financial Statement" issued by The Institute of Chartered Accountants of India.

B. Principles of Consolidation

- i. The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Inter-company balances and transactions and unrealized profits or losses which are material have been fully eliminated.
- ii. In the case of foreign subsidiaries the conversion of financials has been done in compliance with the Accounting Standard 11 (Accounting for the Effects of Changes in Foreign Exchange Rates). The exchange difference arising out of the year end translation is being debited or credited to Foreign Currency Translation Reserve and same has been adjusted to Reserves.
- iii. The cost of investment in the subsidiaries, over the net assets at the time of acquisition of shares in the subsidiaries is recognized in the financial statements as Goodwill or Capital Reserve as the case may be. Net of Goodwill or Capital Reserve is shown in consolidated statements.
- iv. The difference between the proceeds from disposal of investment in a subsidiary and the carrying amount of its assets less liabilities as of the date of disposal is recognized in the consolidated statement of Profit and Loss account as the profit or loss on disposal of investment in subsidiary.
- v. Minority Interest's share of net assets of consolidated subsidiaries for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the Company.
- vi. Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments were made by the Company in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.
- vii. As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

C. Use of Estimates

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets, liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Actual results could differ from these estimates. Any revision in accounting estimates is recognized prospectively in current and future periods.

D. Revenue Recognition

- i The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis, in accordance with the requirements of the Companies Act, 1956.
- ii For Bitech, Dubai revenue is recognized as the invoiced value of goods and services net of discounts to the customers.
- iii To be One Technologies Ltd. recognizes revenue from services by percentage of completion method.

E. Fixed Assets*

1. Parent company

- i) Fixed assets are stated at cost less depreciation. All cost relating to acquisition and installation of fixed assets are capitalized including directly attributable finance costs relating to borrowed funds and cost of bringing the asset to the working condition for its intended use.
- ii) Software product development expenditure including expenditure on upgrades and new version are capitalized on completion of the product. Cost of software purchased and procured for product development/customization is added to software purchase expenditure.
- iii) Capital work in progress comprises of all directly attributable costs of bringing the assets to their working condition for their intended use and all indirect and incidental expenses.

2. Subsidiary companies

- i) Fixed assets are shown at cost less accumulated depreciation.
- ii) Capital Work in Progress comprises of all directly attributable costs of bringing the assets to their working condition for their intended use and all indirect and incidental expenses.

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iii) Major renewals that increase the capacity, efficiency or life of the assets are capitalized. Other Minor renewals are charged to Profit and Loss account.

F. Depreciation / Amortization

Parent Company

i) Depreciation is provided on straight-line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Software product development expenditure is amortized over a period of three years.

Subsidiary Companies

- i. The Fixed assets are depreciated over the estimated useful life of the assets to their residual value.
- ii. Depreciation is computed on Straight Line Method (SLM) basis.
Depreciation rates for the direct subsidiaries for major asset blocks.

Name of the Company	Method	Furniture and Fixtures.	Office Equipments.	Computer & Accessories.	Vehicles.	Software Product Development	Renovation
To Be One Technologies Ltd	SLM	20.00%	20.00%	NA	NA	NA	NA
Bitech International LLC, Dubai & its Subsidiaries	SLM	15%-20%	33.33%	20.00%	25.00%	20-33%	15-25%

*The Depreciation policy in respect of companies which do not have any fixed assets other than the Parent company or where the assets are insignificant are not disclosed.

G. Provision for Doubtful Debt.

The allowances for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables are provided. The estimated losses are based on the experience and a review of the current position of the existing accounts receivable.

H. Inventories

- i. Inventories are stated at the lower of cost and net realizable value.
- ii. Cost is calculated using the First in first out (FIFO) formula and comprises all cost of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.
- iii. An allowance is made for all deteriorated, damaged, obsolete and slow-moving supplies.

I. Investments

- i. Long term Investments are stated at cost. Provision for diminution in value of long term investments is made only if such a decline is other than temporary in the opinion of the management.

Current Investments are stated at cost or market value whichever is lower.

J. Goodwill

The excess of cost to the Company of its investments in subsidiary / ultimate subsidiary companies over its share of the equity of the subsidiary / ultimate subsidiary companies at the dates on which the investments in the 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 cost of investment of the Company, it is recognized as 'Capital Reserve'. The Goodwill is set off against Capital Reserve and the net figure is reflected in the financials in assets, in case of excess of Goodwill and under the head 'Reserves and Surplus', in case of excess of Capital Reserve in the consolidated financial statements.

