

tradePr ●

reconPr ●

amplPr ●

icashPr ●

aurionPr ●

dealPr ●

kycPr ●

remitPr ●

FSCMPr ●

CONTENTS

2	Corporate Information
3	Letter to the shareholders
5	Directors' Report
11	Management's discussion and analysis
21	Corporate Governance Report
36	Auditors' Certificate on Corporate Governance
37	Auditors' Report on Accounts
40	Balance Sheet
41	Profit and Loss Account
42	Cash Flow Statement
44	Schedules forming part of the Balance Sheet and the Profit and Loss Account
50	Significant Accounting Policies and Notes on Accounts
61	Balance Sheet Abstract and Company's General Business Profile
63	Auditors' Report on Consolidated Financial Statement
64	Consolidated Balance Sheet
65	Consolidated Profit and Loss Account
66	Consolidated Cash Flow Statement
68	Schedules forming part of Consolidated Balance Sheet and Profit and Loss Account
74	Significant Accounting Polices and Notes on Consolidated Accounts
82	Statement pursuant to Section 212 of the Companies Act, 1956
84	Directors' Report of E2E Infotech (India) Private Limited
85	Auditors' Report of E2E Infotech (India) Private Limited
86	Balance Sheet of E2E Infotech (India) Private Limited
87	Profit & Loss Account of E2E Infotech (India) Private Limited
91	Significant Accounting Polices and Notes to Accounts of E2E Infotech (India) Private Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Sanjay A. Desai	: Executive Chairman
Mr. Amit R. Sheth	: Managing Director
Mr. Paresh C. Zaveri	: Promoter Non Executive Director
Mr. Mitesh R. Majithia	: Non Executive Non Independent Director
Mr. Prem G. Rajani	: Independent Director
Dr. Nikunj Kapadia	: Independent Director
Dr. Mahendra F. Mehta:	: Independent Director
Mr. Sandeep Daga	: Independent Director

COMPANY SECRETARY : Kinjal Shah

BOARD COMMITTEES:

Audit Committee Members

Dr. Mahendra F. Mehta (Chairman)
Dr. Nikunj Kapadia
Mr. Prem Rajani
Mr. Sandeep Daga
Mr. Amit Sheth

Shareholders' / Investors' Grievance Committee

Dr. Mahendra F. Mehta (Chairman)
Mr. Prem Rajani
Mr. Sandeep Daga
Mr. Amit Sheth

Remuneration Committee

Mr. Sandeep Daga (Chairman)
Mr. Prem Rajani
Dr. Nikunj Kapadia
Dr. Mahendra F. Mehta
Mr. Amit Sheth

STATUTORY AUDITORS

Chaturvedi & Shah

BANKERS

HDFC Bank Limited
State Bank of India
Yes Bank Limited
Bank of India

REGISTERED OFFICE

404, 4th Floor,
Winchester, High Street,
Hiranandani Bussiness Park,
Powai, Mumbai – 400 076

REGISTRARS & TRANSFER AGENTS

Bigshare Services Private Limited

E-2, Ansa Industrial Estate,
Saki Naka, Andheri – East,
Mumbai – 400 072

LETTER TO THE SHAREHOLDERS

Dear Shareholders,

I am pleased to report that your Company continues its growth momentum on a sustained basis and substantial progress across all our business. During the period, the Consolidated total income increased by 67.77% to Rs. 177.89 crore (Rs.106.03 crore for the previous year) and the net profit after tax (including minority interest) increased by 80.18% to Rs.31.10 crore (Rs.17.26 crore for the previous year).

Reflecting the profits made by our Company, the Board of Directors has recommended an increase of final dividend to Rs.1.75 per equity share. Considering the contribution of the shareholders in the success of the Company, a dividend @ 17.50% has been recommended.

The year under review saw challenges for many technology companies operating out of India as Indian Rupee has appreciated as compared to the US dollar. Your Company's strategy of focusing on niche banking products in Asian markets, coupled with deep understanding of customers business and their changing needs have enabled it to maintain its growth momentum and margin.

During the year, your Company continued to scale up strategic relationships, with existing technology savvy customers and also added a number of new banking clients across Asia, both in the existing markets and also in the newer markets like Hong Kong & Thailand. Your Company also augmented its customer base consequent to acquisition of Integro Technologies Pte. Ltd., Singapore, E2E Infotech Ltd., UK. Thus the Company now has more than 80 banking clients across the globe.

During the year, the Company relentlessly pursued its goal of becoming a leader in banking products in Asia and substantially year increased its product portfolio by adding new products as well as acquiring them. In the last fiscal year, your Company has introduced three new products namely Order Routing/ Management Server, dealPro and NostoRecon. The product portfolio also got enhanced by acquisitions of Loans Suite - Smart Lender, Internet Banking & Basel II compliance products from Integro. Encouraged by the product acceptance in existing markets, your Company has significantly expanded its sales team & geographical presence across Asia.

In pursuance of our policy of having close proximity to our global customers, we have incubated representative offices at Manila, Philippines, Bangkok, Thailand and Jakarta, Indonesia. To cater to the banking industry in China, we have incorporated Aurionpro Solutions (Hong Kong) Limited, Hong Kong.

Continuing with its strategy to augment management teams, expand geographical presence, customer base & product and services offering, through acquisitions, your Company acquired two Companies in the last year, namely, Integro Technologies Pte. Limited, Singapore, including their Malaysian subsidiary Integro Technologies SDN. BHD & E2E Infotech Limited, UK, including their Indian subsidiary E2E Infotech Private Limited. On 31st March, 2008, the Company also entered into an agreement for the acquisition of SENA Systems Inc, USA. The Company has successfully integrated their operations with the Company, and has also expanded its products and services offering with the augmented customer base. In the coming year, your Company expects a significant growth through internal mining of the augmented customer base.

Your Company has also constantly kept pace with the changing needs of its customers requirements and has continually evolved its business model to meet these needs. Customers facing margin pressures, due to rising costs and interest rates have begun seeing a lot of value in our Platformed BPO offering.

Our deep operational understanding of customer businesses combined with our ability to leverage technology for operational benefits has resulted in sustained advantages for our customers in BFSI space in India and the Company has seen tremendous growth and success in its Platformed BPO offering for the domestic market. To gain a firm foothold in the business of NBFC's & Insurance, your Company incorporated a wholly owned subsidiary, Aurofidel Outsourcing Limited.

Your Company is expanding its operations rapidly and to meet its projected growth, it is investing in building world class facilities in its development centers. In addition, your Company is continuously working towards attracting the best talent in the Industry. We firmly believe that people wealth is key to our future growth and have enhanced our strength from 550 as on 31st march 2007 to more than 850 as on 31st March 2008. In addition, we continuously enhance their skill sets in alignment with their respective roles through structured training and career development programs, besides providing them with challenging assignments and exposures to new skills, technology and global opportunities. More than 40 such sessions had been held totaling to 2250 man hours of training.

We also had the great honour of being acknowledged by a highly prestigious international firm. We were ranked in the Deloitte Technology Fast 50 and Fast 500 Awards. Deloitte's recognition program was moderated by Deloitte Touche Tohmatsu, highlights successful technology companies in North America, Asia Pacific and the Middle East and Africa. The Company, placed fifth among the top 50 India based Fast 50 winners and 49th out of the 500 Asia Pacific winners.

AURIONPRO SOLUTIONS LIMITED

To provide for long term growth capital, during the year the management and key investors has invested Rs.61.88 crore through preferential allotment of shares and convertible warrants at Rs.425/- per share/ warrant. This was raised through allotment of 13,35,000 equity shares and 19,35,000 convertible warrants. Assuming full conversion of warrants, an additional Rs.74.02 crore will be raised over next 15 months. This investment highlights their confidence and commitment to long term growth of the Company.

I would like to express my heart felt thanks to you, the esteemed members of the Company, financiers, stakeholders, employees and customers for their continued trust placed in us. It is this confidence that enables us to dream of many more prosperous tomorrows.

With the right ingredients for success already in place, I am confident that Aurionpro will continue to scale new heights in the years to come.

With best wishes and warm regards,

Sanjay Desai
Executive Chairman

DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting the Eleventh Annual Report of the Company together with its Audited Profit and Loss Account for the year ended 31st March, 2008 and the Balance Sheet as on that date:

1. FINANCIAL RESULTS

Consolidated Financials of the Company and its subsidiaries:

(Rs. in crore)

	Year ended March 31, 2008	Year ended March 31, 2007
Total Revenue	177.89	106.03
Profit before interest, depreciation and tax	48.61	23.40
Less: Interest and Finance Charges	3.30	0.41
Less: Depreciation and amortization	7.33	2.79
Profit before tax	37.98	20.20
Less: Provision for taxation (including Current Tax, Deferred tax, Fringe Benefit Tax and Tax adjustments of earlier years)	6.87	2.93
Net Profit after tax	31.10	17.26
Less: Minority Interest	0.35	-
Add: Surplus brought forward from previous year	20.83	7.17
Amount available for Appropriation	51.93	24.40
Appropriations:		
Transfer to General Reserve & Statutory Reserve	2.47	1.43
Proposed dividend on Equity Shares	2.29	1.82
Corporate tax on dividend	0.39	0.31
Balance Carried to Balance sheet	46.78	20.84

Despite the appreciation of Rupee against US dollar and the slow down of the global economy, your Company has continued to advance its performance for the year ended 31st March, 2008. Total Income increased to Rs. 177.89 crore from Rs. 106.03 crore in the previous year, at a growth rate of 67.77 %. The profit before tax at Rs.37.98 crore as against Rs. 20.20 crore in the previous year represents an increase of 88.01% over the previous year. The profit after tax increased by 80.18% as compared to the previous year.

Financials of the Company on a standalone basis:

(Rs. in crore)

	Year ended March 31, 2008	Year ended March 31, 2007
Total Revenue	61.45	31.22
Profit before interest, depreciation and tax	29.04	14.63
Less: Interest and Finance Charges	3.23	0.39
Less: Depreciation and amortization	3.64	2.08
Profit before tax	22.17	12.16
Less: Provision for taxation (including Current Tax, Deferred tax, Fringe Benefit Tax and Tax adjustments of earlier years)	4.66	2.20
Net Profit after tax	17.51	9.95
Add: Surplus brought forward from previous year	13.50	6.71
Amount available for Appropriation	31.18	16.67
Appropriations:		
Transfer to General Reserve	1.50	1.04
Proposed dividend on Equity Shares	2.29	1.82
Corporate tax on dividend	0.39	0.31
Balance carried to Balance Sheet	27.00	13.50

AURIONPRO SOLUTIONS LIMITED

The performance of your Company for the year ended 31st March, 2008 was very encouraging. Total Income increased to Rs. 61.45 crore from Rs.31.22 crore in the previous year, at a growth rate of 96.83%. The profit before tax at Rs. 22.17 crore as against Rs.12.16 crore in the previous year represents an increase of 82.31% over the previous year. The profit after tax increased by 75.97% as compared to the previous year.

2. Dividend

Your Directors are pleased to recommend dividend of Rs.1.75/- per equity share of Rs.10/- each, on the enhanced equity capital. The total cash outflow on account of the dividend including tax thereon would be Rs2.68 crore.

The dividend pay out for the year under review has been formulated in accordance with the Company's policy of striving to pay stable dividend, keeping in view the need for funds for its growth plans.

3. Transfer to reserves

We propose to transfer Rs.1.50 crore to the general reserve. An amount of Rs.26.95 crore is proposed to be retained in the Profit and Loss Account.

4. Business Overview:

Your Company continues to invest in augmenting its products & services portfolio to retain a sustained advantage in the banking, financial services and insurance (BESI) space.

In BFSI segment, your Company has been highly competitive and the Company's focus on domain enriched technology beyond the core banking space continues to show promise and potential for the future years.

The organic growth strategy has helped the Company continue its growth momentum. New customers have been added and existing ones have renewed their commitment to work with us. Product and product related services continue to be the key focus in the organic part of the business, primarily in the BFSI segment. We have launched three new products during the year, namely, dealPro, E2E order Routing/ Management Server and NostoRecon.

Your Company has adopted a strategy of inorganic growth to enhance our presence in different geographies and build size and scale. Entrepreneurs with a vision similar to us, have come on board building our management bandwidth and catapulting our niche areas of operation. This year, to date, your Company has acquired three Companies namely E2E Infotech Limited, UK, Integro Technologies Pte. Ltd., Singapore and SENA Systems Inc, USA.

The Company now has a well established presence across US, UK, Middle East, India and South East Asia.

Your Directors foresee a continued positive outlook for the Company.

5. FINANCIAL RESOURCES

a) Preferential Issue

- i) The members of the Company at the Extra Ordinary General Meeting held on 7th March, 2007 and the Board of Directors at their meeting held on 22nd March, 2007, had approved allotment of 8,85,000 convertible warrants into equity shares of face value of Rs.10/- each at a price of Rs.252/- for a cash at a premium of Rs.242/- per equity share. During the year, the Company had issued and allotted 7,35,000 equity shares against the said 8,85,000 convertible warrants. Following are the details:

- a. The Board of Directors of the Company at their meeting held on 6th November, 2007 had allotted 6,29,663 equity shares
- b. The Board of Directors of the Company at their meeting held on 31st January, 2008 had allotted 1,05,337 equity shares

As on 31st March 2008, 1,50,000 convertible warrants are outstanding for conversation.

- ii) The Board of Directors of the Company at their meeting held on 19th February, 2008, preferentially allotted 2,25,000 equity shares of face value of Rs. 10/- each at a price of Rs.370/- for a premium other than cash consideration of Rs.360/- per equity share to the 49% stakeholders of E2E Infotech Limited, UK for its acquisition.

b) ESOP

The Board of Directors at their Board Meeting held on 30th August, 2006 and the members at the 9th Annual General Meeting held on 18th October, 2006, approved the issue of 5,40,474 equity shares under Employees Stock Option Scheme - 2006 to eligible permanent employees including Directors of the Company and its subsidiary companies to participate in the future growth of the Company. As the Board has not allotted any Equity Shares under ESOP

Scheme, hence the applicable disclosure pursuant to Securities and Exchange Board of India (Employees Stock Option Scheme and Employee Stock Purchase Scheme), Guidelines, 1999 is not required.

c) Loan Funds

During the year, the Company availed of additional term loans of Rs. 8.19 crore from the State Bank of India and Rs. 22.4 crore from the Yes Bank, which were utilized for the investment in subsidiaries and working capital requirements of the Company.

6. SUBSIDIARY COMPANIES

Your Company has fourteen subsidiaries. In terms of approval granted by the Central Government vide order No. 47/511/2008-CL-III dated 5th August, 2008 pursuant to Section 212(8) of the Companies Act, 1956, the Balance Sheet, Profit and Loss Account, Reports of the Board of Directors and Auditors of the following subsidiaries have not been attached to the Balance Sheet of the Company. These documents will be made available upon request by any member of the Company interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection by any investor at the Registered Office of the Company and that of the respective subsidiary companies. However, as directed by the Central Government, the financial data of the subsidiaries has been furnished under 'Details of Subsidiary Companies' forming part of the Annual Report:

- i) Aurionpro Solutions Pte. Ltd., Singapore
- ii) Aurionpro Solutions INC, USA
- iii) SPS Corporation, USA
- iv) Aurionpro Solutions SPC, Bahrain
- v) Coban Corporation, USA
- vi) E2E Infotech Limited, UK
- vii) Aurionpro Solutions (Hong Kong) Limited
- viii) Auroscient Outsourcing Private Limited, India
- ix) AuroFidel Outsourcing Limited, India
- x) Aurionpro Acquisition Corp. I, USA
- xi) Aurionpro Acquisition Corp. II, USA

A Statement containing particulars pursuant to the provisions of Section 212(1)(e) of the Companies Act, 1956, in respect of the above subsidiaries forms part of this Annual Report.

In compliance with Clause 32 of the Listing Agreement, audited consolidated financial statements of the Company and its subsidiaries also form part of this Annual Report.

7. CORPORATE GOVERNANCE

The Report on Corporate Governance as per the requirements of Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors, M/s. Chaturvedi & Shah, confirming the compliance with the conditions of Corporate Governance as per the requirements of Clause 49 is annexed to this Report.

8. Management's Discussion and Analysis Report (MDA):

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

9. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of Section 217(2AA) of the Act, your Directors confirm that:

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

AURIONPRO SOLUTIONS LIMITED

- ii) 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 your Company at the end of the financial year and of the profit of your Company for that year;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and
- iv) the Directors had prepared the annual accounts on a 'going concern' basis.

10. DIRECTORS

In terms of Article 151 of the Articles of Association of the Company, Mr. Prem Rajani and Dr. Nikunj Kapadia, Directors, retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

Brief resume of the Directors, nature of their expertise in specific functional areas and names of Companies in which they are directors and members/ Chairman of committees, as stipulated by Clause 49 of the Listing Agreement are provided in the Corporate Governance Report forming part of the Annual Report.

Mr. Bhavesh R. Talsania, Whole Time Director and co-founder of the Company had resigned from the office of Director w.e.f. 30th August, 2008 due to personal reason. Mr. Talsania was instrumental in building best of class delivery processes in the Company. He has successfully led the Company's transition from a generic services provider to a domain focused products and solutions company by building a team of highly experienced bankers and technology specialists. Through his management acumen and experience, he charted out and executed organizational initiatives in people function and team building. The Board records his invaluable contribution made to the Company's growth.

11. STRATEGIC ACQUISITIONS, AMALGAMATION, INCORPORATION OF WHOLLY OWNED SUBSIDIARIES AND OPENING OF NEW OFFICES:

a) Acquisitions

During the year, your Company acquired two Companies along with its subsidiaries, namely E2E Infotech Limited UK, E2E Infotech Private Limited., Integro Technologies Pte. Limited, Singapore and Integro Technologies SDN. BHD., Malaysia. Your Company has successfully integrated their operations with the Company, which has helped considerably to expand the talent pool, product portfolio, customer base and augment management bandwidth for sustained long term growth of the Company.

Your Company has entered into an agreement and plan of merger with SENA Systems, Inc., USA, Aurionpro I Acquisition Corp, USA, Aurionpro II Acquisition Corp., USA and The Principal Stockholders of SENA Systems, Inc. on 31st March, 2008, for the acquisition of SENA Systems Inc, USA, for consideration in cash and equity shares.

b) Amalgamation with Aurionpro Services Private Limited, Promoter Company

The Honorable High Court, Bombay vide its order dated 28th September, 2007 had approved amalgamation of Aurionpro Services Private Limited with your Company.

c) Incorporation of Wholly Owned Subsidiaries

During the year, your Company incorporated Aurionpro Solutions (Hong Kong) Limited, Hong Kong, to expand its core business.

Your Company, has ventured into the business of NBFC and Insurance by incorporating wholly owned subsidiary namely Aurofidel Outsourcing Private Limited.

For the acquisition of SENA Systems Inc, USA, your Company incorporated two subsidiaries in the USA namely Aurionpro I Acquisition Corporation and Aurionpro II Acquisition Corporation.

d) Opening of a new office:

During the year, your Company has set up a Branch Office at Manila, Philippines and Representative Offices at Bangkok, Thailand and Jakarta, Indonesia.

12. UTILIZATION OF PROCEEDS RECEIVED FROM INITIAL PUBLIC OFFER (IPO) AND PREFERENTIAL ISSUE

- a) Your Company successfully concluded its Initial Public Offer (IPO) of 30,00,247 Equity Shares of Rs. 10/- each, issued at an Issue price of Rs.90/- per share for cash at a premium of Rs.80/- per share in October, 2005. The Company has been listed on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited on 25th October, 2005.

Your Company had raised Rs.27 crore from IPO, of which Rs. 11.40 crore utilized in the Financial Year 2005-06 and Rs. 9.66 crore utilized in the Financial Year 2006-07 and Rs. 5.69 crore in the Financial Year 2007-08 and the balance of Rs.0.23 crore are invested in Fixed Deposit with Bank.

- b) For the year ended 31st March 2007, the unutilized proceeds raised from the preferential allotment was Rs.21.70 crore and during the year, your Company had preferentially issued and allotted 7,35,000 equity shares for a cash consideration of Rs.252/- per share and raised Rs. 16.66 crore, aggregating to Rs.38.36 crore.

Your Company had utilized entire proceeds received from preferential allotment in building long term infrastructure and in growth capital.

12. AWARD:

Your Company has been ranked in the Deloitte Technology Fast 50 and Fast 500 Awards. Deloitte's recognition program was moderated by Deloitte Touche Tohmatsu, highlights successful technology companies in North America, Asia Pacific and the Middle East and Africa. The Company, placed fifth among the top 50 India based Fast 50 winners and 49th out of the 500 Asia Pacific winners.

13. FIXED DEPOSITS

The Company has not accepted fixed deposits.

14. AUDITORS AND AUDITORS' REPORT

M/s. Chaturvedi & Shah, Chartered Accountants, Statutory Auditors, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

To strengthen the current internal control system, necessary steps to improvise the system will be taken by your Company in consultation with our internal auditors M/s D. Kothary and Co., Chartered Accountants.

15. PARTICULARS OF EMPLOYEES

Information as prescribed by Section 217(2A) of the Act, read with Companies (Particulars of Employees) (Amendment) Rules, 2002 is given as an annexure to this Report. However, pursuant to the provisions of Section 219(1) (b) (iv) of the Act, the Report and Accounts are being sent to all the members excluding the aforesaid annexure. Members interested in the said information may write to the Company Secretary at the registered office of the Company.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

In terms of section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, the Directors furnish herein below the required additional information:

➤ Conservation of Energy:

Although the operations of the Company are not energy intensive operations, it continues to adopt energy conservation measures at all operational levels. The requirement of disclosure of particulars in the prescribed format with respect to conservation of energy as prescribed in 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, is not applicable to the Company and hence not provided.

➤ Research & Development (R&D):

Your Company is predominantly a service provider and therefore has not set up a formal R&D unit, however continuous research and development is carried out at various development centers as an integral part of the activities of the Company.

➤ Technology Absorption:

Your Company has not imported any technology during the year under review.

AURIONPRO SOLUTIONS LIMITED

➤ **Foreign Exchange Earnings and Outgo:**

Particulars	(Rs. in crore)	
	2007-08	2006-07
Earning in foreign Currency (on accrual basis):		
Software Services	36.79	17.46
Expenditure in foreign Currency (on accrual basis):		
Foreign Traveling	0.72	0.144

17. ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation of the assistance and co-operation received from the banks, financial institutions, Government authorities, Software Technology Park-Mumbai, customers, vendors and investors during the year under review. Your Directors also wish to place on record their appreciation for the committed services of the executives, staff and workers of the Company.

For and on behalf of the Board of Directors

Sanjay Desai

Executive Chairman

Amit Sheth

Managing Director

Mumbai, 7th September, 2008

Registered Office:

404, 4th Floor, Winchester,
Hirandani Business Park,
Powai, Mumbai - 400 076

MANAGEMENT'S DISCUSSION AND ANALYSIS

OVERVIEW

The financial statements have been prepared under the historical cost convention, on accrual basis of accounting, in compliance with the requirements of the Companies Act, 1956, the Generally Accepted Accounting Principles (GAAP) in India and mandatory accounting standards issued by the Institute of Chartered Accountants of India ("ICAI"). The management of Aurionpro Solutions Limited accepts responsibility for objectivity and integrity of these financial statements, as well as for various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, in order that the financial statements reflect in a true and fair manner, the state of affairs and profits for the year.

Management of Aurionpro Solutions Limited is committed to improve the level of transparency and disclosure and for same an attempt has been made to disclose here under, information about the company, its business, operations, outlook, risks and financial condition. The forward looking statements contained herein are subject to certain risks and uncertainties, including but not limited to the risks inherent in the company's growth strategy, dependency on certain clients, and dependency on availability of qualified technical personnel and other factors discussed in this report. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect Management's Analysis only as of the date hereof.

Aurionpro Solutions Limited is an ISO 9001:2000 certified company which provides technology product and solutions and is listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange of India Limited (NSE). We provide technology products & solutions, enabling our clients to meet their business objectives and changing customers need. Our products reflect our deep domain and operational understanding and also changing trends in the market place and are well accepted globally.

Our income and profits have been growing at the rate of about 100% for the last few years and were recently recognized by Deloitte as 5th fastest growing technology company in India and 49th in whole of Asia/Pacific. With our deep domain expertise and industry exposure, Aurionpro has been performing pioneering work for several leading Asian private sector banks and other banks globally.

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian economy is likely to post 9 percent sustained growth rate and cross the threshold of \$1 trillion GDP by the next financial year. According to World Bank data, only nine economies had a GDP of more than \$1 trillion, at the end of 2005, with Brazil, South Korea and India the next closest with GDPs of almost \$800 billion.

India's growth rate has been steady over the past few years and has brought down high fiscal deficit to a manageable level of around 4 percent of GDP from highs of 6 percent.