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K. Foreign Currency Transactions

- i. Transactions in foreign currency are recorded at the exchange rate prevailing at the dates of the transaction. Monetary items are translated at year-end foreign exchange rates. Resultant exchange difference, arising on payment or conversion of liabilities / assets, is recognized as income or expense, in the year in which they arise.
- ii. The Company uses foreign exchange forward contracts to hedge for some of its exposure to movements in foreign exchange rates. The premium or discount arising at the inception of such a forward exchange contract is charged to the profit & Loss Account. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognized as income or expense for the period.
- iii. For the purpose of Consolidation, income and expenses of the subsidiaries are translated at average rates and the assets and liabilities are stated at closing rates except for the investment of the parent in subsidiary's capital which has been converted at the rate prevailing on the date of the investment

L. Retirement Benefits

- i. The Company's Contribution to provident fund are charged to profit and loss account.
- ii. The Liability for gratuity Determined as on the balance sheet date, as per the provision of Payment of Gratuity Act, is provided for and this liability is not funded.
- iii. Bitech makes provision for end of service benefits for employees in accordance with the requirements of the labour laws of UAE. This is an unfunded defined benefits retirement plan.
- iv. Teledata Technology Solutions Inc, USA has a qualified 401(k) profit plan for the benefit of its employees. Substantially all employees are eligible to participate in the plan. Under the plan, employees can contribute and defer taxes on compensation contributed. TTS Inc, at its discretion, matches within prescribed limits, the contributions of the employees.
- v. Nemera International Pte., Ltd. & Bitech International Pte. Ltd, Singapore makes contributions to Central Provident Fund Scheme in Singapore, a defined contribution fund scheme

M. Lease

- i. Assets leased by the company in the capacity of lessee where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such assets are capitalized at the inception of the lease at lower of fair value or present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.
- ii. Payments made under operating leases are recognized in the income statement on straight line basis over the term of the lease. Contingent rentals are charged to the income statement in the accounting period in which they are incurred.

N. Preliminary / Miscellaneous Expenses

The Parent Company follows the policy of writing off the Preliminary / Miscellaneous expenses in the year of incorporation.

O. Taxes on Income

Current income tax expense comprises taxes on income from operations in India and in foreign jurisdictions. Income tax payable in India is determined in accordance with the provisions of the Income Tax Act, 1961. Tax expense relating to foreign operations is determined in accordance with tax laws applicable in countries where such operations are domiciled.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets consisting of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize these assets.

P. Earnings per share

The basic earnings per share is computed by dividing the net profit after tax for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share, if any is computed using the weighted average number of equity shares and dilutive potential equity share outstanding during the period except when the results would be anti-dilutive.

Q. Impairment

Except otherwise than for Financial Assets, Inventories and Deferred Tax Asset, the Carrying Amounts of all the Assets are reviewed at each balance sheet date to determine any indications of impairment. An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

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R. Provision, Contingent Liabilities and Contingent Assets

Contingent liabilities, if any, are disclosed by way of Notes to accounts. Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Provision is made in the Accounts in respect of those contingencies which are likely to materialize into liabilities after the year end, till the approval of accounts by the Board of Directors and which have material effect on the position stated in Balance sheet.

S. Statutory Reserve:-

Bitech -Dubai has created by appropriating 10% of the net profit of the company as required by the prevailing laws of the land. Such reserve fund can be maintained up to the amount, which is equivalent to the 50% of the paid up capital and the same is not available for distribution, except as provided in the federal law.

T. Financial instruments

Financial instruments are recognized on the balance sheet date when the company becomes a party to the contractual provisions of the instrument.

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NOTES TO ACCOUNTS TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 Basis of Consolidation

- The financial statements of the subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Parent Company.
- The Parent Company has disclosed only such Policies and Notes from the individual financial statements, which fairly present the required disclosures. Lack of homogeneity and other similar considerations made it desirable to exclude some of them, which in the opinion of management could be better viewed, when referred from individual financial statements.
- The Consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to in the same manner as the Parent Company's Separate financial statements except in respect of accounting policies of depreciation, retirement benefit & preliminary expenses where it was not practicable to use uniform accounting policies in case of certain subsidiaries. The impact is not material in the opinion of the management.
- Inter-company balances and transactions and unrealized profits or losses if any which are material have been fully eliminated in respect of which auditors have relied on the management certified statement. Stock reserve for the Inter company transactions is not created as there is no stock as on the date of consolidation in the books of the subsidiary/parent company as the case may be and the software /goods purchased is not capitalized by the purchaser.
- The Goodwill shown in the accounts are net of capital reserves. In the opinion of the management the Goodwill arising on acquisition of subsidiaries/business is being tested for impairment on an annual basis as per the accounting standard 28 ""Impairments of Assets issued by ICAI and is of the value stated and the write offs in books of the parent company are sufficient and no more impairment is deemed necessary.
- The Consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the Parent Company for its separate financial statements

2. Particulars of Direct Subsidiaries of the Company during the period.

Sl	Name of the company	Country of Incorporation	Percentage of Holding as at 31.03.2011	Percentage of Holding as at 31.3.2010
1	To Be One Technologies Co Ltd	Thailand	60%	60%
2	Bitech International LLC, & its Subsidiaries	Dubai	100%	100%

* Subsidiaries acquired as per the Scheme w.e.f 01st November, 2006.

3) Scheme of Arrangement

The company had entered into a scheme of arrangement with Teledata Informatics Ltd. for hiving off its Technology Solutions Division into Teledata Technology Solutions Limited pursuant to the Composite Scheme of Arrangement under sections 391 to 394 as approved by the Honorable High Court of Judicature of Madras vide its order dated 12th October 2007. It was made effective by the company from the said date and the accounts are accordingly redrafted and giving effect to the same. In view of the order being passed during 12th October 2007 the operations from the date of hiving off to the date of balance sheet has resulted in receivable from Teledata Informatics Ltd (TDIL) of Rs.1153.06 Lakhs.

4. Following entities were considered for consolidation with the company:

- List of Audited/unaudited financials of subsidiaries used for 31.03.2011 consolidation of the group.
(Rs. in Lakhs)

S No	Name of the Subsidiary	Status of Financials	Net Assets	Revenue	Profit/(Loss)
1	Bitech International LLC & subsidiaries.	Audited	29,437.85	20,395.69	(55.42)
2	To Be One Technologies Co Ltd	Audited	(145.09)	238.85	45.41

In case of US & Singapore subsidiaries of Bitech International LLC, Dubai, Management Certified Financials for the last quarter (i.e., 01.01.2011 to 31.03.2011) were used for preparation of consolidated financial statements for the year 2010-11

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5. GDR Issue:

- a) On 30/01/2010, the Company issued 35,37,505 Global Depository Receipts (GDRs) which are listed at the Luxembourg Stock Exchange at an offer price of USD 10.45 per GDR (Each GDR represents 100 equity shares in the capital of the company), representing 35,37,50,500 underlying Equity Shares of nominal value of Rs.2.00 each (offered at Rs.4.85 each) and raised a proceeds of USD 3,69,66,927.25(INR 171,56,89,925/-). The Proceeds from the said GDRs were received on 11/03/2010 and credited to EURAM Bank (European American Investment Bank) whose registered office is at Wallnerstrasse 4, A-1010, Vienna, Austria. The equity shares represented by the GDRs (19,80,50,500 Shares) is approximately 39.64% of the company outstanding shares as on 31/03/2011.
- b) Further to Note No. 5(a) above, the company has not filed necessary forms with Registrar of the Companies for increase in Authorised Share Capital during the year 2009-10. However, the management has taken steps to regularise the same during the current year.

6. Secured Loans:

- a) Abaris Inc., (Subsidiary of Teledata Technology Solutions Inc., USA) borrowed around Rs.1,800.00 Lakhs under Term Loan from JP Morgan Chase Bank payable in 48 monthly installments of Rs.38.00 Lakhs per month including interest at the bank's prime rate, with a final payment in February, 2012. The Term Loan is collateralized secured by the assets of Abaris Inc. Balance due as at 31.3.2011 is Rs.416.82 Lakhs.

As a result of becoming in technical default of certain covenants contained in its term loan agreement, the bank may, at its opinion, give notice that the entire balance is immediately due and payable.