Further surveys have indicated that the domestic capital expenditure plans are very strong and robust and capable of setting the stage on fire in terms of future growth at a rapid pace. Similarly, the banking and IT domains should help unshackle the economy from all the constraints and grow at a fast momentum.

Positive World IT -BPO Outlook:

NASSCOM's Annual Study, Strategic Review 2008 shows the Indian IT-BPO industry to be in great health, but says, things could be even better.

The Study indicated that despite a slowing economy, financial sector crisis in the US, and sharp appreciation of the Rupee against the Dollar, the industry showed grit, logging in double-digit revenue growth. The study showed that India was set to become the "nerve-centre" for global sourcing with over two-third of Fortune 500 and a majority of the Global 2000 firms leveraging global service delivery, now sourcing from India.

Strategic Review 2008 pointed to the following global trends:

- Worldwide technology products and related services sector spends are estimated to have grown at 7.3 percent to nearly reach US\$ 1.7 trillion in 2007.
- IT-BPO services, growing at an above-sector-average rate of nearly 8 percent, remained the largest category.
- Outsourcing continued to be the primary growth driver, with increasing traction in Europe and Asia Pacific offsetting a marginal decline in share of the Americas.
- Global sourcing of technology related services were estimated to have grown by about 30 percent to reach US\$ 70-76 billion in 2007.

- Increasing emphasis on innovation-led growth added to the secular trend in technology related spending, with IT-enablement and global delivery now being recognized as complementary means of effectively increasing productivity, reducing time-to-market and thereby increasing the returns on innovation investment.
- Consequently, players with demonstrated global delivery capabilities continued to close-in on the market shares of the incumbents (US Big-Six and European Big-Five), with India-heritage players reporting the sharpest gains in their share of the total value of large outsourcing contracts awarded in the year 2007.

Increasing IT spending by Domestic Majors

Technology adoption in the domestic market also reported steady gains in 2007. This segment was expected to cross US\$ 23 billion in FY2008.

Domestic IT services spends were estimated to be growing at about 43 percent in FY2008, showing strong signs of increasing sophistication as building enterprise IT infrastructures and applications, networking and communication became key priorities for India Inc. Software and BPO spending growth in the domestic market was expected to jump by over 37 percent and 43 percent, respectively.

The banking, financial services and insurance (BFSI) verticals have witnessed the fastest growth in adoption of the global sourcing model for sourcing IT -ITES. BFSI currently accounts for 35-40 per cent of the total value of work outsourced.

CyberMedia flagship magazine Dataquest and IDC India study reveals that traditional large IT spenders like Banking, Financial Services and Telecom remain on top in terms of absolute spend for the 2007-08.

The Dataquest-IDC Survey among 211 large IT user companies in India revealed that they spent 27 percent more on IT in 2007-08 as compared to 2006-07. During 2008-09, the survey expects these companies to invest 22 percent more on IT. For purposes of this study data for 11 large players, including six telecom players, was additionally obtained through secondary sources.

Telecom and BFSI companies remained top IT spenders with average IT spend per company touching Rs. 191.6 crore and Rs. 87.5 crore respectively in 2007-08. In the BFSI segment, large investments were also made by LIC, NSDL, National Insurance, New India Insurance and Oriental Insurance.

The highest IT spend as a percentage of overall revenues was reported by the BFSI sector that invested 1.5 percent, compared to the overall industry average IT spend of 0.63 percent of the revenue. The utilities sector led in terms of IT spend per employee, with a budget of Rs. 83,000 per employee, much above the overall industry average of Rs. 36,000 per employee.

The India IT-BPO picture

As far as India is concerned, the NASSCOM's Annual Study, Strategic Review 2008 Study showed that the country remained the nerve-center for any major global sourcing strategy. Growth by indigenous players, bolstered by MNC investments, had enabled India to take on a new, more crucial role in the new world order during 2007. Some of the other highlights of the report were as follows:

- The overall revenues for the Indian IT-BPO sector were expected to grow by over 33 percent, touching US\$ 64 billion by the end of the current fiscal year (FY2008).
- Over the same period, direct employment in the sector was expected to reach nearly 2 million, an increase of about 375,000 professionals over the previous year. As a proportion of national GDP, the Indian technology sector revenues grew from 1.2 percent in FY1998 to an estimated 5.5 percent in FY2008. Net value-added by this sector, to the economy, was estimated at 3.3-3.9 percent for FY2008
- Contributing 64 percent to the overall revenue aggregate, exports remained the mainstay of the Indian IT-BPO growth story.
- Software and services exports, accounting for over 98 percent of the total exports, were expected to cross US\$ 40 billion and directly employ nearly 1.6 million professionals.
- While the US and the UK remained the largest export markets (accounting for about 61 percent and 18 percent respectively, in FY2007), the industry footprint was steadily expanding to other geographies.
- Exports to Continental Europe in particular witnessed notable gains, growing at a CAGR of more than 55 percent over FY2004-2007.

The industry's vertical market exposure was well diversified across several mature and emerging sectors. Banking, Financial Services and Insurance (BFSI) remained the largest vertical market for Indian IT-BPO exports, followed by High-technology and Telecom. These sectors together accounted for nearly 60 percent of the Indian IT-BPO exports in FY2007.

- Manufacturing and Retail followed, contributing 23 percent to the aggregate. Other key segments included Media, Healthcare, Airlines and Transportation, and Utilities.
- IT services (excluding BPO, product development and engineering services), contributed 57 percent of the total exports, remaining the dominant segment. It was expected to cross US\$ 23 billion, a growth of 28 percent in FY2008.
- Complementing the strong growth in IT services and BPO exports was the continued expansion of the product development and engineering services segment, which also reflected India's increasing role in global technology IP creation.
- Export revenues from these relatively high-value-added services such as engineering and R&D, offshore product development and made-in-India software products was estimated to be growing at about 27 percent, and forecast to reach US\$ 6.3 billion in FY2008.

Future outlook: a continuing success story

Strategic Review indicated a positive outlook for Indian IT-BPO exports as well as the domestic market, going forward. At current levels of growth, the Report stated that the sector would employ around 2.5-3 million professionals, directly, account for direct investment of about US\$ 10-15 billion, and contribute 7-8 percent of the national GDP.

It added, however, that the scope of the opportunity was significantly larger. At US\$ 52 billion (excluding hardware), India accounted for around 4 percent of the worldwide spend on IT software and services. The global sourcing penetration, meanwhile, was estimated to be growing at nearly four times the rate of absolute technology spends. Together, these two trends signified a huge opportunity for the Indian IT-BPO industry.

The Report indicated that in order to sustain India's edge in the global markets and improve revenues, Indian IT-BPO service providers needed to shift towards more market-facing breakthroughs. They could additionally, foray new customer segments in intellectual asset-intensive service lines like engineering and R&D services, creating IP in emerging technology areas, developing and codifying specific domain expertise to target consulting and system integration services, technical innovations to develop their own standards for next generation of technologies.

Finally, providers could enhance the role they were already playing in helping improve the quality of education, by working closely with the Government and academia to facilitate changes in the curriculum and pedagogy, which directly influenced the quality of graduate output.

B. THE COMPANY'S OPERATIONS AND MAJOR OFFERINGS

Through our products & services, we enable banks to provide their products & offerings innovatively and constantly meet their changing customer needs. Our products assist banks to increase their fee based revenues, offer new and innovative products and services, build operational efficiencies & improve customer servicing.

Though the Company made the banking domain as its prime focus area, it has also continued with its historical offerings in IT services. The IT services business has helped the Company to maintain best practices in product implementation, offshore delivery and technology adoption, essentials for any IT Company.

We have presence in many countries across three continents through our branch offices and subsidiaries.

Our total employee strength is over 850 and our staff members are overtly dedicated towards assisting the customers in managing and building wealth.

Our product basket:

- **Loan origination:** In the loan origination arena, we offer 'the SmartLender Suite' comprising of the SmartLender Retail and SmartLender Corporate products. Within each of these products are standalone modules which may be implemented in the following stages:
 - Credit Processing System
 - Credit Control System
 - Credit Administration System
 - Collateral Management System
 - SmartLender Data Warehouse
- **Cash Management:** Cash Management is a banking service that allows the corporate customers of the banks to efficiently manage their receivables and payables by using the cash management tools like iCashPro, payPro, collectPro, reconPro, divPro, PDCPro and ECSPRO.

AURIONPRO SOLUTIONS LIMITED

- **Financial Supply Chain Management:** Financial Supply Chain Management means complete end-to-end management of the entire working capital management of corporates supply chain. Our product fscmPro is a financial supply chain management system that acts as a platform for the suppliers and dealers to come together and conduct the procurement process, sales and settlement efficiently. It helps in reducing the hurdles like ordering time, communication, advertising and inventory maintenance. For banks, it also becomes a tool to augment their customer base and provide financing products.
- **Treasury:** Treasury is where all of the inflows and outflows of funds are monitored. Treasury includes pricing and marketing of wholesale liabilities, trading in foreign exchange, trading in money markets, bonds and derivatives and risk management. We offer the below comprehensive treasury solutions:
 - **DealPro:** Provides frontend and seamless straight through processing by bridging the gap between the branch and treasury
 - **Risk management:** Our products help banks to do regulatory compliances in the Anti Money Laundering and Know Your Customer segment. It also help banks to identify and measure risks and manage them efficiently. Our solutions in this space include:
 - AMLPro
 - KYCPro
 - Market Risk
 - Credit Risk
- **Internet Banking:** Internet Banking involves using the Internet for delivering user-friendly banking products and services to customers in an easy and reliable way. We offer the both Corporate Internet Banking and Retail Internet Banking to our prestigious customers.

Our service basket:

- **Outsourced Product Development:** Product Development Services include Product Conceptualization, Product Realization, Product Development, Product Testing and QA, Product Progression, Product Maintenance and Support, Product Extensions and Reengineering & Product Migration and Transition
- **Application Development and Maintenance:** Sophisticated application development and maintenance services to build and maintain custom enterprise application or maintain implementation of leading commercial applications.
- **Performance Assurance:** Performance assurance is our structured approach for planning, analyzing, and improving the performance, scalability, and stability of Web-based applications.
- **Enterprise Content Management:** Enterprise Content Management (ECM) system captures, manages, stores, preserves, and delivers content and documents. We have the capabilities of leading ECM implementation through a series of services that span the entire ECM lifecycle.
- **Identity and Access Management:** We help customers provide for secured environment to interact with computer networks. We cover the complete end-to-end IAM lifecycle that assists our customers in successfully meeting their business drivers in a cost effective, secure and compliant manner. We offer complete life cycle services including strategy, architecture, custom development, implementation, project management and outsourced support. Our services are aimed at meeting business requirements with the information security required to safeguard and sustain these business objectives.
- **Capital Market Trading Software Solutions and Consulting:** We provide implementation and consulting services for front, middle and back office applications in the space. We also offer Integration services and functional and technical consulting around FIX protocol and Exchange connectivity.

Technology Solutions:

1. **Payment Gateway:** Payment Gateway is a suite of solutions that enable financial institutions to streamline and accelerate payments across a range of networks and channels, including:
 - ACH
 - Check21
 - Card Processing
 - Mobile Payments

2. **Risk and Fraud:** Offers comprehensive solutions that address the dynamics of fraud, money laundering, and other illegal transactions. Some of the solutions are:

- Velocities Engine
- The aurionPro Fraud Engine
- Know Your Customer

C. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE RESULTS OF OPERATIONS

Revenue

The revenue of the Company is derived from software products and projects and services. During the year the total revenue was Rs. 61.45 crore against Rs. 31.22 crore for the previous year representing an increase of 96.83%.

General and Administrative Expenses

Our general and administrative expenses comprise compensation to our employees in the Corporate Office - Finance, HR, Administration and other general functions; travel, communication, legal and professional charges, repairs and maintenance, provision for doubtful debts, bad debts and other allocated infrastructure expenses.

During the year, the general and administrative expenses were Rs.20.12 crore at 32.74% of revenue of Rs. 61.45 crore as against Rs. 8.22 crore at 26.33% of revenue in the previous year.

Operating Profit

During the year our operating Profit increased Rs.14.41 crore or 98.50% from Rs.14.64 crore on March 31, 2007 to Rs. 29.04 crore on 31st March, 2008.

Interest and Depreciation

Interest cost has increased from Rs. 0.39 crore in previous year to Rs.3.23 crore during the year. The increase in the interest costs has been due to new term loan taken during the year by company.

Depreciation on fixed assets was Rs. 3.64 crore for the year as against Rs.2.08 crore in the previous year. As percentage of revenue, depreciation was 5.92% and 6.66% for the year and previous year respectively.

Increase in depreciation charge for the year by Rs. 1.56 crore is attributable to increase in various fixed Assets.

Other Income

Other Income primarily consists of interest and dividend income and short term capital gains on sale of current investment. Other income for the year was Rs.1.44 crore compared to Rs.3.37 crore for the previous year.

Provision for Income Tax

Our provision for current tax was Rs. 2.54 crore as against Rs. 0.65 crore for the previous year. The increase in provision for Tax was due to increase in profits during the year.

Your Company currently enjoys benefits of tax holidays notified by the Government of India for the export of software services from STPI due to which your company enjoys significantly low tax liability, which may increase post, the expiry of tax holiday.

Net Profit after tax

Our Net Profit after tax for the year was Rs.17.51 crore i.e. 28.49% of revenue, against the net income of Rs.9.95 crore, 31.87% of revenue, during the previous year.

FINANCIALS

Share Capital & Equity Warrants:

The Company has only one class of shares namely equity shares. During the year the Company issued 6,29,663 fully paid up Equity shares of Rs. 10/- each against convertible warrants at a premium of Rs. 242/- on 6th November, 2007 and 1,05,337 fully paid up equity shares of Rs. 10/- each against convertible warrants at a premium of Rs. 242/- on 31st January, 2008 and 2,25,000 fully paid up equity shares of Rs. 10 each at premium of Rs. 360/- each without receiving any consideration and pursuant to allotment increasing the paid-up equity capital of the Company from 12,15,19,17 Equity shares to 13,11,19,17 shares amounting to Rs. 13,11,19,170/-. Balance of 1,50,000 equity warrants are pending for conversion for an equal number of equity shares of Rs. 10/- each at price of Rs. 252/- per shares.

AURIONPRO SOLUTIONS LIMITED

Share Premium

Share premium as at 31st March, 2008 was Rs. 79.50 crore as compared with Rs. 52.97 crore as at 31st March, 2007. The balance in the share premium increased by Rs. 26.53 crore during the year ended 31st March, 2007 on account of allotment 6,29,663 fully paid up Equity shares of Rs. 10/- each against convertible warrants at a premium of Rs. 242/- on 6th November, 2007, 1,05,337 fully paid up equity shares of Rs. 10/- each against convertible warrants at a premium of Rs. 242/- on 31st January, 2008 and on account of amalgamation.

Reserves and Surplus

Reserves and Surplus as at 31st March, 2008 increased to Rs.109.22 crore as compared with Rs.67.69 crore as at 31st March, 2007.

Subsidiaries

During the year the Company incorporated a wholly owned subsidiary namely Aurofidel Outsourcing Ltd. in India and Aurionpro Solutions (HK) Ltd. in Hong Kong and acquired a wholly owned foreign subsidiary 100% equity of company namely E2E Infotech Ltd. in United Kingdom and acquired 80% equity of company namely Integro Technologies Pte. Ltd, Singapore.

Paid-up Share Capital of the Subsidiaries as on 31st March, 2008 and the profits/losses of the Subsidiary Companies are fully reflected in consolidated accounts of the Company and Subsidiaries.

The company has incorporated two wholly owned subsidiaries namely Aurionpro I acquisition Corporation and Aurionpro II Acquisition Corporation on 20th March 2008 under the Laws of State of New Jersey for the purpose of Acquisition of Sena Systems INC, USA

General Reserve

During the year ended 31st March, 2008 there was an addition of Rs.1.50 crore due to appropriation of profit made during the year to General Reserve Account.

Secured Loans

Secured Loans as at 31st March, 2008 were Rs. 48.23 crore as against Rs. 10.23 crore as 31st March, 2007.

Loans and Advances

There was an increase in Loans & advances given from Rs.20.09 crore on 31st March, 2007 to Rs. 38.64 crore on 31st March, 2008. The Increase is primarily due to advance given to various subsidiaries as working capital.

Inventories

Unbilled revenue represents amounts recognized based on services performed in accordance with contract terms and where invoices have not been raised. Unbilled revenue increased to Rs. 3.87 crore at 31st March, 2008 as against Rs.1.99 crore as at 31st March, 2007.

Fixed Assets

The Net Fixed Assets increased by Rs. 15.31 crore from Rs. 14.23 crore as on 31st March,2007 to Rs. 29.54 crore on 31st March,2008. This significant increase is mainly due to addition in the Computers, Computer software's, Furniture and Fixtures, Office equipment.

Sundry Debtors

Our Sundry Debtors (net of provision) as on 31st March, 2008 were Rs.24.54 crore against Rs.9.34 crore on 31st March, 2007. In the opinion of management, all the Sundry Debtors are good, recoverable and necessary provision has been made for debts considered to be bad and doubtful. The level of sundry debtors is normal and is in tune with business requirements and trends.

Cash and bank balances

The cash and bank balances lying with the company as on 31st March, 2008 was Rs.20.42 crore as against Rs.30.09 crore in the previous year.

Current Liabilities and Provisions

The current Liabilities increased by Rs.4.87 crore from Rs.1.64 crore on 31st March, 2007 to Rs.6.51 crore on 31st March, 2008. Provisions Increased by Rs. 2.22 crore from Rs.2.35 crore on 31st March, 2007 to Rs. 4.57 crore on 31st March, 2008. The increased is mainly due to provision made for dividend & Dividend tax of Rs.2.29 crore and Rs. 0.39 crore respectively.

Investments

There was an increase of Rs.46.50 crore in the investments from Rs. 22.27 crore on March 31, 2007 to Rs.68.77 crore on 31st March, 2008. The increase is mainly due to investments in newly acquired wholly own subsidiaries during the year.

D. Opportunities and threats

Opportunities

Expand geographically:

We seek to selectively expand our global presence to enhance our ability to service clients.

Aurionpro has strongly established itself in the South East Asia, US and Middle East. It is now in the process of establishing its base in the UK and Europe.

A definite opportunity lies in the US and UK in the form of:

- Major Banks to improve IT Standards, to expand business portfolio to face predicted future competition
- Greater thrust on reduction of credit risks and implementation of Basel II guidelines in progress as per the Central bank Guidelines
- Work on improved functioning of banks with regard to Finance & Credit, Treasuries & Cash management thereby encouraging the banks to go for IT up-gradation and implementation of banking software with better functionalities
- Focus shift to growth Opportunities for Cash Management, Treasury and Lending business

Increase business from existing and new clients:

Our goal is to build enduring relationships with both existing and new clients. With existing clients, we aim to expand the nature and scope of our engagements by increasing the size and number of projects and extending the breadth of our service offerings. For new clients, we seek to provide value-added solutions by leveraging our in-depth industry expertise and expanding the breadth of services offered to them beyond those in the initial engagement. We also foresee tremendous growth opportunities by cross selling our augmented products and services to our existing customer base.

Emphasis on Research & Development for sustained competitive advantage:

Research and development is an integral part of a company and helps in the sustained development of a company. Any new software product design and development is always a vital factor in the survival and growth of a company and Aurionpro has always kept this factor in mind and made remarkable customizations in its product portfolio to meet the changing requirements of its clients.

The banking industry is changing at a fast pace and we must continually revise the design and range of products to fulfill the needs of our clients. This is necessary due to -

- Continuous technology change and development
- Changing preference of clients
- Competition

Apart from its conventional relationship with scientific and technological development, research and development has also a unique economic significance. Investment in the research and development by any company generally reflects its compliance to forego current operations or profit so as to improve its future products or returns that come to it by the end of the whole process. It also shows its capabilities to conduct research and development by a company and the difference it can provide to its customers when there are already so many competitors in the market.

We at Aurionpro follow a simple strategy for our research and development team. Firstly, a system is driven by analyzing the market and deeply studying the customer needs. Market research is carried out, which strongly determines what is needed in an exact way, and then the new software is developed that looks into these market requirements and target customers. The technology up-gradations are also looked for. Finally, a varied product range is developed that caters to the customers changing needs and are as efficient and effective. All the products that Aurionpro provides are technically upto date to others in the market, hence possessing a natural advantage in the market place and thus being proven successful.

Invest in infrastructure and employees:

We intend to continue to invest in physical and technological infrastructure to support our growing worldwide development and sales operations and to increase our productivity. To enhance our ability to hire and successfully deploy increasingly

greater numbers of technology professionals, we will invest in recruitment and training, and maintain a rewarding work environment. During fiscal 2008, we screened over 1300 employment applications, tested over 1028 applicants, interviewed over 828 applicants and made approximately 428 offers of employment. These statistics do not include our other subsidiaries.

Enhance products portfolio:

dealPro

dealPro is an automated web-based branch dealing system providing a single touch point for customers of banks for their foreign exchange and money market needs. Treasury staffing the bank headquarters can benefit from real time connectivity with their branches and customers and traders can avoid the time and errors associated with creating manual deal tickets.

Benefits:

- Online availability of applicable rates
- Centralized control with dealing room, which prevents errors and inconsistencies in rate confirmation
- Ease of deployment and usage across dealing rooms and branches
- Interface with core systems for balance updates, comprehensive and real-time reporting of positions and deals across entities in system

fscmPro

fscmPro is a supply chain management system that acts as a platform for the suppliers and dealers to come together and conduct the procurement process and sales efficiently. It helps in reducing the hurdles like ordering time, communication, advertising and inventory maintenance. With fscmPro, suppliers and dealers will be able to conduct business more effectively as the hassles related to administration get reduced.

Benefits:

- Enhanced certainty over the cash flow
- Integrated financial activities
- Reduction in working capital
- Reduction in operating expenses

Our strategy:

We, at Aurionpro follow a simple strategy that helps the company in sustained development. Firstly, we derive a system by analyzing the market and deeply studying the customer needs. Market research is carried out, which strongly determines what is needed in an exact way, and then new software is developed that looks into the market requirement.

The technology up-gradations are also done in for the older products. Finally, a varied product range is developed that caters to all types of the production processes and are as efficient as possible. All the products that we provide reflect our deep understanding of customers businesses and operations, thus being proven successful.

A huge product portfolio has ameliorated our markets and increased our client base, which in turn has helped the company generate sustained revenues over the years and also in the overall growth of the company.

E. Outlook, risks and concerns

This section contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors.

- Our revenues and expenses are difficult to predict and can vary significantly from period to period, which could cause our share price to decline.
- We may not be able to sustain our previous profit margins or levels of profitability
- The economic environment, pricing pressure and rising wages in India and overseas could negatively impact our revenues and operating results
- Our revenues are highly dependent on clients primarily located in the East Asia, as well as on clients concentrated in Banking and logistic industries. Economic slowdowns or factors that affect the economic health of these countries and industries may affect our business.

- Any inability to manage our growth could disrupt our business and reduce our profitability
- Intense competition in the market for technology services could affect our cost advantages, which could reduce our share of business from clients and decrease our revenues
- Our revenues are highly dependent upon a small number of clients, and the loss of any one of our major clients could significantly impact our business
- Legislation in certain of the countries, in which we operate, may restrict companies in those countries from outsourcing work overseas
- Our success depends largely upon our highly skilled technology professionals and our ability to hire, attract and retain these personnel
- Our success depends in large part upon our management team and key personnel and our ability to attract and retain them
- Our failure to complete fixed-price, fixed-time frame contracts within budget and on time may negatively affect our profitability
- Our client contracts can typically be terminated without cause and with little or no notice or penalty, which could negatively impact our revenues and profitability
- Our engagements with customers are singular in nature and do not necessarily provide for subsequent engagements
- Our client contracts are often conditioned upon our performance, which, if unsatisfactory, could result in less revenue than previously anticipated
- Some of our long-term client contracts contain benchmarking provisions which, if triggered, could result in lower future revenues and profitability under the contract
- Our business will suffer if we fail to anticipate and develop new services and enhance existing services in order to keep pace with rapid changes in technology
- Compliance with new and changing corporate governance and public disclosure requirements adds uncertainty to our compliance policies and increases our costs of compliance
- Disruptions in telecommunications, system failures, or virus attacks could harm our ability to execute our Global Delivery Model, which could result in client dissatisfaction and a reduction of our revenues
- We may be liable to our clients for damages caused by disclosure of confidential information, system failures, errors or unsatisfactory performance of services
- We are investing substantial cash assets in new facilities and physical infrastructure, and our profitability could be reduced if our business does not grow proportionately
- We may be unable to recoup our investment costs to develop our software products
- We may engage in acquisitions, strategic investments, strategic partnerships or alliances, or other ventures that may or may not be successful
- Our net income would decrease if the Government of India reduces or withdraws tax benefits and other incentives it provides to us or when our tax holidays expire or terminate
- In the event that the Government of India or the government of another country changes its tax policies in a manner that is adverse to us, our tax expense may materially increase, reducing our profitability
- Currency fluctuations may affect the results or our operations
- We operate in jurisdictions that impose transfer pricing and other tax-related regulations on us, and any failure to comply could materially and adversely affect our profitability
- Wage pressures in India may prevent us from sustaining our competitive advantage and may reduce our profit margins
- Terrorist attacks or a war could adversely affect our business, results of operations and financial condition
- The markets in which we operate are subject to the risk of earthquakes, floods and other natural disasters
- Regional conflicts in South Asia could adversely affect the Indian economy, disrupt our operations and cause our business to suffer

- Changes in the policies of the Government of India or political instability could delay the further liberalization of the Indian economy and adversely affect economic conditions in India, which could impact our business and prospects
- Our international expansion plans subject us to risks inherent in doing business internationally

F. Internal control systems and their adequacy

Adequate internal controls and checks are in place through various management committees comprising independent directors as Chairman of such committees. These committees are provided with reports of performances for review and guidance. The audit committee is also reviewing effectiveness of controls and compliance with regulatory guidelines.

The Company has dedicated internal audit team, which ensures validity and correctness of internal reporting, which would inturn validate financial reporting. The Audit Committee also periodically reviews adherence to internal control systems, internal audit reports and implementation of suggestions.

G. Material developments in human resources / industrial relations front, including number of people employed

Recruitment

We rely on stringent recruitment processes which include the systematic qualifier for the generated positions starting with aptitude test for testing Quantitative and Qualitative knowledge. We then proceed with Technical and HR panel interviews for short listed candidates.

We place a strong emphasis on recruiting from campuses all over India for our fresher roles. Candidates are recruited with consistent good academic levels of achievement. We target colleges of engineering all over the country. Every year candidates are short listed at the end of the academic year and an offer is made out to them to join after the fulfillment of their course. Recruitment is processed for middle and senior level from the Industry as per the manpower requisition raised by the functional head and validated by the sourcing team of Human Resources.

Global sourcing team is set up in the corporate itself which handles centralized recruitments for all locations. Offers are rolled out after selection of candidates. At the time of joining candidates proceed with pre and post recruitment formalities.

We received 1300 applicants during the last year, tested over 1028, interviewed over 828 applicants and offered jobs to 428. We added 290 of new employees, net of attrition.

Training & Development

Our training program provides a central focus for recommending and providing interventions that address organizations vision statement and organizational goals. In particular, it will provide training for the skills necessary to enhance and increase the efficiency and effectiveness of associates. The training program aims to enhance the performance of our organizational supervisory staff as they provide the highest level of excellence in their service to both internal and external customers. It will also help executives and managers to identify and acquire skills that will prepare them for leadership challenges in a changing technological work environment. A Learning culture is promoted which will provide opportunities for growth and development for all the associates in Aurionpro.

Leaders for tomorrow are developed by providing the culture of learning and nurturing values required for leadership. By thorough follow up, training needs are identified and delivery of same in behavioral and technical backgrounds is done.

Compensation

The compensation policies are aligned with other elements of our larger human capital strategy to produce the highest value, maximizing mission contribution and minimizing cost. We are a Performance-Driven Organization with Financial and Operational Performance Management through goal setting and review of the set goals for the individual benefits and developments aligning to the common organizational goals.

Corporate Governance Report

“There are those who will tell you that business and ethics cannot stand together. In the short run it might appear that companies pay a price for adhering to values while their competitors get ahead in a shorter time frame, but in the long run people would learn to distinguish, stakeholders learn to ask the right questions, and distinguish between the grain and chaff. Those that don’t subscribe to values will fall by the way side; those that subscribe to values will last the course and will set benchmarks.”

M. Damodaran

Ex-Chairman, Securities and Exchange Board of India

The findings of a recent survey indicate that a large majority of investors are willing to pay premium for companies with good corporate governance practices. The survey said that corporate governance practices are at least as important as other quantitative numbers such as financial numbers and growth prospects from the point of view of investment decision-making. (Source-ICRA)

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, the report containing the details of governance systems and processes at Aurionpro Solutions Limited (as on 31st March, 2008) is as under:

Company’s Philosophy on Corporate Governance

Corporate Governance is about commitment to values and ethical business conduct. It is about how an organization’s corporate resources and management strategies are directed towards maximizing value for all stakeholders.

Aurionpro continues to focus on good corporate governance, in line with local and global standards, its primary objective is to create and adhere to corporate culture of conscience, integrity, transparency and accountability for efficient and ethical conduct of business for meeting its obligations towards shareholders and other stakeholders. The Company recognizes that strong corporate governance is indispensable to resilient and vibrant capital markets and is therefore an important instrument of investor protection.

Good Corporate Governance has been a cornerstone of the entire management process, the emphasis being on professional management, with a decision making model based on decentralization, empowerment and meritocracy. Aurionpro believes that all our operations and actions must serve the underlying goal of value creation, over a sustained period of time.

In our endeavor to practice sound governance principles, we are guided by following core principles:

1. Transparency & maintaining high disclosure levels.

To maintain the highest standards of transparency in all aspects of our interactions and dealings and to ensure timely dissemination of all price sensitive information and matters of interest to our stakeholders.

2. Accountability.

To demonstrate highest level of personal responsibility and continually affirm that employees are responsible to themselves for the pursuit of excellence.

3. Compliances

To comply with the laws in all the Countries in which the Company operates.

4. Ethical conduct

To conduct the affairs of the company in an ethical manner.

5. Stakeholders’ interests

To promote the interests of all stakeholders including of customers, shareholders, employees, lenders, vendors, governments and the community.

A Code of Business Conduct & Ethics has been adopted for Directors and the Senior Management and posted on the website of the Company (www.aurionpro.com). All Board members and senior management have affirmed compliance with the code for the period ended 31st March 2008.

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

2. Board of Directors

The Company’s Board of Directors consists of a judicious mix of Executive, Non Executive as well as Independent Directors. The Directors possess rich experience in varied fields ranging from Information Technology (IT), banking, administration, legal and finance. The experience and wisdom of the Directors, who are stalwarts in their respective fields, have proved to be invaluable to the Company.

AURIONPRO SOLUTIONS LIMITED

Attendance of Directors at Board Meeting, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships/Memberships of Committees of each Director in various Companies:

Sl. No.	Name of the director	Whether Promoter/ Executive/ Independent	No. of Board Meetings held during the year		Attendance at the last AGM	Number of Directorships in other public companies	Member/ Chairman of Committees other than those of the Company
			Held	Atten.			
1.	Mr. Sanjay Desai, <i>Executive Chairman</i>	P. & E. D.	12	12	Yes	1	-
2.	Mr. Amit Sheth, <i>Managing Director</i>	P. & E. D.	12	12	Yes	2	2/1
3.	Mr. Bhavesh R. Talsania, <i>Whole Time Director</i>	P. & E. D.	12	3	No	-	-
4.	Mr. Paresh C. Zaveri, <i>Director</i>	P & N.E.D.	12	3	No	-	-
5.	Dr. Nikunj Kapadia, <i>Director</i>	I. D.	9	1	No	-	-
6.	Mr. Prem G. Rajani, <i>Director</i>	I.D.	12	10	No	5	-
7.	Dr. Mahendra F. Mehta, <i>Director</i>	I. D.	12	7	Yes	1	-
8.	Mr. Sandeep R. Daga, <i>Director</i>	I. D.	12	9	Yes	2	-
9.	Mr. Mitesh R. Majithia, <i>Director</i>	I.D	12	-	No	-	-
10	Mr. Milan Sangani, <i>[Alternate Director to Dr. Nikunj Kapadia (up to 17.08.2007)]</i>	I.D.	3	1	N.A.		

Notes: -

1. P. & E.D.: Promoter Executive Director, P & N.E.D.: Promoter Non Executive Director and I.D.: Independent Director.
2. The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 25 Companies and Private Limited Companies.

Board Meetings

The Board plays a pivotal role in ensuring good corporate governance. It directs and guides the activities of the management towards set goals. Board members express their opinions and bring up matters for discussion at Board meetings. Comprehensive notes providing information on related subjects are circulated with agenda papers. Detailed presentations are made to the Board on important matters, such as financial results, new projects, merger, acquisition, expansion, etc. Minutes of the meetings of the Board are circulated to all Directors and confirmed at the subsequent Board meeting. Copies of the minutes of the Committees of Directors are circulated at Board meetings.

Details of Board Meetings

Board meetings were held at least once in every quarter and the time gap between two meetings was not more than four months. During the year, twelve Board meetings were held on 25th April, 2007, 29th May, 2007, 20th July, 2007, 17th August, 2007, 31st August, 2007, 29th October, 2007, 6th November, 2007, 30th November, 2007, 31st January, 2008, 19th February, 2008, 29th February, 2008 and 3rd March, 2008.

Remuneration paid to Executive Directors during the year ended 31st March 2008

Particulars of Remuneration (Fixed Component)	Mr. Sanjay Desai <i>Chairman Executive</i>	Mr. Amit Sheth <i>Managing Director</i>	Mr. Bhavesh R. Talsania <i>Whole Time Director</i>
Salary	8,87,400	19,70,400	17,85,600
Commission	--	--	--
Other Allowances	15,000	15,000	15,000
Provident Fund	9,360	9,360	9,360
Total	9,11,760	19,94,760	18,09,960

Note: -

Mr. Sanjay Desai, Executive Chairman and Mr. Amit Sheth, Managing Director is in Whole time employment of the Company and their employment is contractual in nature. Mr. Sanjay Desai and Mr. Amit Sheth hold office up to 31st March, 2010.

Brief Profiles, other Directorships and Committee Memberships etc. of Directors: -
Mr. Sanjay Desai – Executive Chairman

Mr. Sanjay Desai, 45, a Chartered Accountant and an alumnus of IIM, Bangalore brings with him 20 years of varied and rich experience across banking business development, product management, operations, quality assurance and systems. During his vast international as well as domestic experience in leadership positions, Mr. Desai has transformed not only the organizations and departments he has headed but also deeply impacted the industry sector he has been associated with. He is a true visionary who could see the key role, IT would have on global banking and insurance and could therefore leverage his organizations to best utilize this opportunity.

He gained global banking and technology insights through his stints with the Citigroup and brings in specific experience of the Middle East market.

Prior to joining Aurionpro as Promoter Director, Mr. Desai was Director-Incubation Business in BFL Mphasis. He has been with our Company since 2003.

Mr. Desai holds 8,00,085 equity shares of Rs. 10/- each in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Aurofidel Outsourcing Limited, <i>Director</i>	None
02	Kairo Leaf Analytics Private Limited, <i>Director</i>	None
03	Auroscient Outsourcing Private Limited, <i>Director</i>	None

Mr. Amit Sheth –Managing Director

Mr. Amit Sheth, 41, a Mechanical Engineer and Management graduate, has over 15 years of experience in corporate finance, equities and technology. Mr. Sheth, a natural entrepreneur, co-founded Aurionpro in 1997. His innovative thinking and calculated risk taking ability have been vital to the rapid growth at Aurionpro.

At Aurionpro, Mr. Sheth continues to be the key driver of growth strategies for banking and financial services sector world-wide. In addition to general management and strategic planning, Mr. Sheth is also responsible to form strategic partnerships and alliances, including M&A's.

He has a deep understanding of banking process and operations, and has a strong network of relationships in the banking sector in Asia.

His strength lies in the unique combination of skills - in dealing with people as well as numbers.

He is the members of the Audit Committee and the Remuneration/Compensation Committee of the Company.

AURIONPRO SOLUTIONS LIMITED

Mr. Sheth holds 8,56,704 equity shares of Rs. 10/- each in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Mega Fin (India) Limited, <i>Independent Director</i>	Chairman of Shareholders/ investors Grievance Committee and Member of Audit Committee
02	Aurofidel Outsourcing Limited, <i>Director</i>	None
03	Auroscient Outsourcing Private Limited, <i>Director</i>	None
04	Aurionpro Solutions SPC, Bahrain, <i>Director</i>	None
05	Coban Corporation, USA, <i>Director</i>	None
06	SPS Corporation, USA, <i>Director</i>	None
07	E2E Infotech Limited, U.K., <i>Director</i>	None
08	Aurionpro Solutions (Hong Kong) Limited, Hong Kong, <i>Director</i>	None
09	Aurionpro Solutions Pte. Limited, Singapore, <i>Director</i>	None
10	Aurionpro I Acquisition Corporation Ltd, <i>Director</i>	None
11	Aurionpro II Acquisition Corporation Ltd, <i>Director</i>	None

Mr. Bhavesh R. Talsania - Whole Time Director

Mr. Bhavesh Talsania, 42 yrs, a Chartered Accountant brings over 20 years of experience in managing software delivery and data processing operations. He is a co-founder of our company. At Aurionpro, he heads IT Services SBU and oversees its growth management.

Over the years he has been instrumental in building best of class delivery processes in the Company. He has successfully led the Company's transition from a generic services provider to a domain focused products and solutions company by building a team of highly experienced bankers and technology specialists. Through his management acumen and experience, he further continues to chart out and execute organizational initiatives in people function and team building. He also holds a bachelors degree in law.

Prior to Aurionpro, Mr. Talsania worked for Consolidated Shares and Services, a data processing company acting as registrar to public offering.

He is a member of the Shareholders' / Investors' Grievance and Share Transfer Committee.

Mr. Talsania holds 6,03,200 equity shares of Rs. 10/- each in the Company.

He is a director in Aurionpro Solutions Inc, USA.

Mr. Paresh Zaveri - Executive Director

Mr. Paresh Zaveri, 41, an Engineer and Management graduate, has over 15 years of experience in the areas of corporate finance, supply chain and general management.

He is a co-founder of our company and has been and continues to remain the strategic architect of overall growth of company's business world-wide.

He has contributed significantly in building the company's services business in the logistics and supply chain domain in the far Eastern Markets. He has also been instrumental in setting up financial control and planning systems in the Company. He is based in Singapore.

Mr. Zaveri holds 13,76,240 equity shares of Rs.10/- each in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Aurionpro Solutions Pte Limited, Singapore, <i>Director</i>	None
02	MM Global Service Pte Limited, Singapore, <i>Director</i>	None
03	Pooja International Pte Limited, Singapore, <i>Director</i>	None
04	Thames Partners Pte Limited, Singapore, <i>Director</i>	None
05	Ayana - Logic Pte Limited, Singapore, <i>Director</i>	None
06	Aurionpro Services Pte Limited, Singapore, <i>Director</i>	None
07	SPS Corporation, USA, <i>Director</i>	None
08	E2E Infotech Limited, U.K., <i>Director</i>	None
09	Aurionpro Solutions (Hong Kong) Limited, <i>Director</i>	None
10	Cyberlog Technologies International Pte Limited, Singapore, <i>Director</i>	None
11	Aurionpro I Acquisition Corporation Ltd, <i>Director</i>	None
12	Aurionpro II Acquisition Corporation Ltd, <i>Director</i>	None

Dr. Nikunj Kapadia - Independent Director

Dr. Nikunj Kapadia, 46, is an Associate Professor of Finance at the Isenberg School of Management, University of Massachusetts, Amherst. He holds a Ph. D. in Finance from the Stern School of Business, New York University, and a MBA from the Indian Institute of Management, Bangalore. As visiting faculty, he has taught at New York University, University of Maryland, China-Europe International Business School, and the Indian School of Business.

He has published articles in the Journal of Finance, Review of Financial Studies, Journal of Derivatives, and the Journal of Alternative Investments. He has served on the editorial board of the Financial Analyst Journal.

Dr. Kapadia is the recipient of the Isenberg School Teaching Award for 2007-08, Isenberg School Research Award for 2006-07, Western Finance Association's Caesarea Best Paper in Risk Management award for 2005, and a 2004 Fellow of the Federal Deposit Insurance Corporation.

Prior to joining the University of Massachusetts, he was with Bear Stearns, New York.

He is a member of the Audit Committee, the Shareholders' / Investors' Grievance Committee and Share Transfer Committee and the Remuneration/Compensation Committee of the Company.

Dr. Kapadia holds 6,000 equity shares of Rs.10/- each in the Company.

Mr. Prem Rajani - Independent Director

Mr. Prem Rajani, 41, L.L.B and Solicitor, has over 18 years of work experience in the legal field and is a Founder Partner of Rajani Associates. He has passed the Solicitors examination of both, the Bombay Incorporated Law Society and the Law Society, London.

AURIONPRO SOLUTIONS LIMITED

From the inception of his career, he has excelled in all the roles that he performed, be it as a legal trainee at Jamshedji Rustomji Devidas Jani & Merchant, Solicitors or at Dhru & Company, Solicitors as a Solicitor Assistant. He then had the privilege of working with Crawford Bayley & Co., Solicitors, for 7 years where he was elevated to the post of Senior Associate.

Mr. Rajani is the founder and partner of Rajani Associates, which is a law firm specializing in rendering legal services in various branches of law, including Companies Act, SEBI Act, Securities Contract Regulation Act, Exchange Control Regulations (FERA, replaced by FEMA), IDRA, Investment Policy, Anti Trust Regulations (MRTP), etc.

He is a member of the Audit Committee, the Shareholders' / Investor Grievance and Share Transfer Committee and the Remuneration/Compensation Committee of the Company.

Mr. Rajani does not hold any equity share in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Neemtek Organic Products Limited, <i>Independent Director</i>	None
02	Networth Stock Broking Limited, <i>Independent Director</i>	None
03	BPL Mobile Communications Limited, <i>Director</i>	None
04	India Land & Properties Limited, <i>Director</i>	None
05	Arc-tec Systems Limited, <i>Director</i>	None
06	Prima Vetcare Private Limited, <i>Director</i>	None
07	Holm KK Extrusions Private Limited, <i>Director</i>	None
08	Focus Point Consulting Services Private Limited, <i>Director</i>	None
09	JYD Management Services Private Limited, <i>Director</i>	None
10	Dawnay Day AV Trustee Company Private Limited, <i>Director</i>	None
11	Americorp Aviation Private Limited, <i>Director</i>	None
12	Santa Securities Private Limited, <i>Director</i>	None

Dr. Mahendra F. Mehta - Independent Director

Dr. Mahendra F. Mehta, 59, has been associated with consulting & executive education since February, 2002, focusing primarily on Analytics, Mathematical finance, Treasury Management, Financial Risk Management, Derivatives, Portfolio Management that includes Market, Credit and Operational Risk Management including development, implementation of policies, processes and procedures in the business. He has excelled in consulting and executive education in these areas, around the world, including at Citibank. He conducts regular short term courses in more than 22 countries spanning the continents of Europe, Asia and Africa - including Dubai, United Kingdom, Turkey, Egypt, South Africa, Saudi Arabia, Poland, Hungary, Spain, Bahrain & Qatar. In his earlier tenure at Citibank, NA, Mumbai (India), Dr. Mehta was Head of Analytics and was involved in the development of machine based learning & trading strategies, portfolio optimization techniques in Foreign Exchange, interest rate and European & American equity markets. He has also been associated with Saudi American Bank in Riyadh for a few years where he transformed the Derivatives Business as its Head. He was much appreciated by students during his stint as a visiting faculty at Swiss Federal Institute of Technology, Zurich, Switzerland.

Dr. Mehta has Ph D in Electrical Engineering from Indian Institute of Technology, Mumbai, India.

He is the Chairman of the Audit Committee and the Shareholders' / Investors' Grievances and Share Transfer Committee.

Dr. Mehta, holds 2,77,838 equity shares of Rs.10/- each in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Neural Technologies and Software Private Limited, <i>Director</i>	None
02	Neural Risk Consulting Private Limited, <i>Director</i>	None
03	Nine Rivers Capital Holdings Private Limited, <i>Director</i>	None
04	Ele Jewels Exports Limited, <i>Director</i>	None

Mr. Sandeep Daga - Independent Director

Mr. Sandeep Daga, 40, is a B.E. (Electronics) and M.M.S. (Finance) by qualification. He has over 16 years of work experience in the areas of private equity and corporate finance. He is currently the co-founder and Director of Nine Rivers Capital Holdings Private Limited ("NRC"), a SMEs focused private equity firm that acts as an investment manager / investment advisor to local and global investors. Formerly he has worked as a Director with Frontline Venture Services Private Limited & Head - Investments with ICICI Econet Ltd (now a part of ICICI Ventures).

He is the Chairman of the Remuneration/Compensation Committee.

Mr. Daga holds 2,03,159 equity shares of Rs.10/- each in the Company.

Sl. No.	List of other Directorships	Chairman/Member of the Committees of the Board of the Companies in which he is a Director
01	Alfa Transformers Limited, <i>Independent Director</i>	None
02	Park Controls & Communications Limited, <i>Director</i>	None
03	Phoenix Surgicare Private Limited, <i>Director</i>	None
04	Nine Rivers Capital Holdings Private Limited, <i>Director</i>	None
05	KPIN Capital Advisors Private Limited, <i>Director</i>	None
06	KPIN Real Estate Ventures Private Limited, <i>Director</i>	None
07	Professional Hostel Pune Private Limited, <i>Director</i>	None

Mr. Mitesh R. Majithia - Non Executive, Non Independent Director

Mr. Mitesh R. Majithia, 36, a B.E. in Mechanical Engineering from R.V.C.E., Bangalore, has over 10 years of IT experience and has worked in the Software industry and has excelled in roles at each level right from developer, technical leader to sales engineer, Vice President and CEO of a software consulting firm.

Mr. Majithia is currently pursuing Owner's/President Management course from Harvard University.

3. Audit Committee:

The Audit Committee comprises of Dr. Mahendra F. Mehta, (Chairman), Dr. Nikunj Kapadia, Mr. Milan Sangani, [Alternate Director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)], Mr. Prem Rajani (w.e.f. 22.10.2007), independent

AURIONPRO SOLUTIONS LIMITED

directors and Mr. Amit Sheth, Managing Director. Ms. Kinjal Shah, Company Secretary is the Secretary of the Committee w.e.f. 1st August, 2008. Ms. Angana Arora was its Secretary till 30th June, 2008. Chief of the finance function, representatives of accounts, Statutory Auditors and Internal Auditors are invited at its meetings. The Audit Committee acts as a link between the Statutory and Internal auditors and the Board. It addresses matters pertaining to adequacy of internal controls, reliability of financial statements/management information, adequacy of provisions for liabilities, whether audit tests and checks are appropriate and scientifically carried out and that they were aligned with the business needs and realities, adequacy of disclosures and compliance with all relevant statutes and other facets vital to the Company's operations. The Committee performs the functions enumerated in Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. The matters deliberated upon by the Committee include: -

- 1) Overseeing and reviewing the Company's financial reporting process.
- 2) Fixation of audit fees and approval of various payments to statutory auditors for other services rendered by them.
- 3) Reviewing with the management and auditors, the periodical and annual financial statements before submission to the Board for approval, with particular reference to:
 - a) Confirmation of matters enumerated in the Director's Responsibility Statement pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956.
 - b) Changes in accounting policies and practices and reason for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments in the financial statements, arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of related party transactions.
 - g) Qualifications in the draft audit report, if any.
- 4) Reviewing with the management, performance of statutory and internal auditors.
- 5) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, coverage and frequency of internal audit.
- 6) Discussing with internal auditors, significant findings and follow up thereon.
- 7) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as pos-audit discussion to ascertain areas of concern.
- 8) Reviewing the statement of utilization of proceeds of Initial Public Offer (IPO)
- 9) Assess whether there were any defaults in the payment to the depositors, debenture holders, members (in case of non payment of declared dividend) and creditors.
- 10) Reviewing of functioning of Whistle Blower Mechanism

The Committee also reviews other matters as required by the Listing Agreement and other laws, rules and regulations.

Details of Audit Committee Meetings

During the year, five meetings of the Audit Committee were held on 6th April, 2007, 20th July, 2007, 17th August, 2007, 29th October, 2007, 29th January, 2008 and the attendance was as follows: -

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
1.	Dr. Mahendra F. Mehta	5	5
2.	Mr. Amit Sheth	5	5
3.	Dr. Nikunj Kapadia	3	1
4.	Mr. Milan Sangani <i>[Alternate director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)]</i>	2	2
5.	Mr. Prem Rajani <i>(w.e.f. 22.10.2007)</i>	2	2

4. Shareholders'/Investors' Grievance and Share Transfer Committee:

The Shareholders'/Investors' Grievance and Share Transfer Committee comprises of Dr. Mahendra F. Mehta (Chairman), Dr. Nikunj Kapadia, Mr. Milan Sangani [Alternate Director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)] and Mr.