- b) In October, 2007, TTS Inc., obtained two asset-based lines of credit from J P Morgan Chase Bank in the amounts of Rs.4,500.00 Lakhs for use in the TTS Inc., operations. The lines of credit require monthly installments on interest-only payments. The lines of credit are collateralized by the accounts receivable and other assets of TTS Inc. During the year ended December 31, 2009 TTS Inc., has entered into a forbearance agreement with the bank whereby the lines of credit was reduced to Rs.2250.00 Lakhs. As of March 31, 2011 Rs.2135.47 Lakhs is outstanding under the lines of credit

TTS Inc., Group remains in technical default of certain financial covenants, required borrowing base, and certain financial reporting requirements contained in its note agreements. In addition, the Group was unable to repay the amounts due at the maturity date. The Group is working closely with J.P. Morgan to repay the amounts due and correct the defaults. In addition, TTS Inc., has engaged an investment banker to assist in refinancing the amounts due under the lines of credit with other lenders. J.P. Morgan continues to cooperate with TTS Inc., in achieving the desired outcome while retaining their rights to call the lines of credit as due and payable.

- c) Parent Company is availing loan/limits with Yes Bank Limited, Chennai to the tune of Rs.450.00 Lakhs. Rs.350.00 Lakhs by way of working Capital Demand Loan repayable to meet long term working capital requirements and repayable on demand with roll over period of 12 months and Rs.100.00 Lakhs by way of Cash Credit to meet the working capital requirements and repayable on demand. The said loan/limit is primarily secured by the current assets of the company & collateralized by the by corporate guarantee and pledge of shares by Associate Companies

7. Unsecured Loans:

The loans taken from Silver Harvest Investment and Trading Private Ltd of Rs.25.00 Lakhs & K Padmanabhan of Rs.5.00 Lakhs by the parent company is interest free and repayable on demand.

8. Deposits:

In Bitech International LLC deposits include Rs.28.65 Lakhs (AED 2.37 Lakhs) which is subject to a charge for bank guarantees issued to Ministry of Labour UAE for obtaining employee permits.

9. Details of Auditor Remuneration:

(Rs in Lakhs)

Particulars	2010-11	2009-10
Audit Fees	4.99	4.86
Certification & Consultancy Fee	1.24	0.53
Service Tax	0.33	0.26
Total	6.56	5.65

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NOTES TO ACCOUNTS TO THE CONSOLIDATED FINANCIAL STATEMENTS

10. Contingent Liabilities:

(Rs. in Lakhs)

Particulars	2010-11	2009-10
Company		
Corporate Guarantee given to Teledata Informatics Ltd	31,000.00	31,000.00
Corporate Guarantee given to Teledata Marine Solutions Ltd	20,000.00	20,000.00
Corporate Guarantee given to Baytech Inc B V I, wholly owned subsidiary of Teledata Informatics Ltd	35,720.00	36,112.00
Subsidiaries		
Amount payable on purchase of immovable property by Bitech	204.71	208.00
Total	86,924.71	87,320.00

Teledata Technology Solutions Inc., USA is subject to various claims and legal proceedings covering a range of matters that arise in the ordinary course of business activities. However, in the opinion of the management, any ultimate liability arising out of any such proceedings will not have a material adverse effect on the financial condition, results of operation or cash flow.

11. Provision for Tax

Current Tax:

- The Parent company has not made any provision for tax during the year due to the availability of carry forward loss & also due to incurring of loss during the period.
- In the parent company, the current period loss and expenses has resulted in a deferred tax asset of Rs.145.13 Lakhs. This has not been accounted in view of prudence as per the accounting standard issued by The Institute of Chartered Accountants of India.

12. Net Profit under Section 349 of the Companies Act.

The Company is of the opinion that the computation of net profit under Section 349 of the Companies Act, 1956 is not required to be made as no commission is paid / payable to the directors for the year ended 31st March 2011.

13. Provision for Bad and Doubtful Debts

The parent company has not provided any allowance for bad and doubtful debts as the management feels that there is no necessity for the same.

14. Provision for Gratuity

The parent company provided Rs.10.95 Lakhs (Provision for Gratuity as on 31.3.11 is Rs.13.24 Lakhs) as Gratuity covering eligible employees based on the respective employee's salary and the tenure of the employment.

15. Sitting Fees Payable to Directors

No Sitting Fees is payable to directors for the year.