Prem Rajani (w.e.f. 30.11.2007), independent directors and Mr. Bhavesh Talsania, Whole Time Director. Ms. Kinjal Shah, Company Secretary is the Compliance Officer w.e.f. 1st August, 2008. Ms. Angana Arora was the Compliance Officer till 30th June, 2008.

The Committee reviews matters including the transfer / transmission, splitting of shares, mailing of annual reports, payment of dividend, communication with members, transfer of unclaimed amounts to Investor Education and Protection Fund, dematerialization / rematerialization of shares and other depository related activities, regulatory compliances etc.

During the year, no complaints / grievances were received from the members of the Company.

No request for dematerialization/rematerialization remained unattended for more than two weeks, during the year.

Details of the Shareholders'/Investors' Grievance and Share Transfer Committee Meetings

During the year, six meetings of the Shareholders'/Investors' Grievance and Share Transfer Committee were held on 25th May, 2007, 30th November, 2007, 3rd December, 2007, 12th January, 2008, 29th January, 2008 and 30th January, 2008 and the attendance was as follows: -

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
1.	Dr. Mahendra F. Mehta	6	6
2.	Mr. Bhavesh Talsania	6	1
3.	Dr. Nikunj Kapadia	5	-
4.	Mr. Prem Rajani (w.e.f. 30.11.2007)	5	5
5.	Mr. Milan Sangani [Alternate director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)]	1	-

5. Remuneration/ Compensation Committee:

The Remuneration Committee comprises of Mr. Sandeep Daga (Chairman), Mr. Prem Rajani, Dr. Nikunj Kapadia, Mr. Milan Sangani [Alternate Director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)], independent directors and Mr. Amit Sheth, Managing Director. The Committee performs, inter alia, the functions specified in Clause 49 of the Listing Agreement and Schedule XIII of the Companies Act, 1956. The Company's remuneration policy is in line with the general trend in information technology sector. Factors such as the key position, experience and expertise, leadership qualities, responsibilities shouldered by the individual, as also the volume of the Company's business and profits earned by it are taken into consideration while fixing remuneration packages of Executive Directors.

The terms of reference of the Committee also includes formulation of Employees Stock Option Scheme and considering grant of stock options to the employees of the Company and its subsidiaries under the Employees Stock Option Scheme(s) approved by the members at the 9th Annual General Meeting held on 18th October, 2006. The Company has reserved the issue of 5,40,474 equity shares approved under ESOP Scheme - 2006 and no ESOP has been granted till date.

Details of the Remuneration Committee Meetings

During the year, one meeting of the Remuneration Committee was held on 17th August, 2007 and the attendance was as follow:-

Sl. No.	Name of the director	No. of Meetings	
		Held	Attended
1.	Mr. Sandeep Daga	1	1
2.	Mr. Prem Rajani	1	1
3.	Dr. Nikunj Kapadia	1	1
4.	Mr. Milan Sangani [Alternate director and alternate member to Dr. Nikunj Kapadia (up to 17.08.2007)]	-	-
5.	Mr. Amit Sheth	1	1

AURIONPRO SOLUTIONS LIMITED

6. General Body Meetings:

Details of the last three Annual General Meetings are given below: -

Year	Day, Date and Time	Location	No. of Special Resolutions passed
2004-05	Saturday, 28 th May, 2005 at 2.00 p.m.	Registered Office of the Company at 1-D, Dhiraj Pen Compound, 58/59 Andheri - Kurla Road, Andheri (East), Mumbai - 400 059	NIL
2005-06	Wednesday, 18 th October, 2006 at 10.30 a.m.	AIPMA House, A-52, Street No.1, M.I.D.C., Marol, Andheri (East), Mumbai - 400 093	Five
2006-07	Friday, 28 th September, 2007 at 11.00 a.m.	Hotel Suncity Residency, 16 th Road, MIDC, Marol, Andheri (East), Mumbai - 400 093	Two

No business was required to be transacted through postal ballot at the above meetings. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

8. Disclosure:

- (i) There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, their Subsidiaries or relatives, conflicting with the Company's interest. Suitable disclosures as required by the Accounting Standard (AS18) have been made in the Annual Report.
- (ii) There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company, which have potential conflict with the interests of the Company.
- (iii) The Company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to capital markets during the last three years and they have not imposed any penalties on, or passed strictures against the Company.
- (iv) The Company does not have any material unlisted subsidiary and hence is not required to have an Independent Director of the Company on the Board of such subsidiary. The minutes of the subsidiary companies are periodically placed before and reviewed by the Board of Directors of the Company.
- (v) A mechanism is in place to inform the Board about the Risk Assessment and Minimization procedures and periodical reviews to ensure that the Executive Management controls risks.
- (vi) Pursuant to the provisions of sub-clause V of the revised Clause 49 of the Listing Agreement, the Managing Director has issued a certificate to the Board, for the year ended 31st March 2008.
- (vii) The Company has placed before the Audit Committee and the Board of Directors particulars of utilization of proceeds received from IPO pursuant to Clause 49(IV)(D), 43 & 43A of the Listing Agreement and the details of the same were published in newspapers along with financial results of the Company.
- (viii) The Company has adopted the Whistle Blower policy pursuant to which employees can raise their concerns relating to fraud, malpractice or any other activity or event which is against the Company's interest. No employees have been denied access to the Audit Committee in this regard.

As regards the other non-mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

9. Means of Communication:

Quarterly, half-yearly and annual financial results of the Company are communicated to the stock exchanges immediately after the Board takes them on record and thereafter published in prominent English (Business Standard) and Marathi (Sakal/ Nav Shakti) newspapers. The results are also posted on the Company's website namely, www.aurionpro.com

10. Explanation on Auditors Comments in Corporate Governance Certificate issued by them:

Due to absence of quorum, limited review report for the quarter ended 31st March, 2008, was not taken on record by the Board. Subsequently, in the month of June, 2008, a meeting of the Board of Directors was held but inadvertently, the limited review report was not taken on record. When the mistake was realized, a Meeting of the Board of Directors was held on 28th July, 2008 and the said lapse was corrected.

11. General Information:

- ❖ **Company Registration Details:** The Company is registered in the State of Maharashtra. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L99999MH1997PLC111637.

❖ **Annual General Meeting:** The 11th Annual General Meeting will be held at 3.00 p.m. on Tuesday, 30th September 2008, at Hotel Suncity Residency, 16th Road, MIDC, Marol, Andheri (East), Mumbai – 400 093.

❖ **Financial Calendar:**

First quarter results	:	July, 2008
Second quarter results	:	October, 2008
Third quarter results	:	January, 2009
Fourth quarter results	:	April, 2009
Annual General Meeting	:	September, 2009

❖ **Book Closure:** The Register of Members and the Share Transfer Register will remain closed from Wednesday, 24th September 2008 to Tuesday, 30th September 2008, both days inclusive.

Dividend for the year ended 31st March 2008, if declared at the Annual General Meeting, shall be paid to:

- beneficial owners at the end of business day on Tuesday, 23rd September 2008 as per lists furnished by NSDL and CDSL in respect of shares held in electronic form; and
- persons whose names would appear on the Register of Members as at the end of the business day on Tuesday, 23rd September 2008 in respect of shares held in physical form.

❖ **Dividend Payment Date:** Dividend, if declared, shall be paid within the prescribed time limit. Dividend shall be remitted through Electronic Clearing Service (ECS) at approved locations, wherever ECS details are available with the Company, and in other cases, through warrants payable at par.

❖ **Shares Listed At:**

The equity shares of the Company are listed at:

Bombay Stock Exchange Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street,
Mumbai Samachar Marg,
Mumbai - 400 001.

National Stock Exchange of India Ltd. (NSE)
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051.

❖ **Stock Code:**

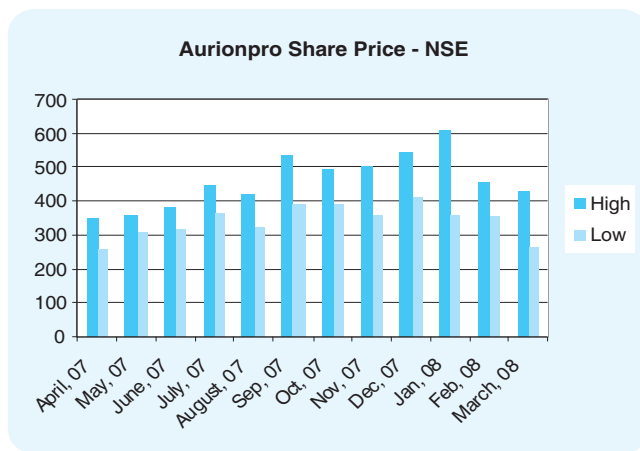
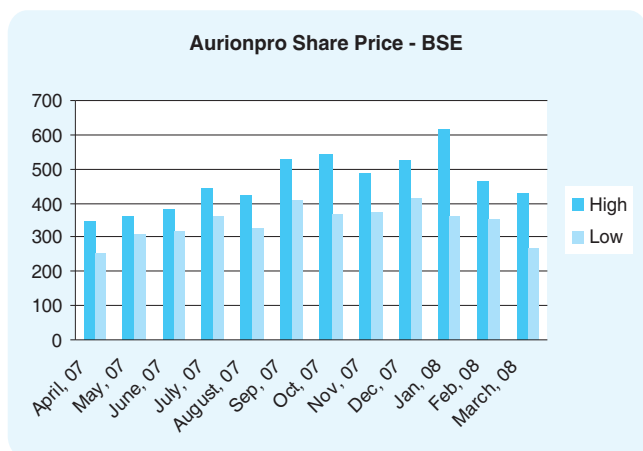
Bombay Stock Exchange Limited (BSE)	532668
National Stock Exchange of India Limited (NSE)	AURIONPRO
Demat ISIN Number in NSDL & CDSL for Equity Shares	INE132H01018

❖ **Market Price Data**

Month	BSE				NSE			
	(Rs.) High	Date	(Rs.) Low	Date	(Rs.) High	Date	(Rs.) Low	Date
April- 2007	349.95	23.04.07	250.00	03.04.07	349.90	23.04.07	257.50	02.04.07
May- 2007	363.90	29.05.07	306.05	08.05.07	360.00	29.05.07	307.15	15.05.07
June- 2007	382.95	20.06.07	318.05	04.06.07	377.95	20.06.07	319.10	04.06.07
July- 2007	443.50	11.07.07	363.15	03.07.07	445.15	11.07.07	365.00	03.07.07
Aug- 2007	422.00	31.08.07	325.40	22.08.07	422.00	31.08.07	325.00	22.08.07
Sep- 2007	529.00	24.09.07	410.00	03.09.07	537.00	24.09.07	390.00	03.09.07
Oct- 2007	545.20	11.10.07	370.00	17.10.07	492.75	18.10.07	391.25	22.10.07
Nov- 2007	490.00	28.11.07	371.00	02.11.07	500.00	01.11.07	360.00	08.11.07
Dec- 2007	525.00	27.12.07	412.05	03.12.07	544.85	26.12.07	410.10	03.12.07
Jan- 2008	614.75	04.01.08	365.00	22.01.08	609.90	04.01.08	360.00	22.01.08
Feb- 2008	462.90	04.02.08	355.00	12.02.08	458.00	21.02.08	355.00	12.02.08
March-2008	428.00	03.03.08	265.00	24.03.08	430.00	03.03.08	266.00	25.03.08

(Source: BSE & NSE websites)

AURIONPRO SOLUTIONS LIMITED



❖ Trading Volumes

The traded volumes of shares at BSE and NSE are:

Month	BSE (Shares)	NSE (Shares)	Total (Shares)
April- 2007	563275	236254	799529
May- 2007	300154	204585	504739
June- 2007	218387	139941	358328
July- 2007	186984	135657	322641
Aug- 2007	188129	161236	349365
Sep- 2007	550208	250006	800214
Oct- 2007	375717	128111	503828
Nov- 2007	321286	261827	583113
Dec- 2007	234154	131189	365343
Jan- 2008	285626	126631	412257
Feb- 2008	117352	68377	185729
March-2008	229183	76106	305289
TOTAL	3570455	1919920	5490375

(Source: BSE & NSE websites)

❖ Share Price Performance in comparison to broad-based indicators - BSE Sensex and NSE Nifty (Month-end closing)

Aurionpro share price compared with BSE Sensex and NSE Nifty (Month-end closing)

Month	BSE		NSE	
	Share Price	Sensex	Share Price	NSE Nifty
April- 2007	319.20	13,872.37	318.05	4087.90
May- 2007	329.10	14,544.46	329.70	4295.80
June- 2007	373.55	14,650.51	374.55	4318.30
July- 2007	398.75	15,550.99	396.45	4528.85
Aug- 2007	418.35	15,318.60	411.40	4464.00
Sep- 2007	467.05	17,291.10	470.25	5021.35
Oct- 2007	432.65	19,837.99	435.20	5900.65
Nov- 2007	410.00	19,363.19	415.00	5762.75
Dec- 2007	501.60	20,286.99	503.00	6138.60
Jan- 2008	431.90	17,648.71	425.00	5137.45
Feb- 2008	412.85	17,578.72	409.85	5223.50
March-2008	301.00	15,644.44	330.00	4734.50

(Source: BSE & NSE websites)

❖ **Registrar and Transfer Agent**
Bigshare Services Private Limited,

E/2, Ansa Industrial Estate,
 Sakivihar Road, Sakinaka,
 Andheri – 400 072
 Tel: +91-22-28470652, 40430200
 Fax: +91-22-2847 5207
 e-mail: ipo@bigshareonline.com
 Website: www.bigshareonline.com

❖ **Share Transfer System:**

The Shareholders' / Investors' Grievance and Share Transfer Committee approve transfer of shares. During the year the Committee had received three transfer requests for 4,70,926 equity shares.

Valid share transfer documents are processed and duly endorsed share certificate are dispatched to the respective transferees, within prescribed time. In terms of Clause 47(c) of the Listing Agreement, a practicing Company Secretary audits share transfer process, every six months, and issue a certificate, which is submitted to the stock exchanges.

❖ **Allotment of Equity Shares:**

i) The members of the Company at the Extra Ordinary General Meeting held on 7th March, 2007 and the Board of Directors at their meeting held on 22nd March, 2007, had approved allotment of 8,85,000 convertible warrants into equity shares of face value of Rs.10/- each at a price of Rs.252/- for a cash at a premium of Rs.242/- per equity share. During the year, the Company had issued and allotted 7,35,000 equity shares against the said 8,85,000 convertible warrants. Following are the details:

a. The Board of Directors of the Company at their meeting held on 6th November, 2007 had allotted 6,29,663 equity shares

b. The Board of Directors of the Company at their meeting held on 31st January, 2008 had allotted 1,05,337 equity shares

As on 31st March 2008, 1,50,000 convertible warrants are outstanding for conversation.

ii) The Board of Directors of the Company at their meeting held on 19th February, 2008, preferentially allotted 2,25,000 equity shares of face value of Rs. 10/- each at a price of Rs.370/- for a premium other than cash consideration of Rs.360/- per equity share to the 49% stakeholders of E2E Infotech Limited, UK for its acquisition.

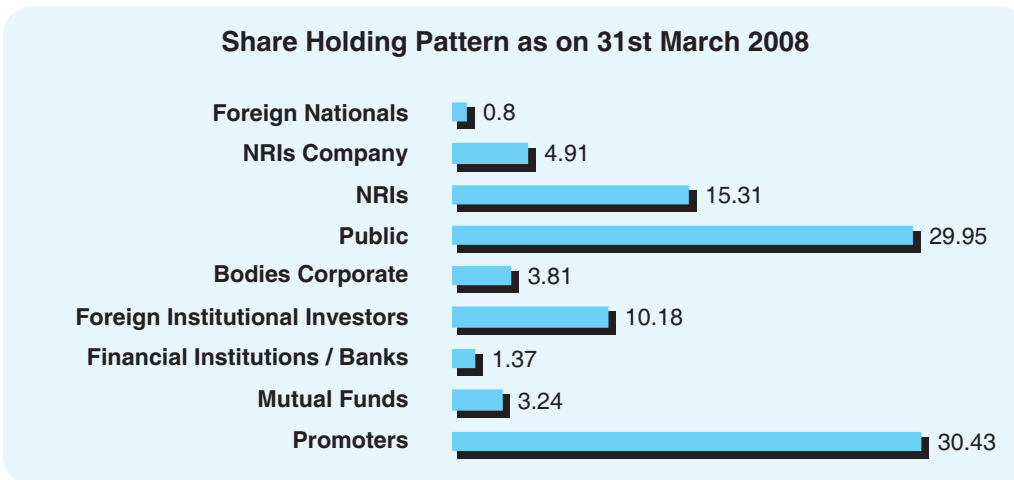
❖ **Shareholding Profile as on 31st March 2008:**

i) Distribution of Shareholding:

Range	Holders	% of Total Holders	Total Capital in Rupees	% of Total Capital
1 - 5000	2,404	83.85	24,61,600	1.88
5000 - 10000	126	4.39	10,35,270	0.79
10001 - 20000	96	3.34	15,15,760	1.15
20001 - 30000	39	1.36	9,93,710	0.76
30001 - 40000	26	0.91	9,30,930	0.71
40001 - 50000	28	0.98	13,38,010	1.02
50001 - 100000	26	0.91	20,45,530	1.56
100001 - above	122	4.26	12,07,98,360	92.13
TOTAL	2,867	100	13,11,19,170	100

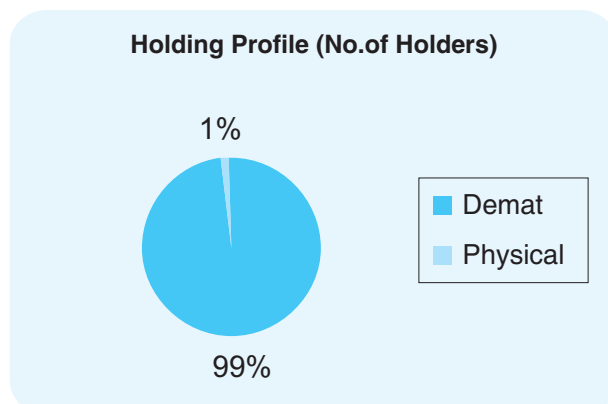
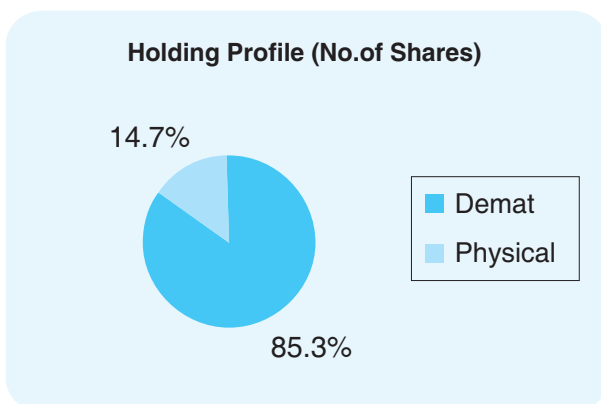
ii) Shareholding Pattern

Category of members	% of shares held
Promoters	30.43
Mutual Funds	3.24
Financial Institutions / Banks	1.37
Foreign Institutional Investors	10.18
Bodies Corporate	3.81
Public	29.95
NRIs	15.31
NRIs Company	4.91
Foreign Nationals	0.80
Total	100.00



iii) Holding Profile

Mode	Demat	(%)	Physical	(%)	Total
Shares	11184012	85.30	1927905	14.70	13111917
Members	2827	98.60	40	1.40	2867



❖ **Dividend Profile**

Financial Year	Dividend Declared	Date of declaration	Dividend Payment Date
2006-07	15%	28.09.2007	27.10.2007
2005-06	10%	18.10.2006	17.11.2006

❖ **Dematerialization of Shares and Liquidity**

The Company's shares are traded compulsorily in dematerialized form and are available for trading with both the depositories, namely, National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited.

During the year, the Company has confirmed electronically 16 demat requests and 2 remat requests in respect of 9,29,633 equity shares and 2,91,497 equity shares, respectively.

❖ **Secretarial Audit Report**

In accordance with SEBI guidelines, quarterly Secretarial Audit is undertaken by a Practicing Company Secretary for reconciling the total admitted capital with the records of the depositories, viz. National Securities Depositories Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Secretarial Audit Report inter alia, certifying that the shares in demat mode and in physical form tally with the issued/paid up capital, the Register of Members is duly updated, etc; is submitted to BSE and NSE on a quarterly basis.

❖ **Code of Conduct for prevention of Insider Trading**

The Code of Conduct pursuant to the provisions of the SEBI (Prohibition of Insider Trading) Regulations 1992 has been put in place and followed in spirit. Initial / continual disclosures, trading window closures and other requirements envisaged under the Code are being complied with.

❖ **Status of Unclaimed Dividend**

Year of Dividend	Date of Declaration of Dividend	Date of transfer to unpaid/unclaimed Dividend Account	Due Date for transfer to Investor Education & Protection Fund	Amount unclaimed as on 31 st March, 2008
2006-07	28-09-2007	04-11-2007	03-11-2014	18,105/-

❖ **Plant Locations**

In view of the nature of the Company's business viz. Information Technology Services, the Company operates from various offices in India and abroad and does not have any manufacturing plant.

❖ **Contact Persons for Enquires**

Ms. Kinjal Shah

Email: investor@aurionpro.com

❖ **Address for Correspondence**

Aurionpro Solutions Limited

Registered Office: 404, 4th Floor,
Winchester, High Street,
Hiranandani Business Park,
Powai, Mumbai - 400 076.
Tel: +91 22 6770 7700/7701
Fax: +91 22 6770 7722

❖ **Exclusive email id for investor grievance**

Pursuant to Clause 47(f) of the Listing Agreement, the following dedicated e-mail id has been designated for communicating investors' grievances:

investor@aurionpro.com

For and on behalf of the Board of Directors

Sanjay Desai
Executive Chairman

Amit Sheth
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
Aurionpro Solutions Limited

We have examined the compliance of conditions of Corporate Governance by '**Aurionpro Solutions Limited**', for the year ended on 31st March, 2008 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of conditions of Corporate Governance as stipulated in the said Clause. 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 explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement subject to following:

(a) The company has delayed in filling Limited review Report for the quarter ended 31st March, 2008.

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

For Chaturvedi & Shah
Chartered Accountants

LALIT R. MHALSEKAR
Partner
Membership No. 103418

Date : 7th September, 2008
Place: Mumbai

AUDITORS' REPORT

TO THE MEMBERS OF AURIONPRO SOLUTIONS LIMITED

1. We have audited the attached Balance Sheet of Aurionpro Solutions Limited ('the Company') as at March 31, 2008, the related Profit and Loss Account for the year ended on that date and also the Cash Flow Statement for the year ended on that date both annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (together the 'Order'), issued by the Central Government of India in terms of Section 227 (4A) the Act, and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that: -
 - a. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211 (3C) of the Act;
 - e. On the basis of written representations received from the directors, as on March 31, 2008, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on March 31, 2008 from being appointed as a director in terms of Section 274(1)(g) of the Act;
 - f. In our opinion and to the best of our information and according to the explanations given to us, and subject to paragraph 4 above, the said financial statements read together with the notes thereon and attached thereto, give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For CHATURVEDI & SHAH
Chartered Accountants

LALIT R. MHALSEKAR
Partner Membership No. 103418

Place: Mumbai Date: 7th September, 2008

Annexure referred to in paragraph 3 of Auditors' Report of even date to the members of Aurionpro Solutions Limited on the Financial Statements for the year ended March 31, 2008

1. The Company has maintained proper records to show full particulars, including quantitative details and situation, of its fixed assets. We have been informed that the fixed assets of the Company are physically verified by the Management during the year according to a phased program designed to cover all the items, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the program, physical verification was carried out during the year and no material discrepancies were noticed.
2. During the year, the company has not disposed off substantial part of fixed assets.
3. As the company is engaged in the development of computer software there is no physical inventory in existence and hence the question of physical verification and comparison with the inventory records does not arise.
4. (a) The Company has granted unsecured loans to five wholly owned subsidiaries covered in the register maintained under Section 301 of the Act. The maximum amount involved during the year and the year-end balance of such loan is Rs. 331,938 thousands and Rs. 317,782 thousands respectively.
(b) In our opinion, the rate of interest, wherever applicable and other terms and conditions of such loan are not prima facie prejudicial to the interest of the Company.
(c) There is no repayment schedule for the principal and interest amount, wherever applicable and are repayable on demand.
5. The Company has not taken unsecured loans from the companies covered in the register maintained under Section 301 of the Act.
6. In our opinion and according to the information and explanation given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets and sale of services.
7. According to the information and explanation provided by the management, there have been no contracts or arrangements during the period that need to be entered into the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clauses (v)(a) and (b) of the Companies (Auditors' Report) Order, 2003 (as amended) are not applicable.
8. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
9. In our opinion, the Company's present internal audit system needs to be strengthened to make it commensurate with its size and nature of its business.
10. As per the information given to us by the management of the company, no cost records have been prescribed by the Central Government of India under Section 209(1)(d) of the Act.
11. According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues in respect of Provident Fund, Employees' State Insurance dues, Income Tax, Service Tax and Cess and other material statutory dues have generally been regularly deposited by the Company during the year with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above for a period of six months from the date they became payable.
12. As at March 31, 2008, there have been no disputed dues, which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Excise Duty, Service Tax and Cess.
13. The Company has neither accumulated losses as at March 31, 2008, nor it has incurred any cash losses either during the financial year ended on that date or in the immediately preceding financial year.
14. According to the records of the company, it has not defaulted in repayment of its dues to any financial institution or bank or debenture holders during the year.
15. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
16. In our opinion, considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to it.

17. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
18. In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
19. The term loans obtained by the company have been applied for the purpose for which they were raised.
20. On the basis of an overall examination of the balance sheet of the Company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
21. The Company has not made any preferential allotment of shares to companies/firms/parties covered in the register maintained under Section 301 of the Companies Act,1956.
22. The Company has not issued any debentures during the year.
23. The Company has raised money by way of public issue in the financial year 2005-06. The end use of the money raised has been disclosed in the note 16 of schedule 13 (B) and the same have been verified by us.
24. As per the information and explanations given to us and on the basis of examination of records, no material fraud on or by the Company was noticed or reported during the year.

For CHATURVEDI & SHAH

Chartered Accountants

Lalit R. Mhalsekar

Partner

Membership No. 103418

Place : Mumbai

Date : 7th September, 2008

Balance Sheet As On 31st March, 2008

(Rs. in 000)

	Schedule	As At 31-03-2008	As At 31-03-2007
I SOURCES OF FUNDS			
(1) Shareholder's Funds:			
a Share Capital	1	131,119	121,519
b Equity warrants (issued & subscribed) (Refer note no. 14 (III) of part B of schedule 13)		3,780	22,302
c Reserves and Surplus	2	<u>1,092,218</u>	<u>676,946</u>
		1,227,117	820,767
(2) Loan Funds:			
a Secured Loans	3	482,283	102,326
b Unsecured Loans		<u>-</u>	<u>-</u>
		482,283	102,326
(3) Deferred Tax Liability (Net) (Refer note no 11 of part B of schedule 13)			
		37,674	17,383
TOTAL FUNDS EMPLOYED		<u><u>1,747,074</u></u>	<u><u>940,476</u></u>
II APPLICATION OF FUNDS			
(1) Fixed Assets:			
a Gross Block	4	356,564	174,767
b Less: Depreciation		<u>61,144</u>	<u>32,441</u>
c Net Block		295,420	142,326
d Capital Work In progress		<u>-</u>	<u>-</u>
		295,420	142,326
(2) Investments			
	5	687,672	222,742
(3) Current Assets, Loans and Advances:			
a Inventories	6	38,680	19,941
b Sundry Debtors		245,431	93,449
c Cash & Bank Balances		204,215	300,904
d Loans and Advances		<u>386,444</u>	<u>200,910</u>
		874,770	615,204
Less : Current Liabilities and Provisions			
a Current Liabilities	7	65,052	16,307
b Provisions		<u>45,736</u>	<u>23,489</u>
		110,788	39,796
Net Current Assets		763,982	575,408
TOTAL FUNDS APPLIED		<u><u>1,747,074</u></u>	<u><u>940,476</u></u>
Significant Accounting Policies and Notes To Accounts	13		

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

Profit And Loss Account For The Year Ended 31st March, 2008

(Rs. in 000)

	Schedule	Year ended 31.03.2008	Year ended 31.03.2007
INCOME			
Software Services and products	8	600,152	278,512
Other Income	9	14,356	33,669
Total Income		<u>614,508</u>	<u>312,180</u>
EXPENDITURE			
(Increase) / Decrease in Stock		(18,739)	(7,074)
Staff Cost	10	141,662	90,606
Software Development and Other Expenses	11	201,155	82,280
Depreciation & Amortisation		36,416	20,850
Interest Expense		32,299	3,872
Total Expenditure		<u>392,793</u>	<u>186,663</u>
Profit Before Tax		221,715	121,647
Provision for Taxation			
Current Tax		25,416	6,500
Fringe Benefit Tax		933	728
Deferred Tax		20,291	15,144
Tax adjustment of earlier years(net)		-	(300)
Profit after Tax		175,075	99,575
Profit brought forward from the Previous Year		134,982	67,110
Addition of Profit on account of amalgamation (refer note no.15 (i) of schedule 13 part B)		1,784	-
Amount available for distribution & appropriation.		<u>311,841</u>	<u>166,685</u>
Appropriations			
Proposed Dividend		22,946	18,228
Corporate Tax on Dividend		3,900	3,098
Transferred to General Reserve		15,000	10,375
Balance carried over to Balance Sheet		269,995	134,984
		<u>311,841</u>	<u>166,685</u>
Earning Per Share			
Basic	12	14.06	9.07
Diluted		14.06	9.05
Significant Accounting Policies and Notes To Accounts	13		

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

Cash Flow Statement for the year ended 31st March 2008

(Rs. in 000)

	As At 31-03-2008	As At 31-03-2007
Net Profit / (Loss) before Taxation	221,713	121,645
A. Cash Flow from Operating Activities :		
Adjustment for :		
Depreciation & amortisation	36,416	20,850
Loss on Sale of Fixed Assets	7,369	1,310
Interest Expenses	32,299	3,872
Interest Income	(13,429)	(2,940)
Dividend on Investment	(11)	(54)
Gain on Investment	(301)	(30,509)
Unrealised Forex loss on investment & debtors	11,804	4,507
Credit Balance written back	(615)	(73)
Excess provision written back	(0)	(93)
Bad debts written off	2,677	-
	76,209	(3,129)
Operating Profit before working capital changes	297,922	118,516
Adjustment for :		
Change in Inventories	(18,739)	(7,074)
Change in Sundry Debtors	(151,357)	(29,050)
Change in Loans & Advances	(32,315)	(18,614)
Change in Current Liabilities	5,680	(4,428)
	(196,731)	(59,165)
Cash generated from operations	101,191	59,351
Income Tax paid	(13,043)	(9,029)
Wealth tax Paid	-	(15)
Net Cash Flow from Operating Activities	88,148	50,306
Net Cash Flow from Operating Activities		
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(149,547)	(78,604)
Purchase of Investment	(362,432)	(153,722)
Sale proceeds of Investment	4,488	130,353
ICD given	(22,500)	(92,000)
ICD refunded	22,500	92,800
Working Capital Loan given	(187,780)	(162,785)
Working Capital Loan returned	9,310	15,197
Interest received	12,775	1,438
Net Cash from Investment Activities	(673,186)	(247,322)

Cash Flow Statement (Contd....)
(Rs. in 000)

	As At 31-03-2008	As At 31-03-2007
C. Cash Flow from Financing Activities :		
Increase in capital including premium	185,220	300,802
Equity Warrants converted in to Equity Share Capital	(18,522)	22,302
Increase / Decrease in Term Loan		
Secured loan repaid	(25,821)	(10,258)
Secured loan taken	402,900	109,500
Interest and Finance Charges paid	(28,454)	(2,835)
Dividend paid	(18,210)	(10,809)
Dividend tax paid	(3,098)	(1,517)
Net Cash from from Financing Activities	494,015	407,185
Net (Decrease)/Increase in cash and cash equivalent	(91,023)	210,169
Cash and cash equivalent at the beginning of the year	300,904	90,735
Addition on account of merger of Company	5,666	-
Cash and cash equivalent at the end of year**	204,215	300,904
Net (Decrease) / Increase as above	(91,023)	210,169

**Includes Margin Money for Rs.NIL (p.y.499.62) thousands

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 1 - SHARE CAPITAL		
AUTHORISED		
1,40,00,000 (p.y.1,40,00,000) Equity Shares of Rs. 10/- each fully paid up	<u>140,000</u>	<u>140,000</u>
ISSUED SUBSCRIBED AND PAID UP		
1,31,11,917 (p.y. 1,21,51,917) Equity Shares of Rs.10/- each fully paid up	131,119	121,519
Of the above :		
70,53,399 Equity Shares of Rs.10/- each fully paid up have been allotted as bonus Shares by capitalisation of Share Premium account and Profit & Loss Account.		
13,42,438 equity Shares of Rs.10/- each fully paid up were issued on Preferential allotment.		
7,35,000 equity Shares of Rs.10/- each fully paid up were issued as conversion of Share warrants on Preferential allotment. (Refer note no 14 of part B of Schedule 13)		
2,25,000 equity shares of rs.10/- each fully paid up has been allotted for consideration other than cash (Refer note no 13 e of part B of Schedule 13)	<u>131,119</u>	<u>121,519</u>
SCHEDULE 2 - RESERVES AND SURPLUS		
Capital Reserve	251	251
Share Premium		
Balance as per last Balance Sheet	529,705	242,328
Add: Premium recd on issue of equity Shares (refer note no.15 (v) of schedule 13 part B)	6,390	-
Add: Premium recd on issue of equity Shares (Refer note no 14 of part B of Schedule 13)	<u>258,871</u>	<u>287,377</u>
General Reserve	794,966	529,705
Balance as per last Balance Sheet	12,006	1,631
Add: Transfer during the year	<u>15,000</u>	<u>10,375</u>
	27,006	12,006
Profit and Loss Account	<u>269,995</u>	<u>134,984</u>
	<u>1,092,218</u>	<u>676,946</u>
SCHEDULE 3 - LOAN FUNDS		
A) SECURED LOANS		
From Banks - Car Loan (Secured by Hypothecation of Car in favour of bank)	535	1,289
From Banks - Term Loan & Overdraft (Secured by Hypothecation of Plant & Machinery and further secured by personal guarantees of 3 directors in favour of bank)	<u>481,748</u>	<u>101,037</u>
	<u>482,283</u>	<u>102,326</u>

Schedule Annexed to and forming part of the Accounts as at 31st March, 2008

SCHEDULE 4 - FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK			
	As At 01.04.2007	Addition	Acquired as per scheme of Amalgama- tion**	Sale/ Discard adjustment	As At 31.03.2008	Upto 01.04.2007	For the Year	Sale/ Discard Adjustment	Upto 31.03.2008	As At 31.03.2008	As At 31.03.2007
Tangible Assets											
Computers	94,370	154,988	121	14,482	234,998	18,529	20,977	7,314	32,192	202,805	75,841
Furniture & Fixtures	10,999	5,492	73	-	16,565	698	866	-	1,564	15,002	10,301
Motor Car	3,218	-	-	626	2,592	729	246	401	575	2,017	2,489
Air - Conditioner	2,381	3,135	-	-	5,516	205	201	-	406	5,111	2,176
Office Equipments	697	438	57	-	1,192	121	49	-	170	1,022	576
Leasehold Improvements	7,020	6,647	-	-	13,667	1,502	2,282	-	3,784	9,883	5,518
Intangible Asset											
Software*	56,080	25,954	-	-	82,034	10,656	11,796	-	22,453	59,581	45,424
Total	174,766	196,655	251	15,108	356,564	32,442	36,416	7,714	61,144	295,420	142,324
Previous Year	105,380	78,604		9,218	174,766	19,500	20,850	7,908	32,442	142,324	

(* The Balance life as on 31.03.2008 is ranging between 1 to 5 years). And (** refer note no. 15 of Part B of schedule 13)

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 5 - INVESTMENTS		
(A) Long Term Investments		
Trade (Unquoted) - at Cost, fully paid up		
In Subsidiaries (wholly owned)		
(a) Aurionpro Solutoins Inc.(USA)	16,890	16,890
20,000 (20,000) shares of Capital stock with no par value		
(b) Aurionpro Solutions Pte.Ltd.(Singapore)	14,676	14,676
5,43,799 (5,43,799) ordinary shares of SGD 1 each		
(c) Aurionpro Solutions SPC (Bahrain)	29,775	29,775
2,500 (2,500) equity shares of BHD 100 each		
(d) Auroscient Outsourcing Pvt.Ltd(India)	100	100
10,000 (10,000) equity shares of Rs.10 each.		
(e) SPS Corporation (USA)	148,287	112,832
1,000 (1,000) shares of Capital Stock with no par Value (Refer note no 13 a of part B of Schedule 13)		
(f) Coban corporation (USA)	40,790	40,790
9,450 (9,450) shares of Comman Stock of USD 0.0001 each (Refer note no 13 b of part B of Schedule 13)		
(g) Aurionpro Solutions (HK) Ltd. (Hongkong)	0	-
1 (Nil) Ordinary share of 1 HKD each		
(h) E2E Infotech Limited (UK)	119,813	-
10,000 (Nil) ordinary shares of GBP 1 each (Refer note no 13 e of part B of Schedule 13)		
(I) Integro Technologies Pte.Ltd (Singapore)	313,838	-
98,01,136 (Nil) ordinary share of 0.10 SGD each		
33,99,166 (Nil) ordinary share of 0.40 SGD each		
3,08,521 (Nil) ordinary share of 0.44 SGD each (Refer note no 13 f of part B of Schedule 13)		
(j) Aurionpro II Acquisition Corporation	-	-
100 (Nil) Common Stock of without Par Value (Refer note no 13 g of part B of Schedule 13)		
(k) Aurionpro II Acquisition Corporation	-	-
100 (Nil) Common Stock of without Par Value (Refer note no 13 g of part B of Schedule 13)	684,169	215,063
Non - Trade (Unquoted) - at Cost, fully paid up		
(a) Janaseva Sahakari Co-op Bank Ltd.	1	1
25 (25) equity shares of Rs.20 each		
(b) Megavisa Marketing Solutions Ltd.	3,502	3,502
1,75,108 (1,75,108) equity shares of Rs.10 each	3,503	3,503

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 5 - INVESTMENTS (Contd.....)		
(B) Current Investments		
Non - Trade (quoted) - at Cost,		
(a) DSP Merrill Lynch Liquidity Fund - Dividend Plan (NIL (313.405) Units)	-	313
(b) LIC Liquid fund - Dividend Plan (NIL (60978.644) Units)	-	668
(c) LIC MF FMP Series Growth Plan (NIL (319517.171) Units) (* Aggregate Market Value NIL (Rs.4,442.18) thousands)	-	3,195
	-	4,176
	<u>687,672</u>	<u>222,742</u>
Market Value of quoted investments	-	4,442
Book Value of quoted Investments		4,176
Book Value of unquoted Investments		687,671
		218,566
SCHEDULE: 6 - CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
A) INVENTORIES		
Work - In - Progress (As certified and valued by the management)	38,680	19,941
B) SUNDRY DEBTORS : (Unsecured Considered good)		
(i) Outstanding Debtors - More than Six Months	32,276	25,966
- Other Debts	<u>213,155</u>	<u>67,483</u>
(above includes due from subsidiaries Rs.1,18,649 thousands (p.y. Rs. 27,013 thousand))	245,431	93,449
C) CASH AND BANK BALANCE		
(i) Cash on Hand	524	151
(ii) Balance with Bank		
(a) With Schedule Bank		
- Current Account.	99,045	72,929
- Deposits Account.	104,646	227,823
	204,215	300,903
LOANS, ADVANCES AND DEPOSITS (Unsecured, considered good)		
(i) Advances recoverable in cash or in kind or for value to be recd	50,227	27,500
(ii) Loans to Employees	3,197	3,024
(iii) Deposits :		
a. Inter Corporate Deposit	3,162	3,551
b. Other Deposits	12,076	14,138
(iv) Advance to subsidiary co.	317,782	152,494
(v) Advance Tax & Tax Deducted at Sources (Net of Prov.)	-	202
	<u>386,444</u>	<u>200,909</u>
	<u>874,770</u>	<u>615,202</u>

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE : 7 - CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES :		
(i) Sundry Creditors :		
Amount due to others	58,717	9,559
(refer note 8 of part B of Sch.13)	<u>58,717</u>	9,559
(ii) Other Liability	5,858	6,689
(iii) Unearned Revenue	477	60
	<u>65,052</u>	<u>16,307</u>
B) PROVISIONS :		
(i) Provision for Taxation (Net of Advance Tax)	12,624	399
(ii) Proposed Dividend	22,946	18,228
(iii) Corporate Tax on Dividend	3,900	3,098
(iv) Provision for Expenses	3,783	1,148
(v) Unclaimed Dividend	18	-
(vi) Provision for Gratuity	2,464	616
	<u>45,736</u>	23,489
	<u>110,788</u>	<u>39,797</u>
SCHEDULE 8 - Software Services & products		
Domestic	232,200	103,901
Overseas	367,952	174,611
	<u>600,152</u>	<u>278,512</u>
SCHEDULE 9 - OTHER INCOME		
Excess provision written back (@ is equal to Rs. 303/-)	@	93
Credit Balance written back	615	73
Income from Investments		
- Profit on sale of investments	301	30,509
- Dividend	11	54
Interest on		
- deposits	13,096	2,241
- Others	333	699
(Tax Deducted at Sources Rs.1,400 (p.y.224) thousands)		
	<u>14,356</u>	<u>33,669</u>
SCHEDULE 10 - Staff Cost		
Salary, wages and bonus	126,188	81,277
(Including Directors Remuneration of		
- Rs. 4,716 thousands (p.y. Rs. 4,716 thousands))		
Contribution to Provident Fund	11,792	6,405
Staff Welfare	3,682	2,924
	<u>141,662</u>	<u>90,606</u>

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 11 - Software Development and Other expenses		
Contract Fees	3,228	4,822
Software Consultancy & Development Charges	106,849	28,656
Rates & Taxes	1,842	827
Recruitment Charges	1,347	1,446
Electricity Expenses	5,986	2,636
Rent	13,626	9,659
Insurance	285	127
Repairs & Maintenance	1,757	1,482
Travelling Expenses	11,851	8,432
Internet Charges	2,666	2,142
Auditors Remuneration	1,700	1,520
Bad Debts W/off	2,677	1,019
Legal & Professional Fees	8,159	3,102
Telephone Expenses	2,110	2,455
Loss on Sale/discarded of assets	7,369	1,310
Loss on Foreign Exchange Fluctuation	19,315	7,348
Miscellaneous Expenses	10,388	5,297
	<u>201,155</u>	<u>82,280</u>
SCHEDULE 12 - Earning Per Share		
Basic & Diluted Earning per Share:		
Profit for Basic and Diluted Earning per Share (Rs.in thousands)	175,075	99,575
Weighted average number of Equity Shares		
Basic	12,448,190	10,977,221
Diluted	12,448,190	11,001,467
Nominal value of equity share	10	10
Basic Earning Per Share	14.06	9.07
Diluted Earning Per Share	14.06	9.05

Schedule 13: Significant Accounting Policies and Notes to Accounts

A. Significant Accounting Policies

1. Method of Accounting

The financial statements are prepared under historical cost convention and in accordance with the generally accepted accounting principles in India and provisions of the Companies Act, 1956 read with the Companies (Accounting Standards) Rules, 2006 (Accounting Standards Rules).

2. Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates to a greater extent.

3. Revenue Recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material contracts is recognized as and when the related services are performed. Revenue on fixed-price contracts is recognized on the percentage of completion method under which the sales value of performance, including earnings thereon, is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred.

Revenue from sale of licenses of software products and other products is recognized on delivery/ installation, as the case maybe. Maintenance revenue in respect of software products is recognized as and when invoice raised on the client over the period of the underlying maintenance agreement. Revenue is recorded net service tax & Vat.

Revenue from Call center & Business process Outsourcing Operations arised from both time based and unit price client contracts. Such revenue is recognized on completion of the related services and is billable in accordance with the specific terms of contracts with clients.

4. Fixed Assets

Tangible: Fixed Assets are stated at cost, which comprises of purchase consideration and other directly attributable cost of bringing the assets to its working condition for the intended use.

Intangible: Costs that are directly associated with identifiable and unique software products controlled by the Company, whether developed in-house or acquired, and have probable economic benefits exceeding the cost beyond one year are recognized as software products.

5. Depreciation / Amortization

Software Products are amortized over a period of Five years as considered appropriate by the management. Leasehold improvements are amortized over primary period of lease. Depreciation on other fixed assets is provided on straight-line method over useful life of assets at the rates and in the manner as prescribed in Schedule XIV to the Companies Act, 1956. Subsequent upgrades of hardware are entirely charged off to revenue in the year of purchase.

6. Investments

Investments are classified into long-term investments and current investments based on the management's intention at the time of purchase. Long-term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investments, determined separately for each investment. Current investments are carried at the lower of the cost and fair value and provision is made to recognize any decline in the carrying value. The comparison of cost and fair value is done separately in respect of each category of investments.

7. Accounting for Taxes on Income

Provision for current income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income Tax Act, 1961.

Provision for fringe benefit tax is made on the basis of expenses incurred on employees/ other expenses as prescribed under the Income Tax Act, 1961.

Deferred tax resulting from timing differences between accounting and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual/ reasonable certainty that they will be realized and

are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Where there is Unabsorbed Depreciation or carry forward loss under tax laws, Deferred Tax Asset are recognized only if there is virtual certainty of realization of Assets.

8 Translation of Foreign Currency Items

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet, Non Monetary items are carried at cost. The resultant gain/loss are recognized in the Profit & Loss Account. Overseas investments are recorded at the rate of exchange in force on the date of allotment/ acquisition.

9 Accounting of Employee Benefits

The Company has for its employees in India, benefits such as Gratuity and Provident Fund. Provision for gratuity is made on the basis of actuarial valuation and charged to Profit and Loss account. The Company's contribution to the provident fund along with the employee share of provident fund deducted from the salary is paid into Employee Provident Fund of Government of India. The Company's contribution to EPF is charged to revenue.

10 Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources.

11 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

12 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale or those assets that are not ready for their intended use or sale when acquired. All other borrowing costs are charged to revenue in the period in which they are incurred.

13 Operating lease

Lease arrangement where the risk and rewards incidental to ownership of an assets substantially vest with lessor, are recognized as operating lease. Lease rentals under operating leases are recognized in the profit & loss over the period of lease.

14 Preliminary & Shares Issue Expenses

Preliminary expenses and share issue expenses are written off in the years in which incurred.

15 Work in progress:

Work in progress is valued at cost plus indirect expenses allocated. The allocation of indirect expenses is based on the technical evaluation of the projects by the management.

B. Notes to Accounts

1. The Previous year's figures have been regrouped and rearranged wherever found necessary. Figures in bracket indicate previous year figures. Figures below five hundred indicated as "@".
2. The balances of sundry debtors and creditors are subject to confirmation.
3. Unearned Revenue :
Unearned Revenue as at 31st March, 2008 amounting to Rs.477 thousands (P.Y. Rs.60 thousands) primarily consist of client billing on fixed price and fixed time frame contract for which related cost have not yet been incurred.
4. Operating Leases:
The Company has various operating leases for office facilities and related Facilities that are renewable after the expiring of primary period of Lease at the option of Lessor and Lessee. Rental expenses for operating leases included in the income statement for the year is Rs. 13644 thousands (P.Y. Rs.9659 thousands)

AURIONPRO SOLUTIONS LIMITED

As of 31st March 2008 future minimum lease payments for non-cancellable operating leases are as under

(Rs. in 000)

Particulars	Total	Not later than one year	Later than one year but not later than five year	Later than five years
Total value of minimum lease payment	50574	16215	34359	NIL

5 Quantitative Detail :

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

6 Earning in foreign Currency (on accrual basis)

(Rs. in 000)

Particulars	2007-08	2006-07
Software Services	367952	174611

7 Expenditure in foreign Currency (on accrual basis)

(Rs. in 000)

Particulars	2007-08	2006-07
Foreign Traveling	7257	1442

8 The management is currently in the process of identifying 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. Accordingly, the disclosure in respect of the amounts payable to such micro, medium and small enterprises as at 31 March 2008 has not been made in the financial statements. However, in view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material. As per the information available with the company, no amount due to Small Scale Undertaking.

9 Managerial Remuneration (excluding Contribution to Gratuity on retirement) paid/payable to directors:

(Rs. in 000)

Particulars	2007-08	2006-07
Salaries	4688	4688
Contribution to Provident Fund	28	28
Total	<u>4716</u>	<u>4716</u>

10 Auditors Remuneration (Excluding Services Tax)

(Rs. in 000)

Particulars	2007-08	2006-07
For Audit fees	1250	1000
For Tax Audit	250	200
For Other Services	200	75
For Certification Charges	305	245
	<u>2005</u>	<u>1520</u>

11 Deferred taxation in respect of timing difference arising on account of:

	(Rs. in 000)	
Particulars	2007-08	2006-07
<u>Tax Liability on account of:</u>		
Depreciation / Amortization	41917	20775
<u>Deferred Tax Assets on account of :</u>		
Disallowance under the Income tax Act,1961	4243	3392
Net Deferred Tax Liability	<u>37674</u>	<u>17383</u>

12 The Company prepares consolidated accounts along with it's subsidiaries as per Accounting Standard (AS-21) and hence the disclosure requirements of Accounting Standard (AS-17) "Segment Reporting" issued by The Institute of Chartered Accountants of India is given in "Consolidated Financial Statement".

13 Acquisition of Subsidaire:-

- a. The Company in September, 2006 entered into Share Purchase Agreement (SPA) effective retrospectively from 1st April, 2006 with the owner of SPS Corporation, USA to acquire all the 1000 shares of SPS Corporation, USA for a consideration of USD 4997800 payable in three tranches out of which 1st tranche & 2nd tranche consideration has been paid & the balance consideration for 3rd tranche aggregating to USD 1632205 (Rs.65,125 thousands) is payable subject to achievement of certain measurable criteria. In terms of SPA, 500 shares remain in escrow account with Cohn, Bracaglia & Gropper and will be released on payment of third tranche.
- b. The Company in October, 2006 entered into Share Purchase Agreement (SPA) with the owner of Coban Corporation, USA to acquire all the 9450 shares of Coban Corporation, USA for a consideration payable in two tranches out of which 1st tranche consideration of USD 9,00,000 has been paid and 2nd tranche consideration of USD 4, 50,000(Rs17, 955 thousands) is payable subject to achievement of certain measurable criteria. In terms of SPA, all shares remain pledged with Coblentz, Patch, Duffy & Bass LLP and will be released on payment of second tranche.
- c. The Company has formed a wholly owned subsidiary Aurionpro Solutions (HK) Ltd in Hongkong on 1st October, 2007.
- d. The Company has formed a wholly owned subsidiary AuroFidel Outsourcing Ltd. in India on 8th March, 2008.
- e. The Company entered into Share Purchase Agreement (SPA) in July, 2007 with E2E Infotech Ltd, UK to acquire entire 10,000 shares of E2E InfoTech Ltd. The Company has paid cash consideration of GBP 4,50,000 (Rs.36,562 thousands) and also issued & allotted 2,25,000 fully paid up Equity shares of Rs. 10 each at a premium of Rs. 360 each without receiving any consideration. The SPA has been approved by FIPB unit of department of Company affairs, Ministry of finance, Government of India.
- f. The Company in December, 2007 entered into Share Purchase Agreement (SPA) with the owner of Integro Technologies Pte.Ltd, Singapore to acquire all the 16886029 shares of Integro Technologies Pte.Ltd., Singapore at an agreed price of SGD 1,60,00,000 in three tranches. The Company has paid 1st tranche amounting to SGD 1,15,00,00 (Rs.3,13,837 thousands) and acquired 13508823 shares (80% of the total paid up capital of Integro Technologies Pte.Ltd, Singapore). 2nd tranche amounting to SGD 20,00,000 for acquisition of 16,88,603 shares will fall due after 12 calander months of the agreement date and 3rd tranche amounting to SGD 25,00,000 for acquisition of 16,88,603 shares will fall due after 24 calander months of the agreement date.
- g. The Company has incorporated two wholly owned subsidairies namely Aurionpro I Acquisition Corp. and Aurionpro II Acquisition Corp. on 20th March, 2008 under the Laws of state of New Jersey for the purpose of acquisition of SENA Systems INC., USA.

The Company entered into an Agreement on 31st March, 2008 for the overseas merger of M/s Aurionpro I Acquisition Corp. with Sena Systems Inc, USA. As per the agreement Aurionpro Subsidiary I to merge with SENA Systems, Inc. As part of Merger Consideration, Aurionpro Solutions Ltd., being the 100% holding Company of Aurionpro Subsidiary I will receive 9,76,164 consideration shares of Sena Systems INC and against same Aurionpro Solutions Ltd. as part of merger process will pay USD 20,00, 000 cash to Sena shareholders and option holders and the Company will issue 2,75,000 shares to shareholders of SENA Systems Inc. including Wizarth.

Sena System Inc. to get merge into Aurionpro II Acquisition Corp.

14 The Company has converted 7,35,000 convertible warrants out of 8,85,000 convertible warrants issued on 22nd March, 2007 into Equity Share capital of the Company in the following manner:

AURIONPRO SOLUTIONS LIMITED

- I. 6,29,663 fully paid up Equity shares of Rs.10 each against Convertible Warrants at a premium of Rs.242/- at the Board meeting held on 6th November, 2007.
- II. 1,05,337 fully paid up Equity shares of Rs.10 each against Convertible Warrants at a premium of Rs.242/- at the Board meeting held on 31st January, 2008.
- III. Balance of 1,50,000 equity warrants are pending for conversion for an equal number of equity shares of Rs.10 each at price of Rs.252 per shares. The Company has received 25.20 per warrants being 10% upfront money against the allotment of warrants.
- IV. The above proceeds of Rs.1,85,220 thousands has been used for working Capital to Foreign Subsidiaries, Deposits for Premises and General & administrative expenditure for Mumbai Office.

15 Scheme of Amalgamation:

In terms of the Scheme of Amalgamation ("scheme") under sections 391 to 394 of the Companies Act,1956 sanctioned by order dated 6th October,2007 of Hon`ble High court of Judicature at Bombay, Aurionpro Services Pvt. Ltd. (hereinafter referred as "Transferor Company") has been amalgamated with the company from the appointed date 1st April,2006.

In accordance with said scheme and as per the High Courts' Approval

- i) All assets & Liabilities of the transferor Company have been recorded in the books of the Company at their respective book value. The net profit of Aurionpro Services Ltd. for the period 1st April,2006 to 31st March, 2007 (including opening balance of profit & loss account as on 1st April, 2006 amounting to Rs. 159 thousand) amounting to Rs.1,784 thousands has been adjusted against the opening balance of Profit & Loss Account.
- ii) The reserve of the transferor Company have been clubbed with the transferee Company in the same form as they appear in the financial statement of the transferor Company.
- iii) 17,74,932 equity shares of Rs.10 each of the Company held by the Transferor Company in its own name has been transferred to the individual shareholders recorded in the Shareholder's register of transferor Company on the appointed date.
- iv) An amount equal to the balance lying to the credit of Profit & Loss Account in the books of the Transferor Company has been credited by the Transferee Company to its Profit & Loss Account and constitutes the Transferee Company's free reserves as effectively as if the same were created by the Transferee Company and credited by the Transferor Company out of it's own earned and distributable profit.
- v) The excess of Assets over liabilities amounting to Rs.6,549 thousand has been recognized as under:

Particulars	Amount (Rs. in 000)
Assets	7889
Liabilities	1340
Share Premium	6390
Profit & Loss Account	159

- vi) Had the scheme not prescribed this treatment an amount of Rs.6549 thousands would have been considered as capital reserve as required by the Pooling of Interest method prescribed by Accounting Standards 14 on "Accounting for Amalgamations" issued by The Institute of Chartered Accountants of India (ICAI).

- 16 The Company had raised Rs. 2,70,022 thousands through Initial Public offering (IPO) in October 2005, which comprised of 30,00,247 equity shares of face value of Rs. 10 each issued at a premium of Rs.80 per share. The proceeds from IPO have been utilized by the Company as under:

Particulars	(Rs. in 000)	
	26.10.2005 to 31.03.2008	26.10.2005 to 31.03.2007
Expansion of facilities	67746	61609
Certification	517	517
Investments	130000	79152
Establishment of Overseas Office	35505	35505
Public Issue Expenses	15015	15015
Incremental Working Capital	18847	18847
Balance lying as Deposit with Banks	2392	59377
Total	270022	270022

17 Capital commitments and contingent Liabilities:
(Rs. in 000)

Particulars	2007-08	2006-07
Capital Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for so	292961	1,32,552
Contingent Liabilities		
Outstanding guarantees given by banks	3845	2,644

18 The particulars of dividends declared and paid to non resident shareholders for the year 2006-07 are as under:

Particulars	2007-08	2006-07
Number of Non-Resident shareholders	65	56
Number of shares held by them	2772346	3046588
Amount of dividend (INR)	4158519	3046588
	(For 2006-07)	(For 2005-06)

Of the above, the Company has remitted (USD 27,124.83) Rs.10,75,500/- in foreign currency on account of dividends during the year to seven Non Resident shareholders holding 717000 shares & remittance to other shareholders in Indian currency.

19 Employee Benefits:-

Gratuity : In accordance with the applicable Indian Laws, the Company provides for gratuity, a defined benefit retirements plan (Gratuity Plan) for all employees .The Gratuity Plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on respective employee's last drawn salary and for the years of employment with the company.

The following table set out the status of the gratuity plan as requires under AS 15

(Rs. in 000)

Particulars	<u>As at 31st March, 2008</u>
I) Reconciliation of opening and closing balances of the present value of the defined benefit obligation	
Obligation at period beginning	1767
Interest Cost	196
Current Service Cost	832
Past Service Cost (Non Vested Benefit)	000
Past Service Cost (Vested Benefit)	000
Liability Transfer in	000
Liability Transfer Out	000
Benefit Paid	(302)
Actuarial (gain)/loss on obligations	(028)
Obligation at Period end	2463
II) Change in Plan assets	
Fair value of Plan Assets at the beginning of the year	1107
Expected Return on Plan Assets	172
Contributions	1189
Transfer from other Company	000
Transfer to other Company	000
Benefit Paid	(302)
Actuarial gain/(loss) on Plan Assets	(063)
Fair value of Plan Assets at the End of the year	2103

AURIONPRO SOLUTIONS LIMITED

Particulars	(Rs in 000)
	As at 31st March, 2008
III) Reconciliation of present value of the obligation and the fair value of the Plan assets	
Liability at the end of the Year	2464
Fair value of Plan Assets at the End of the year	2103
Difference	(361)
Unrecognized Past Service Cost	000
Unrecognized Transition Liability	000
Amount Recognized in the Balance sheet	(361)
IV) Gratuity Cost for the Period	
Current Service Cost	832
Interest Cost	196
Expected Return on Plan Assets	(172)
Past Service Cost (Non Vested Benefit) Recognized	000
Past Service Cost (Vested Benefit) Recognized	000
Recognition of Transition Liability	000
Actuarial (gain)/loss	034
Expenses Recognized in P & L	890
V) Investment Details of plan assets	
100% of the Plan assets are invested in Insurer Managed funds	
VI) Actual return on Plan assets	108
VII) Assumptions	
Discount Rate Prev	8.00%
Rate of Return on Plan Assets Prev	8.00%
Salary Escalation Prev	5.00%
Discount Rate Current	8.00%
Rate of Return on Plan Assets Current	8.00%
Salary Escalation Current	5.00%

The estimates, of future salary increases, considered in actuarial valuation, take into account inflation, seniority promotion and other relevant factors such as supply and demand factors in the employment market.

20 Related Party Transactions (in respect of related parties as of the date of this report):

A. Name of the related parties:

i. Key Managerial Personnel:

- a) Bhavesh R Talsania - Executive Director
- b) Amit R Sheth - Managing Director
- c) Sanjay A Desai - Chairman & Executive Director

ii Subsidiaries :

- a) AurionPro Solutions Pte Ltd, Singapore
- b) AurionPro Solutions, INC USA.
- c) AurionPro Solutions, SPC Bahrain (from 1st April, 2006)
- d) Auroscient Outsourcing Pvt. Ltd. (from 10th July, 2006)
- e) SPS Corporation, USA (from 1st April, 2006)
- f) Coban Corporation, USA (from 1st October, 2006)

- g) E2E Infotech Ltd, UK (from 1st July, 2007)
- h) AurionPro Solutions (HK) Ltd, Hong Kong (from 1st October, 2007)
- i) Integro Technologies Pte Ltd, Singapore (from 7th December, 2007)
- j) AuroFidel Outsourcing Limited (from 8th March, 2008)
- k) Aurionpro I Acquisition Corp (from 20th March,2008)
- l) Aurionpro II Acquisition Corp (from 20th March,2008)

iii. Other Related Parties:

- a) Promoter Company: AurionPro Services Pvt Ltd.
(Merged with AurionPro Solutions Ltd w.e.f.1st April,2006 being an appointed date)

B. Transactions with related parties:

	(Rs. in 000)	
Particulars	2007-08	2006-07
Key Managerial Personnel:		
Remuneration (Including PF)	4716	4716
Dividend	2677	1585
Subsidiaries:		
Income/Expenses		
Sale of Services	187759	89845
Closing Balances:		
Investments in Equity	684168	215063
Debtors	117449	27013
Working Capital Loan	317782	152496
Transaction:		
Investments in Equity	469105	153722
Working Capital Loan given	188299	162785
Working Capital Loan returned	9829	15197
Reimbursable expenses incurred for related parties	511	1153
Other Related Parties :		
AurionPro Services Pvt .Ltd.		
Income/Expenses		
Closing Balances:		
Payable at the year end	-	1747
Transaction:		
Dividend paid	1734	1775

AURIONPRO SOLUTIONS LIMITED

C. Out of the above items transaction in excess of 10% of the related part transactions are as under:

(Rs. in 000)

Particulars	2007-08	2006-07
Key Managerial Personnel		
Remuneration (Including PF)		
Amit Sheth	1,995	1,995
Bhavesh Talsania	1810	1810
Sanjay Desai	912	912

(Rs. in 000)

Particulars	2007-08	2006-07
Subsidiaries		
Income:		
a. Sales of Services		
Auriopro Solutions Pte Ltd., Singapore	-	20189
AurionPro Solutions , INC USA	50097	17493
AurionPro Solutions, SPC Bahrain	97228	47280
SPS Corporation, USA	20757	-
E2E Infotech Ltd, UK	19677	-
Transaction during the year		
a. Working Capital Loan Given		
Auriopro Solutions Pte Ltd., Singapore	59704	26851
AurionPro Solutions, INC USA	30343	28455
AurionPro Solutions, SPC Bahrain	39276	42374
SPS Corporation	-	39429
Coban Corporation	-	19490
Auroscient Outsourcing Pvt. Ltd.	46053	
b. Working Capital Loan Returned		
Aurionpro Solutions Pte Ltd., Singapore	-	2287
AurionPro Solutions, INC USA	-	6650
Coban Corporation	-	6261
SPS Corporation, USA	9310	-
c. Reimbursable Expenses incurred		
Aurionpro Solutions , INC USA	52	961
Aurionpro solutions Pte.Ltd, Singapore	459	192

d. Investment in Equity		
SPS Corporation	-	112832
Coban Corporation	-	40790
E2E Infotech Ltd, UK	119813	-
Integro Technologies Pte Ltd.	313838	-
e. Dividend paid		
Aurionpro Services Pvt. Ltd.	1734	1775
Amit Sheth	1165	677
Bhavesh Talsania	1055	703
Sanjay Desai	457	205
Closing Balances:		
a. Investment in Equity		
Aurionpro Solutions SPC, Bahrain.	-	29775
SPS Corporation, USA	148287	112832
Coban Corporation, USA	-	40790
E2E Infotech Ltd, UK	119813	
Integro Technologies Pte Ltd.	313838	
b. Debtors		
Aurionpro Solutions, INC USA	18671	-
Aurionpro Solutions SPC, Bahrain	78174	26934
E2E Infotech Ltd, UK	20003	-
c. Working Capital Loan		
Aurionpro solutions Pte.Ltd, Singapore	88975	31493
Aurionpro Solutions SPC, Bahrain	76688	41356
Aurionpro Solutions, INC USA	49676	21504
SPS Corporation, USA	-	39098
Aurosceint Outsourcing Pvt. Ltd.	51719	-
d. Other Related Parties :		
AurionPro Services Pvt .Ltd.	-	1747

21. Segment Performance:

Disclosure as per Accounting standard ("AS) 17 of "Segment Reporting" is reported in Consolidated. Accounts of the Company. Therefore, the same has not been separately disclosed in line with the provision of AS.

22. In the opinion of the Board, the investments, current assets, loans and advances are realizable at a value, which is at least equal to the amount at which these are stated, in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amount reasonably stated.

AURIONPRO SOLUTIONS LIMITED

23. Disclosures of Loans and Advances to Subsidiaries (Pursuant to Clause 32 of the Listing Agreement)

(Rs. in 000)

Sr.	Name	Amount Outstanding As at		Maximum amount Outstanding during the year	
		31.03.2008	31.03.2007	2007-08	2006-07
1.	AurionPro Solutions Pte. Ltd. (Singapore)	88975	31493	88975	34279
2.	AurionPro Solutions, INC. (USA)	49676	21504	49676	25186
3.	AurionPro Solutions, SPC Bahrain (Single Person Company)	76688	41357	76688	41357
4.	Auroscient Outsourcing Pvt. Ltd.	51719	6185	51719	6185
5.	SPS Corporation, USA	26688	39098	39096	39429
6.	Coban Corporation, USA	23780	12859	25528	13092
7.	Aurionpro Solutions (HK) Ltd. (Hong Kong)	256	-	256	-

As at the year-end, the Company -

- has no associates
- has loans and advances in the nature of loans, wherein there is no repayment schedule.
- has loans and advances in the nature of loans to the above Companies in which directors are interested.

Signatures to Schedule "I" to "XIII"

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

(11) Additional information as required under Part IV of schedule VI to the Companies Act, 1956

Balance Sheet Abstract And Company's General Business Profile

(Rs. in 000)

I Registration Details				
Registration No.	L99999MH1997PLC111637	State Code	11	Balance sheet 31.03.2008
II Capital Raised during the year (Amount in Rupees)				
Public Issue	NIL	Bonus Issue	NIL	
Right Issue	NIL	Private Placement	9,60,000	
III Position of Mobilisation and Deployment of Funds (Rupees in thousands)				
Total Liabilities			Total Assets	
18,57,862			18,57,862	
Sources of Funds				
Paid up Capital			Secured Loans	
1,31,119			4,82,283	
Equity Warrants			Unsecured Loans	
3,780			NIL	
Reserve & Surplus			Deferred Tax Liability	
10,92,218			37,674	
Application of Funds				
Net Fixed Assets			Investment	
2,95,420			6,87,672	
Net Current Assets			Misc. Expenditure	
7,63,982			-	
Accumulated Losses				
NIL				
IV Performance of Company				
Turnover			Total Expenditure	
6,00,152			3,42,817	
Profit & Loss Before Tax			Profit & Loss after Tax	
2,21,715			1,75,075	
Earning per share			Dividend Rate	
14.06			17.50%	
V Generic name of the Principal Products / Services of Company				
Item Code No. (ITC Code)	85249009			
Product Description	Computer Software			

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

Consolidated Financial Statements

Auditors' Report on Consolidated Financial Statement

TO THE BOARD OF DIRECTORS OF AURIONPRO SOLUTIONS LIMITED

We have audited the attached Consolidated Balance Sheet of **Aurionpro Solutions Limited** ("the Company") and its subsidiaries (collectively referred to as the 'Group') as at 31st March, 2008, 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 auditing 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 respects, in accordance with an identified financial reporting framework and are free of material misstatements. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We did not audit the financial statements and other financial information of certain subsidiaries, whose financial statements reflect total assets of Rs 3,15,764 thousands as at 31st March 2008 and total revenues of Rs.3,90,928 thousands and net cash outflow of Rs. 3,454 thousands for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us and in our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the report of the other auditors.
3. We have relied on the unaudited financial statements of the subsidiaries whose financial statements reflect total assets of Rs 4,20,298 thousands as at 31st March 2008, total revenue of Rs 9,61,732 thousands and cash flow amounting to Rs.18,587 thousands for the year ended on that date. These unaudited financial statements as approved by the respective Board of Directors of these companies have been furnished to us by the management, and our report in so far as it relates to the amounts included in respect of the subsidiaries is based solely on such approved financial statements.
4. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, 'Consolidated Financial Statements', issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Company and its subsidiaries included in the consolidated financial statements.
5. Based on our audit as aforesaid, and on consideration of reports of other auditors and accounts approved by the Board of Directors as explained in paragraph 3 above, and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India: -
 - (a) in the case of the consolidated Balance sheet, of the state of affairs of the Group as at 31st March, 2008;
 - (b) in the case of the consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date;
and
 - (c) in the case of the Consolidated Cash Flow Statement, of the Cash Flows of the Group for the year ended on that date.

For Chaturvedi & Shah
Chartered Accountants

LALIT R. MHALSEKAR
Partner
Membership No: 103418

Place : Mumbai

Dated: 7th September, 2008

Consolidated Balance Sheet As On 31st March, 2008

(Rs. in 000)

	Schedule	As At 31-03-2008	As At 31-03-2007
I SOURCES OF FUNDS			
(1) Shareholder's Funds:			
a Share Capital	1	131,119	121,519
b Equity warrants (issued & subscribed) (Refer note no.7(III) of part B of schedule 13)		3,780	22,302
c Reserves and Surplus	2	<u>1,303,829</u>	<u>754,344</u>
		1,438,728	898,165
(2) Loan Funds:			
a Secured Loans	3	482,283	102,326
b Unsecured Loans		<u>54,300</u>	<u>32,043</u>
		536,583	134,369
(3) Deferred Tax Liability (Net) (Refer note no 6 of part B of schedule 13)			
		50,350	17,374
(4) Minority interest (Refer note no 3 (f) of part B of schedule 13)			
		36,125	-
TOTAL FUNDS EMPLOYED		<u><u>2,061,786</u></u>	<u><u>1,049,908</u></u>
II APPLICATION OF FUNDS			
(1) Fixed Assets:			
a Gross Block	4	906,010	246,680
b Less: Depreciation		<u>260,375</u>	<u>43,070</u>
c Net Block		645,635	203,610
d Capital Work In progress		<u>-</u>	<u>-</u>
		645,635	203,610
(2) Goodwill on consolidation			
		445,319	145,089
(3) Investments			
	5	71,313	7,679
(3) Current Assets, Loans and Advances:			
a Inventories	6	38,680	19,941
b Sundry Debtors		616,273	312,277
c Cash & Bank Balances		289,698	316,367
d Loans and Advances		<u>228,721</u>	<u>168,011</u>
		1,173,372	816,596
Less : Current Liabilities and Provisions			
a Current Liabilities	7	198,298	82,760
b Provisions		<u>75,555</u>	<u>40,306</u>
		273,852	123,066
Net Current Assets		899,519	693,530
TOTAL FUNDS APPLIED		<u><u>2,061,786</u></u>	<u><u>1,049,908</u></u>
Significant Accounting Policies and Notes To Accounts	13		

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

Profit And Loss Account For The Year Ended 31st March, 2008

(Rs. in 000)

	Schedule	Year ended 31.03.2008	Year ended 31.03.2007
INCOME			
Income from operation	8	1,760,473	1,022,957
Other Income	9	18,476	37,387
Total Income		<u>1,778,949</u>	<u>1,060,343</u>
EXPENDITURE			
(Increase)/Decrease in Stock		(18,739)	(7,074)
Staff Cost	10	729,385	518,090
Software Development and Other Expenses	11	582,204	315,244
Depreciation & Amortisation		73,324	27,984
Interest Expense		33,062	4,181
Total Expenditure		<u>1,399,236</u>	<u>858,425</u>
Profit Before Tax		379,713	201,919
Provision for Taxation			
Current Tax		47,127	13,732
Fringe Benefit Tax		1,171	736
Deferred Tax		20,440	15,136
Tax adjustment of earlier years(net)		-	(300)
Profit after Tax		310,975	172,615
Less Minority interest		3,549	-
Profit after tax and minority interest		307,426	172,615
Profit brought forward from the Previous Year		208,399	71,718
Add :- Prior period Adjustment		1,733	251
Add:- Addition of Profit on account of Amalgamation (refer note no 8 (i) of part B of schedule 13)		1,784	-
Amount available for distribution & appropriation.		<u>519,342</u>	<u>244,082</u>
Appropriations			
Proposed Dividend		22,946	18,228
Corporate Tax on Dividend		3,900	3,098
Transferred to General Reserve		15,000	10,375
Transferred to Statutory Reserve		9,726	3,982
Balance carried over to Balance Sheet		467,770	208,399
		<u>519,342</u>	<u>244,082</u>
Earning Per Share			
Basic	12	24.85	15.72
Diluted		24.85	15.69
Significant Accounting Policies and Notes To Accounts	13		

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

Cash Flow Statement for the year ended 31st March 2008

(Rs. in 000)