16. Long Term Investment

- Due from Subsidiaries includes Purchase consideration receivable from Bitech International LLC., a wholly owned subsidiary for Rs.558.98 Lakhs as per agreement dated 27th December, 2007. As Bitech was not in a position to clear the dues by 27th December, 2009 it had requested to extend the repayment period by another 2 years and as per the supplement agreement dated 24th December, 2009, with payments starting in June 2011 and and this has been further extended for a period of 6 months by another supplement agreeemnt dated 20th June, 2011, with payments starting in Dec 2011.
- To be One Technologies Ltd pledged the fixed deposits fully as collateral to a commercial bank as guarantee for company's work, writing computer program, to its clients.
- The management is taking necessary steps to estimate the worth of the investments in Soltius Holdings Ltd., made by Bitech International LLC, Dubai. Further steps will be taken once this is known

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

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17. Leases

Teledata Technology Solutions Inc (USA) leases its corporate and administrative offices under various long term, non cancelable operating lease agreements expiring at various dates through December 2013. The agreements generally require the payment of real estate taxes, insurance and repairs.

The above said lease agreements contains provisions for future rent increase, as well as rent holiday periods. In accordance with the generally accepted accounting principles TTS Inc records monthly rent expense equal to the total of the payments due over the lease terms, divide by the number of months in the lease terms. The difference between the rent expense recorded and paid is credited or charged to deferred lease costs or benefits

18. Short Term Loan to/from Related Parties

No interest is charged on Short term loan from/to related parties lying in balance as on 31.03.11 except on the loan advanced by TTS Inc to the Bitech, Dubai.

19. The information required by Para 3 and 4 of Part II of Schedule VI to Companies Act is as under: (For parent company)

A. FOB Value of Exports

(Amount in Lakhs)

Description	2010-11	2009-10
FOB Value of Exports (Income from Services)	95.64	126.97
Total	95.64	126.97

B. Earnings in Foreign Exchange (on receipt basis) (Amount in Lakhs)

Description	2010-11	2009-10
Income from Services	134.05	23.10
Total	134.05	23.10

C. Expenditure in Foreign Currency (Accrual Basis) (Amount in Lakhs)

Description	2010-11	2009-10
Travelling Expenses	1.00	0.00
Service Charges	136.76	0.00
Stock Exchange Fee	5.95	1.30
Escrow Fee	1.10	0.00
GDR Issue Expenses	14.04	10.30
Total	158.85	11.60

D. Quantitative Details

The Company is engaged in development and maintenance of computer software and IT services. The Production and sale of software and services cannot be in any generic unit. Hence it is not feasible to give the quantitative details of sale and other information as required under Part II of Schedule VI of the Companies Act, 1956.

20. Calculation of Earnings per share:

(Amount in Rs. Lakhs)

Particulars	2010-11		2009-10	
	Basic	Diluted	Basic	Diluted
Net Profit available for equity share holders	(341.76)	NA	1640.48	NA
Basic / Diluted Weighted Average No. of Equity Shares (Nos.)	4995.85	NA	1652.18	NA
Basic / Diluted Earning per share of Rs.2 each in Rupees.	(0.07)	NA	0.99	NA

NA:-Not Applicable

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NOTES TO ACCOUNTS TO THE CONSOLIDATED FINANCIAL STATEMENTS

21. As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties as defined in the Accounting Standard are given below:

- List of related parties with whom transactions have taken place, by the parent company, and the nature of relationship (including reimbursement of expenses). (As Certified by the management)

Name of the Related Party	Nature of Relationship
Associate Companies :	
Teledata Informatics Ltd	Common Key Management Personnel & Associate.
Teledata Marine Solutions Ltd	Common Key Management Personnel
Silver Harvest Investment and Trading Company Pvt. Ltd.	Major shareholder & Associate
Teledata Informatics Limited, Dubai	Common Key Management Personnel
Subsidiary Companies :	
Bitech International LLC, Dubai	Wholly Owned Subsidiary of the company
To be One Technology Co., Ltd	Subsidiary holding 60%
Teledata Technology Solutions Inc	Subsidiary of Bitech International LLC, Dubai
Soltius Infotech India Pvt Ltd	Subsidiary of Bitech International LLC, Dubai
Vanguard Technologies (India) Pvt Ltd	Subsidiary of Bitech International LLC, Dubai
Transworld Solutions India Pvt Ltd	Subsidiary of Bitech International LLC, Dubai