	As At 31-03-2008	As At 31-03-2007
Net Profit / (Loss) before Taxation	379,713	201,919
A. Cash Flow from Operating Activities :		
Adjustment for :		
Depreciation & amortisation	73,324	27,984
Loss on Sale of Fixed Assets	7,149	1,310
Interest Expenses	33,062	4,181
Interest Income	(13,429)	(2,940)
Dividend on Investment	(11)	(54)
Gain on Investment	(301)	(30,509)
Forex loss on Investment Activities	(396)	5,388
Foreign translation (Gain) / loss	25,253	(2,280)
Exchange difference on translation of foreign currency cash and cash equivalents	(2,155)	(7)
Credit Balance written back	(1,959)	(73)
Excess provision written back	(0)	(93)
Bad Debts	3,904	-
Prior Period Adjustments	<u>124,441</u>	<u>2,907</u>
Operating Profit before working capital changes	504,154	204,826
Adjustment for :		
Change in Inventories	(18,739)	(7,074)
Change in Sundry Debtors	(303,439)	(208,968)
Change in Loans & Advances	(29,622)	(106,777)
Change in Current Liabilities	<u>79,243</u>	<u>73,525</u>
	<u>(272,557)</u>	<u>(249,295)</u>
Cash generated from operations	231,597	(44,469)
Income Tax paid	(33,265)	(16,374)
Wealth tax Paid	-	(15)
Cash Flow from Operating Activities before prior period items	<u>198,332</u>	<u>(60,858)</u>
	-	(201)
Cash Flow from Operating Activities after prior period items	198,332	(61,059)
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets	(325,244)	(146,583)
Purchase of Investment	(67,810)	-
Sale in Investment	4,488	130,353
Additional consideration for acquisition of subsidiaries	(219,472)	(139,358)
ICD given	(22,500)	(92,000)
ICD refunded	22,500	92,800
Interest received	<u>12,775</u>	<u>1,438</u>
Net Cash from Investment Activities	<u>(595,263)</u>	<u>(153,349)</u>

Cash Flow Statement (Contd....)
(Rs. in 000)

	As At 31-03-2008	As At 31-03-2007
C. Cash Flow from Financing Activities :		
Increase in capital including premium	153,865	300,802
Equity Warrants Issued	(18,522)	22,302
Increase/ Decrease in unsecured loan	22,257	30,929
Secured Loan repaid	(25,821)	(10,258)
Secured Loan taken	402,900	109,500
Interest and Finance Charges paid	(29,218)	(3,144)
Dividend paid	(18,210)	(10,809)
Dividend tax paid	(3,098)	(1,517)
Net Cash from from Financing Activities	484,153	437,805
Net (Decrease)/Increase in cash and cash equivalent	(87,222)	223,397
Cash and cash equivalent at the beginning of the year	316,367	93,513
Add: Addition on account of acquisition of Subsidiaries and Merger of Company	58,398	549
Exchange difference on translation of foreign currency cash and cash equivalents	2,155	7
Cash and cash equivalent at the end of year**	289,698	316,367
Net (Decrease) / Increase as above	(87,222)	223,397
**Includes Margin Money for Rs.NIL(p.y.499.62) thousands		

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

**Schedule Annexed to and forming part of the Consolidated Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 1 - SHARE CAPITAL		
AUTHORISED		
1,40,00,000 (p.y.1,40,00,000) Equity Shares of Rs. 10/- each fully paid up	<u>140,000</u>	<u>140,000</u>
ISSUED SUBSCRIBED AND PAID UP		
1,31,11,917 (p.y. 1,21,51,917) Equity Shares of Rs.10/- each fully paid up	<u>131,119</u>	<u>121,519</u>
Of the above :		
70,53,399 Equity Shares of Rs.10/- each fully paid up have been allotted as bonus Shares by capitalisation of Share Premium account and Profit & Loss Account.		
13,42,438 equity Shares of Rs.10/- each fully paid up were issued on Preferential allotment.		
7,35,000 equity Shares of Rs.10/- each fully paid up were issued as conversion of Share warrants on Preferential allotment. (Refer note no 7 (I & II) of part B of Schedule 13)		
2,25,000 equity shares of rs.10/- each fully paid up has been allotted for consideration other than cash (Refer note no 3 e of part B of Schedule 13)		
	<u>131,119</u>	<u>121,519</u>
SCHEDULE 2 - RESERVES AND SURPLUS		
Capital Reserve	379	251
Share Premium		
Balance as per last Balance Sheet	529,705	242,328
Add: Premium recd on issue of equity Shares (refer note no. 8 (v) of schedule 13 part B)	6,390	-
Add: Premium recd on issue of equity Shares (Refer note no 7 of part B of Schedule 13)	<u>258,870</u>	<u>287,377</u>
General Reserve	794,966	529,705
Balance as per last Balance Sheet	12,006	1,631
Add: Transfer during the year	<u>15,000</u>	<u>10,375</u>
	27,006	12,006
Statutory Reserves		
Balance as per last Balance Sheet	3,982	3,982
Add: Transfer during the year (refer note no 11 of part B of schedule 13)	<u>9,726</u>	<u>-</u>
Profit and Loss Account	13,708	3,982
	<u>467,770</u>	<u>208,399</u>
	<u>1,303,829</u>	<u>754,343</u>
SCHEDULE 3 - LOAN FUNDS		
A) SECURED LOANS		
From Banks - Car Loan (Secured by Hypothecation of Car in favour of bank)	535	1,289
From Banks - Term Loan & Overdraft (Secured by Hypothecation of Plant & Machinery and further secured by personal guarantees of 3 directors in favour of bank)	<u>481,748</u>	<u>101,037</u>
	<u>482,283</u>	<u>102,326</u>
B) UNSECURED LOANS		
From Bank	43,427	19,540
from others	<u>10,873</u>	<u>12,503</u>
	<u>54,300</u>	<u>32,043</u>

Schedule Annexed to and forming part of the Consolidated Accounts as at 31st March, 2008

SCHEDULE 4 - FIXED ASSETS

(Rs.in 000)

Particulars	Gross Block					Depreciation					Net Block				
	As At 01.04.2007	Addition Account of Acquisition	Acquired as per scheme of Amalga- mation**	Sale/ Discard adjustment	Prior Year Adjust- ment	As At 31.03.2008	Upto 01.04.2007	Addition on Account of Acquisition	For the Year	Acquired as per scheme of Amalga- mation	Sale/ Discard Adjust- ment	Prior Year Adjustment	Upto 31.03.2008	As at 31.03.2008	As At 31.03.2007
Tangible Assets															
Computers	96,784	31,618	179,436	121	(541)	292,937	19,593	20,051	23,363	-	(7,314)	(403)	55,290	237,648	77,193
Furniture & Fixtures	14,588	5,054	6,933	73	(2,443)	24,205	3,472	1,994	1,498	-	-	(2,309)	4,655	19,551	11,116
Motor Car	5,367	-	1,361	-	(626)	4,826	2,134	-	511	-	(401)	(1,276)	968	3,858	3,233
Air - Conditioner	2,381	520	4,112	-	-	7,014	205	176	249	-	-	-	630	6,385	2,176
Office Equipments	2,322	1,716	2,734	57	(359)	8,699	455	555	795	-	(359)	2,302	3,749	4,950	1,865
Leasehold Improvements	7,298	3,578	8,698	-	-	19,574	1,528	1,948	2,751	-	-	-	6,227	13,347	5,770
Intangible Asset															
Software*	104,297	252,180	178,614	-	-	535,111	12,992	129,114	41,595	-	-	(98)	183,603	351,507	91,305
Goodwill	13,643	-	-	-	-	13,643	2,691	-	2,561	-	-	-	5,252	8,389	10,952
Total	246,680	294,667	381,889	251	(2,011)	906,010	43,070	153,837	73,324	-	(8,073)	(1,784)	260,375	645,635	203,610
Previous Year	106,200	2,319	17,166	129,721	493	246,680	19,568	2,155	961	27,984	7,908	311	43,070	203,610	

(*The Balance life as on 31.03.2008 is ranging between 1 to 5 years). And (** refer note no.8 of part B of Schedule 13)

**Schedule Annexed to and forming part of the Consolidated Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 5 - INVESTMENTS		
Non - Trade (Unquoted) - at Cost, fully paid up		
(a) Janaseva Sahakari Co-op Bank Ltd. (25 equity shares of Rs.20 each)	1	1
(b) Megavisa Marketing Solutions Ltd. (1,75,108 equity shares of Rs.10 each)	3,502	3,502
(c) Investment made by Aurionpro Solutions Pte.Ltd (13,69,315 Convertible Preferred Stock of Pay Simple LLC, USA representing interest of 7.64% in the corporation) (refer note no 11(I) of part B of schedule 13)	43,360	-
(d) Investment made by Aurionpro Solutions INC (6,25,000 Common stock of XTS INC, USA having Par value of USD 0.0001 each) (refer note no 11(II) of part B of schedule 13)	23,940	-
	70,803	3,503
(B) Current Investments		
Non - Trade (quoted) - at Cost,		
(a) DSP Merrill Lynch Liquidity Fund - Dividend Plan (NIL (313.405) Units)	-	313
(b) LIC Liquid fund - Dividend Plan (NIL (60978.644) Units)	-	668
(c) LIC MF FMP Series Growth Plan (NIL (319517.171) Units)	-	3,195
(d) Investment made by E2E Infotech (India) Pvt.Ltd HDFC Cash Management Fund - Savings Plus Plan Units Current Year - 50,285.64 Units(Prev.Yr. NIL units)	510	
(* Aggregate Market Value Rs.504 (Rs.4,442.18) thousands)	510	4,176
	71,313	7,679
Market Value of quoted investments	504	4,442
Book Value of quoted Investments	-	4,176
Book Value of unquoted Investments	70,803	3,503

**Schedule Annexed to and forming part of the Consolidated Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE: 6 - CURRENT ASSETS, LOANS AND ADVANCES		
CURRENT ASSETS		
A) INVENTORIES		
Work - In - Progress (As certified and valued by the management)	38,680	19,941
B) SUNDRY DEBTORS : (Unsecured Considered good)		
(i) Outstanding Debtors - More than Six Months	119,825	48,754
- Other Debts	<u>496,448</u>	<u>263,523</u>
	616,273	312,277
C) CASH AND BANK BALANCE		
(i) Cash on Hand	609	362
(ii) Balance with Bank		
(a) With Schedule Bank		
- Current Account.	184,418	88,182
- Deposits Account.	<u>104,671</u>	<u>227,823</u>
	289,698	316,367
LOANS, ADVANCES AND DEPOSITS		
(Unsecured, considered good)		
(i) Advances recoverable in cash or in kind or for value to be recd	149,959	113,527
(ii) Loans to Employees	37,380	5,169
(iii) Deposits :		
a. Inter Corporate Deposit	3,162	3,551
b. Other Deposits	38,220	45,562
(iv) Advance Tax & Tax Deducted at Sources (Net of Prov.)	-	202
	<u>228,721</u>	<u>168,011</u>
	<u><u>1,173,372</u></u>	<u><u>816,596</u></u>

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE : 7 - CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES :		
(i) Sundry Creditors :		
Amount due to SSI	-	-
Amount due to others	<u>167,423</u>	<u>72,483</u>
(ii) Other Liability	167,423	72,483
(iii) Unearned Revenue	10,611	10,217
	<u>20,264</u>	<u>60</u>
	<u>198,298</u>	<u>82,760</u>
B) PROVISIONS :		
(i) Provision for Taxation (Net of advance tax)	16,584	2,366
(ii) Proposed Dividend	22,946	18,228
(iii) Corporate Tax on Dividend	3,900	3,098
(iv) Provision for Expenses	29,643	15,726
(v) Unclaimed Dividend	18	-
(v) Provision for Gratuity	<u>2,464</u>	<u>890</u>
	75,555	40,308
	<u>273,853</u>	<u>123,068</u>
SCHEDULE 8 - Software Services & products		
Software Services & products	<u>1,760,473</u>	<u>1,022,957</u>
	<u>1,760,473</u>	<u>1,022,957</u>
SCHEDULE 9 - OTHER INCOME		
Excess provision written back (@ is equal to Rs. 303/-)	@	93
Credit Balance written back	1,959	73
Income from Investments		
- Profit on sale of investments	301	30,509
- Dividend	11	54
Interest on		
- deposits	13,096	2,241
- Others	333	699
(Tax Deducted at Sources Rs.1,400 (p.y.348) thousands)		
Misc . Income	2,776	1,438
Foreign translation Gain	-	2,280
	<u>18,476</u>	<u>37,387</u>
SCHEDULE 10 - Staff Cost		
Salary, wages and bonus	695,373	508,277
(Including Directors Remuneration of		
- Rs. 37,169 thousands (p.y.Rs.12592 thousands)		
Contribution to Provident Fund	17,227	6,662
Staff Welfare	16,785	3,151
	<u>729,385</u>	<u>518,090</u>

**Schedule Annexed to and forming part of the Accounts
for the year ended 31st March, 2008**

(Rs.in 000)

	As at 31.03.2008	As at 31.03.2007
SCHEDULE 11 - Software Development and Other expenses		
Contract Fees	3,228	23,366
Software Consultancy & Development Charges	295,001	191,067
Rates & Taxes	6,232	839
Recruitment Charges	2,996	2,389
Electricity Expenses	7,164	3,109
Rent	35,453	17,693
Insurance	8,751	1,293
Repairs & Maintenance	10,644	4,989
Travelling Expenses	54,709	19,653
Internet Charges	2,965	2,322
Auditors Remuneration	2,711	1,759
Bad Debts W/off	3,904	1,019
Business promotion	4,968	7,389
Legal & Professional Fees	38,994	15,512
Telephone Expenses	8,442	4,590
Loss on Sale/discarded of assets	7,149	1,310
Loss on Foreign Exchange Fluctuation	19,315	8,229
Forex Currency Translation Loss	25,251	-
Miscellaneous Expenses	44,324	8,716
	<u>582,204</u>	<u>315,244</u>
SCHEDULE 12 - Earning Per Share		
Basic & Diluted Earning per Share:		
Profit for Basic and Diluted Earning per Share (Rs.in thousands)	310,976	172,615
Weighted average number of Equity Shares		
Basic	12,448,190	10,977,221
Diluted	12,448,190	11,001,467
Nominal value of equity share	10	10
Basic Earning Per Share	24.85	15.72
Diluted Earning Per Share	24.85	15.69

Schedule 13 : Significant Accounting Policies

A. Significant Accounting Policies to the Consolidated Balance Sheet and Profit and Loss Account

1. Principles of Consolidation

The consolidated financial statements relate to Aurionpro Solutions Limited ("the Company") and its Fourteen subsidiary companies (herein after collectively referred to as "Group"). The consolidated financial statements have been prepared on the following basis.

- a. The financial statements of the Company and its subsidiary companies are combined on a line- by- line basis by adding together the book values of like items of assets , liabilities, income and expenses after fully eliminating intra-group balances and intra- group transactions resulting in unrealized profits or losses being eliminated in accordance with Accounting Standard 21- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.
 - b. In case of foreign subsidiaries, revenue items are consolidated at the average rate prevailing during the period. All monetary assets and liabilities are converted at rates prevailing at the end of the year and non-monetary assets and liabilities at cost. Any exchange difference arising on consolidation of integral foreign operation is recognized in the profit and loss account.
 - c. Investments in subsidiaries are eliminated and differences between costs of investment over the net assets on the date of investment, or on the date of the financial statements immediately preceding the date of investment, in subsidiary companies is recognized as goodwill or capital reserve , as the case may be.
 - d. Minority Interest's share of net profit or Loss of consolidated subsidiaries for the period is identified and adjusted against the income of the Group in order to arrive at the net income attributable to the shareholders of the Company.
 - e. Minority Interest's share for net assets of consolidated Subsidiaries is identified and presented in the consolidated Balance sheet as separate items from liabilities and share holders' equity
 - f. 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 Standalone financial statements.
2. Investments other than investment in subsidiaries are accounted as per Accounting Standard 13 - "Accounting for Investments" issued by The Institute of Chartered Accountants of India.
3. **Other Significant Accounting policies**

1 Method of Accounting

The financial statements are prepared under historical cost convention and in accordance with the generally accepted accounting principles in India and provisions of the Companies Act,1956 read with the Companies (Accounting standards) Rules, 2006 (Accounting Standards Rules).

2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of financial statements. The recognition, measurement, classification or disclosures of an item or information in the financial statements have been made relying on these estimates to a greater extent.

3 Revenue Recognition

Revenue from software development and consulting services is recognized either on time and material basis or fixed price basis, as the case may be. Revenue on time and material contracts is recognized as and when the related services are performed. Revenue on fixed-price contracts is recognized on the percentage of completion method under which the sales value of performance, including earnings thereon, is recognized on the basis of cost incurred in respect of each contract as a proportion of total cost expected to be incurred.

Revenue from sale of licenses of software products and other products is recognized on delivery/ installation, as the case maybe. Maintenance revenue in respect of software products is recognized as and when invoice raised on the client over the period of the underlying maintenance agreement. Revenue is recorded net of service tax & Vat.

Revenue from Call center & Business process Outsourcing Operations arised from both time based and unit price client contracts. Such revenue is recognized on completion of the related services and is billable in accordance with the specific terms of contracts with clients.

4 Fixed Assets

Tangible: Fixed Assets are stated at cost, which comprises of purchase consideration and other directly attributable cost of bringing the assets to its working condition for the intended use.

Intangible: Costs that are directly associated with identifiable and unique software products controlled by the Company, whether developed in-house or acquired, and have probable economic benefits exceeding the cost beyond one year are recognized as software products.

5 Depreciation / Amortization

Software Products are amortized over a period of Five years as considered appropriate by the management. Leasehold improvements are amortized over primary period of lease. Depreciation on other fixed assets is provided on straight-line method over useful life of assets at the rates and in the manner as prescribed in Schedule XIV to the Companies Act, 1956. Subsequent upgrades of hardware are entirely charged off to revenue in the year of purchase.

Goodwill on merger is amortized over a period of five years.

6 Investments

Investments are classified into long-term investments and current investments based on the management's intention at the time of purchase. Long-term investments are carried at cost and provision is made to recognize any decline, other than temporary, in the value of such investments, determined separately for each investment. Current investments are carried at the lower of the cost and fair value and provision is made to recognize any decline in the carrying value. The comparison of cost and fair value is done separately in respect of each category of investments.

7 Accounting for Taxes on Income

Provision for current income tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income - tax Act, 1961.

Provision for fringe benefit tax is made on the basis of expenses incurred on employees/ other expenses as prescribed under the Income Tax Act, 1961.

Deferred tax resulting from timing differences between accounting and tax profits is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual/ reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each balance sheet date. Where there is Unabsorbed Depreciation or carry forward loss under tax laws, Deferred Tax Asset are recognized only if there is virtual certainty of realization of Assets.

8 Translation of Foreign Currency Items

Transactions in foreign currency are recorded at the rate of exchange in force on the date of the transactions. Monetary assets & liabilities denominated in foreign currency are translated at the exchange rate prevalent at the date of the Balance Sheet, Non Monetary items are carried at cost. The resultant gain/loss are recognized in the Profit & Loss account. Overseas investments are recorded at the rate of exchange in force on the date of allotment/ acquisition.

9 Accounting of Employee Benefits

The Company has for its employees in India, benefits such as Gratuity and Provident Fund. Provision for gratuity is made on the basis of actuarial valuation and charged to Profit and Loss account. The Company's contribution to the provident fund along with the employee share of provident fund deducted from the salary is paid into Employee Provident Fund of Government of India. The Company's contribution to EPF is charged to revenue.

10 Provisions and Contingent Liabilities

The Company recognizes a provision when there is a present obligation as a result of a past event that probably requires outflow of resources, which can be reliably estimated. Disclosures for a contingent liability is made, without a provision in books, when there is an obligation that may, but probably will not, require outflow of resources.

11 Impairment of Assets

The Company assesses at each balance sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

AURIONPRO SOLUTIONS LIMITED

12 Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use or sale of those assets that are not ready for their intended use or sale when acquired. All other borrowing costs are charged to revenue in the period in which they are incurred.

13 Operating lease

Lease arrangement where the risk and rewards incidental to ownership of an assets substantially vest with lessor, are recognized as operating lease. Lease rentals under operating leases are recognized in the profit & loss over the period of lease.

14 Preliminary & Shares Issue Expenses

Preliminary expenses and share issue expenses are written off in the years in which incurred.

15 Work in progress:

Work in progress is valued at cost plus indirect expenses allocated. The allocation of indirect expenses is based on the technical evaluation of the projects by the management.

B. Notes to Accounts

- The Subsidiary companies in the consolidated financial Statements are:

Sr	Name of the subsidiary	Country of Incorporation	Date of Acquisition/ Incorporation	Proportion of ownership interest
1	Aurionpro Solutions Pte.Ltd	Singapore	01-04-2003	100%
2	Aurionpro Solutions, INC	#USA	13-12-2005	100%
3	AurionPro Solutions, SPC Bahrain	Bahrain	01-04-2006	100%
4	SPS Corporation, USA	#USA	01-04-2006	100%
5	Auroscient Outsourcing Pvt. Ltd.	India	10-07-2006	100%
6	Coban Corporation, USA	#USA	01-10-2006	100%
7	E2E Infotech Ltd*@	#United Kingdom	01-07-2007	100%
8	E2E Infotech (India) Pvt.Ltd *	#India	01-07-2007	100%
9	AurionPro Solutions (HK) Ltd*	#Hong Kong	01-10-2007	100%
10	Integro Technologies Pte Ltd*@@	#Singapore	07-12-2007	80%
11	Integro Technologies SDN. BHD.*	#Malaysia	07-12-2007	80%
12	AuroFidel Outsourcing Limited*	#India	08-03-2008	100%
13	Aurionpro I Acquisition Corp*	#USA	31-03-2008	100%
14	Aurionpro II Acquisition Corp*	#USA	31-03-2008	100%

* Subsidiaries acquired or incorporated during the period.

Subsidiaries consolidated based on unaudited financial statement, certified by the management.

@ Holding Company of listed in Sr.No.8.

@@ Holding Company of listed in Sr.No.11.

- The Previous year's figures have been regrouped and rearranged wherever found necessary. Figures below five hundred indicated as "@".

3 Acquisition of Subsidiaries:-

- The Company in September, 2006 entered into Share Purchase Agreement (SPA) effective retrospectively from 1st April, 2006 with the owner of SPS Corporation, USA to acquire all the 1000 shares of SPS Corporation, USA for a consideration of USD 4997800 payable in three tranches out of which 1st tranche & 2nd tranche consideration has been paid & the balance consideration for 3rd tranche aggregating to USD 1632205 (Rs.65,125 thousands) is payable subject to achievement of certain measurable criteria. In terms of SPA, 500 shares remain in escrow account with Cohn, Bracaglia & Gropper and will be released on payment of third tranche.

- b. The Company in October, 2006 entered into share purchase agreement with the owner of Coban Corporation, USA to acquire all the 9450 shares of Coban Corporation, USA for a consideration payable in two tranches out of which 1st tranche consideration of USD 9,00,000 has been paid and 2nd tranche consideration of USD 4,50,000 (Rs.17,955 thousands) is payable subject to achievement of certain measurable criteria. In terms of SPA, all shares remain pledged with Coblenz, Patch, Duffy & Bass LLP and will be released on payment of second tranche.
- c. The Company has formed a wholly owned subsidiary Aurionpro Solutions (HK) Ltd in Hongkong on 1st October, 2007.
- d. The Company has formed a wholly owned subsidiary AuroFidel Outsourcing Ltd. in India on 8th March, 2008.
- e. The Company entered into Share Purchase Agreement (SPA) in July, 2007 with E2E Infotech Ltd, UK to acquire entire 10,000 shares of E2E InfoTech Ltd. The Company has paid cash consideration of GBP 4,50,000 (Rs.36,562 thousands) and also issued & allotted 2,25,000 fully paid up Equity shares of Rs. 10 each at a premium of Rs. 360 each without receiving any consideration. The SPA has been approved by FIPB unit of department of Company affairs, Ministry of finance, Government of India.
- f. The Company in December, 2007 entered into Share Purchase Agreement (SPA) with the owner of Integro Technologies Pte.Ltd, Singapore to acquire all the 16886029 shares of Integro Technologies Pte.Ltd, Singapore at an agreed price of SGD 1,60,00,000 in three tranches. The Company has paid 1st tranche amounting to SGD 1,15,00,00 (Rs.3,13,837 thousands) and acquired 13508823 shares (80% of the total paid up capital of Integro Technologies Pte.Ltd, Singapore). 2nd tranche amounting to SGD 20,00,000 for acquisition of 16,88,603 shares will fall due after 12 calendar months of the agreement date and 3rd tranche amounting to SGD 25,00,000 for acquisition of 16,88,603 shares will fall due after 24 calendar months of the agreement date.
- g. The Company has incorporated two wholly owned subsidiaries namely Aurionpro I Acquisition Corp. and Aurionpro II Acquisition Corp. on 20th March, 2008 under the Laws of State of New Jersey for the purpose of acquisition of SENA Systems INC., USA.

The Company entered into an Agreement on 31st March, 2008 for the overseas merger of M/s Aurionpro I Acquisition Corp. with Sena Systems Inc, USA. As per the agreement Aurionpro Subsidiary I to merge with SENA Systems, Inc. As part of Merger Consideration, Aurionpro Solutions Limited, being the 100% holding company of Aurionpro Subsidiary I will receive 9,76,164 consideration shares of Sena Systems INC and against same Aurionpro Solutions Limited as part of merger process will pay USD 20,00,000 cash to Sena shareholders and option holders and the Company will issue 2,75,000 shares to shareholders of SENA Systems Inc. including Wizarth.