Key Management Personnel with Nature of Relationship

Name of the Related Party	Nature of Relationship
N Sakthivel	Director
Gp. Capt. K. Balasubramanian, IAF (Retd.)	Director
M.S.Ramakrishnan	Whole Time Director
R.Ravichandran	Director
G Jagadish	Director

Details of transactions are as follows:

Related Party: Related party transactions given below are net of inter subsidiary transactions taken place:

(Amount in Lakhs)

Particulars	2010-11	2009-10
1)Loans and Advances granted during the year :		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	460.19	62.04
Teledata Marine Solutions Ltd	94.25	18.43
Transworld Solutions India Pvt Ltd	0.07	0.08
Vanguard Technologies (India) Pvt Ltd	33.78	155.00
Soltius Infotech India Pvt Ltd	50.17	211.49
Teledata Technology Solutions Inc	0.00	0.71
Total	638.46	447.75

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2)Loans and Advances taken during the year		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	360.28	123.39
Teledata Marine Solutions Ltd	7.17	39.70
Vanguard Technologies (India) Pvt Ltd	54.03	1.36
Bitech, Dubai	2054.64	0.72
Soltius Infotech India Pvt Ltd	0.05	16.25
Teledata Technology Solutions Inc	0.00	0.01
Total	2476.17	181.43
3)Closing Balance of Advances (Dr Balances)		
Associate/Subsidiary Companies:		
Teledata Informatics Ltd	1153.06	1053.15
Teledata Marine Solutions Ltd	110.09	23.00
Vanguard Technologies (India) Pvt Ltd	119.73	164.98
Teledata Technology Solutions Inc	0.00	0.70
Bitech, Dubai	2609.53	567.19
Soltius Infotech India Pvt Ltd.,	0.00	177.87
Total	3992.41	1986.89
4)Closing Balance of Advances (Cr Balances)		
Associate/Subsidiary Companies:		
Transworld Solutions India Pvt Ltd	21.46	21.53
Silver Harvest Investment & Trading Co., Ltd	25.00	25.00
Teledata Informatics Ltd, Dubai	25.09	25.09
Total	71.55	71.62
5) Revenue from Services :		
Teledata Technology Solutions Inc.,	95.64	126.97
Total	95.64	126.97
6)Major shareholder		
Silver harvest investment and trading company Pvt Ltd.	55,000,000 nos	55,000,000 nos

Note :

- Advances includes expenditures incurred on behalf of the other company
- Nos= Number of shares

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NOTES TO ACCOUNTS TO THE CONSOLIDATED FINANCIAL STATEMENTS

22. Segment Reporting.

a) Primary segment Information (By Geographical Segment): (Rs. In Lakhs)

Particulars	Indian Operations	Thailand Operations	Dubai Operations	USA Operations	Singapore Operations	Total
Revenue						
External sales and Services	1171.50	875.59	2115.64	16971.86	152.33	21286.92
Less: Inter-segment Sales	95.64	-	-	136.76	-	232.40
Other Income	169.71	10.68	0.13	32.06	0.18	212.76
Total	1245.57	886.27	2115.77	16867.16	152.51	21267.28
Result						
Segment Result	(404.63)	96.09	164.87	241.56	(9.62)	88.27
Interest Expenses	59.47	1.46	1.09	172.32	0.40	234.74
Interest Income	165.40	5.14	-	0.32	-	170.86
Other Income	4.31	5.53	0.13	31.74	0.18	41.89
Depreciation	6.29	4.77	11.94	64.69	-	87.69
Tax Expense	42.69	9.37	-	250.33	-	302.19
Net Profit after Tax	(343.17)	91.16	151.97	(213.72)	(9.84)	(323.60)
Other Information						
Segment Assets	16535.39	929.77	10322.24	2734.59	60.70	30582.69
Segment Liabilities	256.40	556.49	4823.33	3494.48	88.73	9219.43
Capital Expenditure	61.38	2.19	6.68	27.24	-	97.49
Depreciation	6.29	4.77	11.94	64.69	-	87.69
Provisions	307.70	-	-	204.94	7.57	520.21
Non Cash Expenses- Other than Depreciation	515.44	-	0.31	274.26	7.57	797.58

b) Secondary Segment Information (By Business Segment)

The Group is principally engaged in the business of development and sale of software, consulting, IT Solutions, ERP & CRM, Manpower outsourcing.

(Rs. in Lakhs)

Particulars	Software Development, IT Solution and Sales	ERP & CRM, Manpower Outsourcing & Other Services.	Total
Revenue			
External sales and Services	238.40	21048.52	21286.92
Less: Inter-segment Sales	-	232.40	232.40
Other Income	0.46	212.30	212.76
Total	238.46	21028.42	21267.28
Results			
Segment Result	48.34	39.93	88.27
Interest Expenses	1.38	233.26	234.74
Interest Income	0.46	170.40	170.86

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Depreciation	2.01	85.68	87.69
Income Tax & Deferred Tax	-	302.19	302.19
Net Profit after Tax	45.41	(369.01)	(323.60)
Other Information			
Segment Assets	91.04	30491.65	30582.69
Segment Liabilities	260.07	8959.36	9219.43
Capital Expenditure	1.92	95.57	97.49
Depreciation	2.01	85.68	87.69
Provisions	-	520.21	520.21
Non Cash Expenses- Other than Depreciation	-	797.58	797.58

23. Goodwill :

In connection with the acquisition of M5 Global (Subsidiary of TTS Inc) by Teledata Technology Solutions Inc., earnout payments became due to the sellers of M5 Global in the amounts of Rs. 1473.20 Lakhs (\$3,095,180) during the period ended December 31, 2009. Of the 2009 amount Rs.609.31 Lakhs (\$1,231,425) was paid during 2009 and balance of Rs.863.89 Lakhs (\$1,863,755) was paid in full during 2010. There were additional earnout payments and reimbursement of legal fees paid to the sellers of M5 Global during 2010 totaling Rs.100.61 Lakhs (\$225,270). These amounts have been reported as increase to the carrying value of goodwill.

24. During the current year management has carried out the process of identification of enterprises, which have provided goods and services to the company and which qualify under the definition of Medium and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006. Based on the inputs received on the above, there were no such enterprises and the disclosure in respect of the amounts payable to such medium and small enterprises as at 31st March, 2011 has not been made available in the financial statements

25. Figures pertaining to the subsidiary companies have been reclassified wherever necessary to bring them in line with the Group financial statements.

Statement Pursuant to Section 212 of the Companies Act, 1956

Statement Pursuant to Section 212 of the Companies Act, 1956														(Rs. in Lakhs)
Subsidiary	Exchange rate as at March 31, 2011	Issued and subscribed share capital	Reserves	Loans	Total Assets	Total Liabilities	Long Term	Investment Current	Total	Turnover	Profit/(Loss) before taxation	Provision for Taxation	Profit/(loss) after taxation	Proposed Dividend
Bitech International LLC	1 AED = Rs.12.09	36.27	33,250.96	-	33,287.23	33,287.23	3,998.01	-	3,998.01	2,064.01	148.29	-	148.29	-
Bitech International Pte Ltd	1 SGD = Rs.35.23	310.02	(226.65)	-	83.37	83.37	-	-	-	102.26	(14.58)	-	(14.58)	-
Nemera International Co., Ltd	1 THB = Rs.1.47	176.40	267.09	-	443.49	443.49	-	-	-	374.78	26.01	-	26.01	-
Nemera International Pte Ltd	1 SGD = Rs.35.23	54.02	(197.40)	-	(143.38)	(143.38)	-	-	-	55.25	4.58	-	4.58	-
Teledata Technology Solutions Inc.,	1 USD = Rs.44.65	17.23	88.41	2,506.19	2,611.83	2,611.83	-	-	-	16,665.31	35.95	245.81	(209.86)	-
Vanguard Technologies(India) Private Limited	INR	50.43	193.19	-	243.62	243.62	20.65	1.47	22.12	456.40	12.55	41.32	(28.77)	-
Nelsol Technologies Co., Ltd	1 THB = Rs.1.47	154.35	76.52	-	230.87	230.87	-	-	-	282.61	30.85	9.67	21.18	-
To Be One Technology Co., Ltd	1 THB = Rs.1.47	147.00	292.09	-	439.09	439.09	-	-	-	240.03	45.72	-	45.72	-

For and on behalf of the Board

-S/d-
Gp.Capt. K.Balasubramanian, IAF(Retd.)
Chairman

-S/d-
N Sakthivel
Director

Muralidharan K
Chief Financial Officer

R. Manthramurthy
Company Secretary
 Date 05-09-2011

TELEDATA TECHNOLOGY SOLUTIONS LIMITED

BALANCE SHEET ABSTRACTS AND GENERAL BUSINESS PROFILE			
i. Registration Details			
	CIN / Registration Number	State Code	
	061389	1 8	
	Balance Sheet Date	31/3/2011	
ii. Capital Raised During the year			
	Public Issue	Nil	Rights Issue
	Bonus Issue	Nil	Private Placement
	GDR Issue	Nil	
iii. Position of Mobilisation and Deployment of Funds (Amt. In Rs.000s)			
	Total Liabilities	3,010,395	Total Assets
			3,010,395
<i>Sources of funds</i>			
	Paid up Capital	999,170	Reserves and Surplus
	Secured Loans	293,174	Unsecured Loans
	Minority Interest	(5,316)	Share Warrants
			-
		TOTAL	3,010,395
<i>Application of Funds</i>			
	Net Fixed Assets	20,760	Investments
	Net Current Assets	2,094,739	Goodwill on consolidation
	Deferred Tax Asset	2,582	Intangible assets
		TOTAL	3,010,395
iv. Performance of the Company (Amt. In Rs.000s)			
	Turnover	2,105,452	Total Expenditure
	Profit before tax	(2,143)	Profit after tax
	Basic Earnings Per Share (Rs.)	(0.07)	Dividend Rate (%)
	Diluted Earnings Per Share (Rs.)	NA	
v. General Name of Principle products			
	Item Code No. (ITC Code)	8 5 2 4 9 0 0 9 - 1 0	
	Product Description	Computer Software, I T enabled services.	

For and on behalf of the Board

-S/d-

Gp.Capt. K.Balasubramanian, IAF(Retd.)
Chairman

R. Manthramurthy
Company Secretary
Date 05-09-2011

-S/d-

Sakthivel
Director

Muralidharan K
Chief Financial Officer

Teledata Technology Solutions Limited

Regd. Office: **Teledata Tower 1st Floor 37/1 Velachery Tambaram Main Road Velachery Chennai 600042**
ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Name and Address of Equity Shareholder (IN BLOCK

LETTERS): _____

Name and Address of the Proxy (IN BLOCK LETTERS, to be filled in by the proxy attending instead of the equity shareholder): _____

_____ I hereby record my presence at the 5th Annual General Meeting of the Company, convened on _30th September 2011, at 10:15 AM at HOTEL KANCHI, No.28, Ethiraj Salai, Egmore, Chennai 600 008.

Reg. Folio No : _____ DP ID No. : _____

Client ID No : _____ No. of Shares : _____

Signature of the Equity Shareholder / Proxy

NOTE: Equity Shareholders attending the Meeting in person or through Proxy are requested to complete the Attendance Slip and hand it over at the entrance of the meeting hall

Teledata Technology Solutions Limited

Regd. Office: **Teledata Tower 1st Floor 37/1 Velachery Tambaram Main Road Velachery Chennai 600042**
FORM OF PROXY

I/We _____ of _____

_____ being a member/members of Teledata Technology Solutions Ltd hereby

appoint _____

of _____ failing him _____

_____ of _____ as my/our proxy to attend and vote

for me/us on my/our behalf at the Annual General Meeting of the Company to be held on 30 September 2011, at 10:15 AM at HOTEL KANCHI, No.28, Ethiraj Salai, Egmore, Chennai 600 008. at 10:15 AM. and / or at any adjournment(s) thereof.

Dated this _____ day of _____, 2011

Name: _____

Address: _____

Reg. Folio No : _____ DP ID No. : _____

Client ID No : _____ No. of Shares : _____

Affix Re. 1
Revenue

.....
Signature of Shareholder/Proxy

Notes: 1. The Proxy Form must be deposited at the Registered Office of the Company at **Teledata Tower 1st Floor 37/1 Velachery Tambaram Main Road Velachery Chennai 600042** at least 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.

2. All alterations made in the Proxy Form should be initialed.

3. In case of multiple proxies, proxy later in time shall be valid and accepted.

BOOK POST

To



TELEDATA TECHNOLOGY SOLUTIONS LIMITED

"Teledata Tower", 37/1, First Floor,
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