Sena System Inc. to get merge into Aurionpro II Acquisition Corp.

- h. One of the Company's subsidiary namely Aurionpro Solutions Pte.Ltd in October 2007 invested Rs.43,360 thousands in Senior Unsecured Convertible Promissory Note in Pay Simple LLC (Incorporated under the Laws of state of Delaware, U.S.A). As per the terms of agreement the note has been convertedly subsequently to year end on 1st April, 2008 13,69,315 Series B Convertible Preferred Stock representing an interest of 7.64% interest in the Corporation.
- i. One of the company's Subsidiary namely Aurionpro Solutions INC, USA in January 2008 invested Rs.23,940 thousands in 6,25,000 Common Stock of XTS Inc (incorporated under the laws of the state Delaware, USA) having Par value of USD 0.0001.

4 The balances of sundry debtors and creditors are subject to confirmation.

5 Unearned Revenue

Unearned Revenue as at 31st March, 2008 amounting to Rs.477 thousands (P.Y. Rs.60 thousands) primarily consist of client billing on fixed price and fixed time frame contract for which related cost have not yet been incurred.

AURIONPRO SOLUTIONS LIMITED

- 6 Deferred taxation in respect of timing difference arising on account of:

Particulars	(Rs. in 000)	
	2007-08	2006-07
<u>Deferred Tax Liability on account of:</u>		
Depreciation / Amortization	54593	20852
<u>Deferred Tax Assets on account of :</u>		
Disallowance under the Income tax Act,1961	4243	3392
Depreciation / Amortization	-	86
Net Deferred Tax Liability	<u>50350</u>	<u>17374</u>

- 7 The Company has converted 7,35,000 convertible warrants out of 8,85,000 convertible warrants issued on 22nd March, 2007 into Equity Share capital of the Company in the following manner:

- I. 6, 29,663 fully paid up Equity shares of Rs.10 each against Convertible Warrants at a premium of Rs.242/- at the Board meeting held on 6th November, 2007.
- II. 1, 05,337 fully paid up Equity shares of Rs.10 each against Convertible Warrants at a premium of Rs.242/- at the Board meeting held on 31st January, 2008.
- III. Balance of 1,50,000 equity warrants are pending for conversion for an equal number of equity shares of Rs.10 each at price of Rs.252 per shares. The Company has received 25.20 per warrants being 10% upfront money against the allotment of warrants.
- IV. The above proceeds of Rs.185220 thousands has been used for working Capital to Foreign Subsidiaries, Deposits for Premises and General & administrative expenditure for Mumbai Office.

8 Scheme of Amalgamation:

In terms of the Scheme of Amalgamation ("scheme") under sections 391 to 394 of the companies Act,1956 sanctioned by order dated 6th October,2007 of Hon'ble High court of Judicature at Bombay Aurionpro Services Pvt. Ltd (hereinafter referred as "Transferor Company") has been amalgamated with the company from the appointed date 1st April,2006.

In accordance with said scheme and as per the High Courts' Approval

- i) All assets & Liabilities of the transferor Company have been recorded in the books of the Company at their respective book value. The net profit of Aurionpro Services Ltd. for the period 1st April,2006 to 31st March, 2007 (including opening balance of profit & loss account as on 1st April, 2006 amounting to Rs. 159 thousand) amounting to Rs.1,784 thousands has been adjusted against the opening balance of Profit & Loss Account.
- ii) The reserve of the transferor company have been clubbed with the transferee company in the same form as they appear in the financial statement of the transferor company.
- iii) 17,74,932 equity shares of Rs.10 each of the company held by the Transferor Company in its own name has been transferred to the individual shareholders recorded in the Shareholder's register of transferor company on the appointed date.
- iv) An amount equal to the balance lying to the credit of Profit & Loss Account in the books of the Transferor Company has been credited by the Transferee Company to its Profit & Loss Account and constitutes the Transferee Company's free reserves as effectively as if the same were created by the Transferee Company and credited by the Transferor Company out of it's own earned and distributable profit.
- v) The excess of Assets over liabilities amounting to Rs.6,549 thousand has been recognized as under:

Particulars	Amount (Rs. in 000)
Assets	7889
Liabilities	1340
Share Premium	6390
Profit & Loss Account	159

- vi) Had the scheme not prescribed this treatment an amount of Rs.6,549 thousands would have been considered as capital reserve as required by the Pooling of Interest method prescribed by Accounting Standards 14 on "Accounting for Amalgamations" issued by The Institute of Chartered Accountants of India(ICAI).
- 9 The Company had raised Rs.2,70,022 thousands through Initial Public offering (IPO) in October 2005 , which comprised of 30,00,247 equity shares of face value of Rs. 10 each issued at a premium of Rs.80 per share. The proceeds from IPO have been utilized by the Company as under:

Particulars	(Rs. in 000)	
	26.10.2005 to 31.03.2008	26.10.2005 to 31.03.2006
Expansion of facilities	67746	61609
Certification	517	517
Investments	130000	79152
Establishment of Overseas Office	35505	35505
Public Issue Expenses	15015	15015
Incremental Working Capital	18847	18847
Balance lying in Deposit with Banks	2392	59377
Total	270022	270022

- 10 As required by the Bahrain Commercial Companies Law (issued on June 20,2001), an amount equal to 10 % of the company's net profit before appropriations is to be transferred to a non-distributable reserve account until such time as minimum of 50% of the Share Capital is set aside , which cannot be utilized for the purpose of distribution, except in the circumstances stipulated in the Bahrain Commercial Companies Law.

During the year one of the company's Subsidiary Aurionpro Solutions SPC's has transferred Rs.9,726 thousands in the statutory reserve funds as at 31st March,2008 , to make Statutory reserve to 50% of its issued Share Capital.

- 11 I) One of the Company's subsidiary namely Aurionpro Solutions Pte.Ltd in October, 2007 invested Rs.43,360 thousands in Senior Unsecured Convertible Promissory Note in Pay Simple LLC (Incorporated under the Laws of state of Delaware, U.S.A). As per the terms of agreement the note has been convertedly subsequently to year end on 1st April, 2008 13, 69,315 Series B Convertible Preferred Stock representing an interest of 7.64% interest in the Corporation.
- II) One of the company's Subsidiary namely Aurionpro Solutions INC, USA in January, 2008 invested Rs.23,940 thousands in 6, 25,000 Common Stock of XTS Inc, (incorporated under the laws of the state Delaware, USA) having Par value of USD 0.0001.
- 12 The Company has identified geographic segments as its primary segment and as the company is dealing only in software development and related activities, there is no business segment as secondary segment as per Accounting Standard (AS) - 17 "Segment Reporting".

Geographic segments of the company are India, USA, Middleeast, Singapore and Others.

Revenue and expense directly attributable to segments are reported under each reportable segment. Expense incurred in India on behalf of other segments and not directly identifiable to each reportable segment have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses.

Assets and Liabilities that are directly attributable to segments are disclosed under each reportable segment. All other Assets and Liabilities are disclosed as unallocable.

AURIONPRO SOLUTIONS LIMITED

(Rs. in 000)

Particulars	India	USA Middleeast	Singapore*	Others	Unallocated	Total
External Revenue	280,050	760,027	289,010	309,367	122,018	1,778,949
	<i>104,888</i>	<i>694,528</i>	<i>124,175</i>	<i>87,728</i>	<i>11,638</i>	<i>1,060,343</i>
Inter Segment Revenue	-	-	-	-	-	-
	-	-	-	-	-	-
Net Revenue	280,050	760,027	289,010	309,367	122,018	1,778,949
	<i>104,888</i>	<i>694,528</i>	<i>124,175</i>	<i>87,728</i>	<i>11,638</i>	<i>1,060,343</i>
Segment Results before Interest and Tax	49,354	46,237	162,842	99,085	54,387	412,775
	<i>11,389</i>	<i>64,244</i>	<i>65,295</i>	<i>32,882</i>	<i>5,853</i>	<i>206,100</i>
Interest	-	-	-	-	-	(33,062)
	-	-	-	-	-	(4,181)
Segment Results before taxes	49,354	46,237	162,842	99,085	54,387	379,713
	<i>11,389</i>	<i>64,244</i>	<i>65,295</i>	<i>32,882</i>	<i>5,853</i>	<i>201,919</i>
Provision for Taxation	-	-	-	-	-	(68,738)
	-	-	-	-	-	(29,304)
Segment Results after tax	-	-	-	-	-	310,974
	-	-	-	-	-	172,615
Other Information's :	-	-	-	-	-	-
Segment Assets	695,062	169,055	295,574	309,923	98,567	2,335,638
	<i>177,731</i>	<i>244,017</i>	<i>165,656</i>	<i>64,022</i>	<i>4,976</i>	<i>1,172,975</i>
Segment Liabilities	47,271	46,010	24,135	29,477	75,367	273,853
	<i>33,891</i>	<i>75,533</i>	<i>5,763</i>	<i>1,347</i>	-	<i>123,067</i>
Capital Expenditure	118,537	2,816	129,001	27,695	-	381,889
(excluding on account of merger/ acquisitions)	<i>42,873</i>	<i>1,625</i>	<i>61,088</i>	<i>235</i>	-	<i>143,364</i>

Figures in Italic indicate previous year figures.

* Singapore has been identified as reportable segment during the year since it contributes more than 10% of the company's revenues and segment assets as required by AS -17 "Segment Reporting" issued by The Institute of the Chartered Accountants of India.

13 Related Party Transactions (in respect of related parties as of the date of this report):

A. Name of the related parties:

i. **Key Managerial Personnel:**

- a) Bhavesh R Talsania
- b) Amit R Sheth
- c) Sanjay A Desai

ii. **Other Related Parties:**

- a) Promoter Company: AurionPro Services Pvt Ltd.

(Merged with AurionPro Solutions Ltd on 31st October, 2007 - w.e.f.1st April, 2006 being an appointed date

B. Transactions with related parties:

Particulars	(Rs. in 000)	
	2007-08	2006-07
Key Managerial Personnel:		
Remuneration (Including PF)	4716	4716
Dividend	2677	1585
Other Related Parties:		
AurionPro Services Pvt. Ltd.		
Closing Balances:		
Payable at the year end	-	1747
Transaction:		
Reimbursement of expenses to related parties	-	-
Dividend paid	1775	1775

C. Out of the above items transaction in excess of 10% of the related party transactions are as under:

Particulars	(Rs. in 000)	
	2007-08	2006-07
Key Managerial Personnel		
Remuneration (Including PF)		
Amit Sheth	1,995	1,995
Bhavesh Talsania	1810	1810
Sanjay Desai	912	912
Dividend Paid		
Amit Sheth	1165	677
Bhavesh Talsania	1055	703
Sanjay Desai	457	205
Dividend paid		
Aurionpro Services Pvt. Ltd.	1734	1775
Closing Balances:		
Aurionpro Services Pvt. Ltd.	-	1747

14. In the opinion of the Board, the investments, current assets, loans and advances are realizable at a value, which is at least equal to the amount at which these are stated, in the ordinary course of business and provision for all known and determined liabilities are adequate and not in excess of the amount reasonably stated.

Signatures to Schedule "I" to "XIII"

For **Chaturvedi & Shah**
Chartered Accountants

Lalit R. Mhalsekar
Partner
Membership No.: 103418

Dated : 7th September, 2008
Place : Mumbai

For and on behalf of board

Sanjay A. Desai
Chairman and Executive Director

Amit R. Sheth
Managing Director

Kinjal S. Shah
Company Secretary

AURIONPRO SOLUTIONS LIMITED

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT,1956, RELATING TO COMPANY'S INTEREST IN SUBSIDIARY COMPANIES:

S.N	Particulars	Aurionpro Solutions Pte Ltd, Singapore	Aurionpro Solutions INC,USA	Aurionpro Solutions SPC, Bahrain	Aurocient Outsourcing Pvt.Ltd, India	SPS Corporation, USA	Coban Corporation, USA	EZE InfoTech Ltd	Aurionpro Solutions (HK) Ltd	Integro Technologies Pte Ltd	Aurofidel Outsourcing Ltd	Aurionpro I Acquisition Corporation	Aurionpro II Acquisition Corporation
1	The Financial year of the Subsidiary Companies ended	31st March, 2008	31st March, 2008	31st March, 2008	31st March, 2008	31st December, 2007	31st December, 2007	31st March, 2008	31st March, 2008	30th June, 2007	31st March, 2008	31st March, 2008	31st March, 2008
2	Date from which they became subsidiary	1st April, 2003	7th November, 2006	1st April, 2006	10th July, 2006	1st April, 2006	1st October, 2006	1st July, 2007	1st October, 2007	7th December, 2007	8th March, 2008	20th March, 2008	20th March, 2008
3	Shares of the subsidiary held by Aurionpro Solutions Limited on the above dates: a. Number of shares held	5,43,799 Equity Shares at SGD 1 each fully paid up	20,000 Equity Shares of Capital stock with no par value	2,500 Equity Shares BHD 100 each Fully paid up	10,000 Equity Shares of Rs 10 each Fully paid	1,000 Equity Shares with no par value	9,450 Equity Shares of USD 0.0001 each Fully paid up	1 0,000 Ordinary Shares of GBP 1 each Fully paid up	1 Ordinary Shares of HKD 1 each Fully paid up	98,01,136 Ordinary Share of SGD 0.10 each Fully paid up 33,99,166 Ordinary Share of SGD 0.40 each Fully paid up. 308521 Ordinary share of 0.49 SGD each Fully paid up.	Nil	1 00 Equity Shares of without Par value	1 00 Equity Shares of without Par value
b.	Extent of holding	100%	100%	100%	100%	100%	100%	100%	100%	80%	100%	100%	100%
4	The Net aggregate amount of Profits/(Losses) for the current period of the subsidiary so far as it concerns the members of the holding company												
a.	Not dealt within the accounts of Aurionpro Solutions Limited: For the financial year ended 31st March,2008	Rs. 3,416 thousand (SG\$ 3,35,517)	Rs. 4,369 thousand (US\$ 1,26,517)	Rs. 1,12,992 thousand (BHD 10,53,386)	Rs. 758 thousand	Rs. 4,802 thousand (US\$ 2,55,532)	Rs. (15,268) thousand (US\$ (-) 3,67,233)	Rs. 9,121 thousand (GBP 1,27,996)	Rs. 56 thousand (HK\$ 10,908)	Rs. 14,198 thousand (SG\$ 4,15,633)	Rs. (358) thousand	Nil	Nil
2)	For the previous financial years of the Subsidiary Companies since they became the holding Company's subsidiaries	Rs.817 thousand (SG \$ 2253)	Rs.(-) 1,048 thousand (US\$ (-)20502)	Rs.41,262 thousand (BHD 3,44,861)	Rs.(-) 3521 thousand	Rs. 27,938 thousand (US\$ 6,51,720)	Rs. 7,592 thousand (US\$ 1,75,424)	Nil	Nil	Nil	Nil	Nil	Nil
b.	Dealt within the holding company's accounts:												
1)	For the financial year ended 31st March,2008												
2)	For the previous financial years of the subsidiary companies since they became the holding Company's subsidiaries												

STATEMENT RELATING TO SUBSIDIARY COMPANIES AS ON MARCH 31, 2008
(Rs. in 000)

S.N.	Entity	Issued & Subscribed Share Capital	Reserves (net of profit & loss a/c debit balance)	Total Assets	Total Liabilities	Investments	Turnover	Profit/(Loss) before Taxation	Provision for Taxation	Profit/(Loss) after Taxation	Proposed Dividend
1	Aurionpro Solutions Pte Ltd (Singapore) SG\$	14,676	8,710	114,173	114,173	43,360	62,821	3,338	(78)	3,416	0
2	Aurionpro Solutions INC (USA) US\$	9,251	5,105	99,168	99,168	23,940	186,881	5,900	3,268	2,632	0
3	Aurionpro Solutions SPC (Bahrain) BHD	29,775	154,255	366,663	366,663	0	285,268	112,992	0	112,992	0
4	Aurocient Outsourcing Pvt Ltd (India)	100	(2,763)	76,694	76,694	0	41,911	1092	334	758	0
5	SPS Corporation (USA) US \$	45	46,440	145,036	145,036	0	497,046	13,179	8,377	4,802	0
6	Coban Corporation (USA) US \$	433	(7,673)	30835	30835	0	84,804	(13,408)	1,856	(15,264)	0
7	E2E Infotech Ltd. (UK) GBP	818	47,358	103,852	103,852	510	118,566	15,734	6,613	9,121	0
8	Aurionpro Solutions(HK) Ltd (USA) US \$	0	55	2246	2246	0	3761	56	0	56	0
9	Integro Technologies Pte Ltd. (Singapore) SG\$	145,535	31,540	224,581	224,581	0	89,754	19,473	1,726	17,747	0
10	Aurofidel Outsourcing Ltd India)	0	(358)	0	0	0	0	(358)	0	(358)	0
11	Aurionpro I Acquisition Corp. (USA) US \$	0	0	0	0	0	0	0	0	0	0
12	Aurionpro II Acquisition Corp. (USA) US \$	0	0	0	0	0	0	0	0	0	0

Note:

S.N.	Currency	Entity	Balance Sheet Conversion Rate as at 31.03.2008	Profit & Loss Account Conversion Rate (Average rate)
1	SG\$	Aurionpro Solutions Pte.Ltd (Singapore)	28.90675	28.78075
2	US\$	Aurionpro Solutions INC (USA)	39.9000	41.67084
3	BHD	Aurionpro Solutions SPC (Bahrain)	107.454	111.466
4	US\$	SPS Corporation (USA)	39.9000	41.67084
5	US\$	Coban Corporation (USA)	39.9000	41.67084
6	HK\$	Aurionpro Solutions (HK) Ltd	5.12877	5.125165
7	GBP	E2E Infotech Ltd	79.6049	80.7242
8	SG\$	Integro Technologies Pte Ltd	28.90675	28.10175
9	US\$	Aurionpro I Acquisition Corporation	39.9000	41.67084
10	US\$	Aurionpro II Acquisition Corporation	39.9000	41.67084

DIRECTORS' REPORT of E2E Infotech (India) Private Limited

The Members,
E2E INFOTECH (INDIA) PRIVATE LIMITED
MUMBAI

Your Directors have pleasure in presenting their fifth Annual Report and Audited Accounts for the year ended on 31st March 2008.

FINANCIAL AND OPERATING RESULTS :

Your Company during the year under review have registered a profit of Rs. 31,43,700/- . Your Directors are confident of better progress of the company in current year.

DIVIDEND :

Your Directors do not recommend any payment of dividend during the period under review to conserve the resources.

DEPOSITS :

The Company has not accepted any fixed deposits from public during the period under review.

DIRECTORS :

There is no change in the directors of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT :

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

1. in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
2. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
4. they have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES :

The information as required by provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION , AND FOREIGN EXCHANGE EARNING AND OUTGO :

The information as required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are given in the Annexure. Foreign Exchange earning is Rs. 4,93,85,148/- and outgo during the year is Rs. 91,62,883/-.

AUDITORS:

The Auditors M/S. Bharat Gandhi & Company, Chartered Accountants, Mumbai Statutory Auditors of the Company hold office until the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. They have expressed their willingness to continue as Statutory Auditors for the Financial Year 2007-08 and accordingly, a resolution proposing their appointment is being submitted to the ensuing Annual General Meeting.

ACKNOWLEDGEMENT:

The Board of Directors wishes to express their deep sense of appreciation and gratitude to all employees, bankers and clients for their assistance, support and co-operation extended by them.

FOR AND ON BEHALF OF THE BOARD

PLACE : MUMBAI

DATE ; 09-06-2008

Maneesh Mehra Nirav Shah

Auditors' Report of E2E Infotech (India) Private Limited

To,

THE MEMBERS OF E2E INFOTECH (INDIA) PVT. LTD.

We have audited the attached Balance Sheet of **E2E Infotech (India) Pvt. Ltd.** as at March 31, 2008 and also Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

According to information, records produced to us and according to explanations provided during the course of our Audit, Companies (Auditor report) 2003 is not applicable to the company for the period under review. Thus we have not reproduced the clauses of report.

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

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of the written representations received from the directors, as on March 31, 2008, and taken on record by the Board of Directors, we report that none of the directors disqualified as on March 31, 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2008; and
 - (b) in the case of the Profit and Loss Account, of the profit for the year ended 31st March 2008.

For BHARAT GANDHI & CO.,
CHARTERED ACCOUNTANTS,

(BHARAT GANDHI)
PROPRIETOR

MUMBAI

Dated : 9th June, 2008

BALANCE SHEET AS AT 31st MARCH 2008

	Schedule	As at 31st March 2008		As at 31st March 2007	
		Rs.	Rs.	Rs.	Rs.
Sources of Funds					
Shareholders Funds					
Capital	A	100,000.00		100,000.00	
Reserves & Surplus	B	4,808,721.68		1,664,888.38	
			4,908,721.68		1,764,888.38
Deferred Tax			77,971.00		163,395.00
Total			<u>4,986,692.68</u>		<u>1,928,283.38</u>
Application of Funds					
Fixed Assets					
Gross Block	C	6,204,269.05		5,556,389.05	
Less: Depreciation		<u>2,055,855.97</u>		<u>956,786.46</u>	
			4,148,413.08		4,599,602.59
Investments	D		503,701.20		-
Current Assets, Loans & Advances					
Cash & Bank balance	E	3,153,983.68		1,202,101.98	
Loans & Advances	F	9,160,192.62		3,698,730.81	
		<u>12,314,176.30</u>		<u>4,900,832.79</u>	
Less : Current Liabilities & Provisions					
Current Liabilities	G	9,755,597.90		6,840,152.00	
Provisions	H	<u>2,224,000.00</u>		<u>732,000.00</u>	
		11,979,597.90		7,572,152.00	
Net Current Assets			334,578.40		(2,671,319.21)
Total			<u>4,986,692.68</u>		<u>1,928,283.38</u>
Notes to Accounts	L				

As per our report of even date attached herewith

For Bharat Gandhi & Co.
Chartered Accountants

For E2E Infotech (India) Pvt. Ltd.

Shri Bharat Gandhi
ProprietorMr. Maneesh Mehra
DirectorMr. Nirav Shah
Director

MUMBAI

MUMBAI

Dated : 9th June, 2008Dated : 9th June, 2008

PROFIT & LOSS ACCOUNT FOR YEAR ENDED ON 31st MARCH 2008

	Schedule	As at 31st March 2008		As at 31st March 2007	
		Rs.	Rs.	Rs.	Rs.
<u>INCOME</u>					
Software Development Chgs.		43,592,610.00		21,548,500.00	
Consultancy charges		5,792,538.50		-	
Other Income	I	365,464.81		38,222.14	
			49,750,613.31		21,586,722.14
<u>EXPENDITURE</u>					
Payment to & Provision for Employees	J	25,182,989.00		11,744,936.00	
Selling General & Administrative Expenses	K	18,647,278.50		7,386,766.74	
Depreciation		1,099,069.51		456,737.49	
			44,929,337.01		19,588,440.23
Profit before tax			4,821,276.30		1,998,281.91
Less: Provision for taxation					
Current		1,500,000.00		610,000.00	
Deferred		(85,424.00)		55,465.00	
Fringe Benefit tax		263,000.00		80,000.00	
			1,677,576.00		745,465.00
Profit after tax			3,143,700.30		1,252,816.91
Add: Prior Year Tax Adjustments			133.00		-
			3,143,833.30		1,252,816.91
Add: Balance B/F from earlier year			1,664,888.38		412,071.47
Balance carried to Balance-Sheet			<u>4,808,721.68</u>		<u>1,664,888.38</u>
Notes to Accounts	L				

As per our report of even date attached herewith

For Bharat Gandhi & Co.
Chartered Accountants

For E2E Infotech (India) Pvt. Ltd.

Shri Bharat Gandhi
Proprietor

Mr. Maneesh Mehra
Director

Mr. Nirav Shah
Director

MUMBAI
Dated : 9th June, 2008

MUMBAI
Dated : 9th June, 2008

Schedules Annexed to and forming part of Balance sheet as at 31st March 2008

	As at 31st March 2008	As at 31st March 2007
SCHEDULE - A		
CAPITAL		
Authorised Capital 50,000 Equity shares of Rs.10/- each	500,000.00	500,000.00
Issued, Subscribed & Paid up Capital 10,000 Equity shares of Rs.10/- each fully paid up	100,000.00	100,000.00
Total	<u>100,000.00</u>	<u>100,000.00</u>
SCHEDULE - B		
RESERVES & SURPLUS		
Surplus in Profit & Loss Account	4,808,721.68	1,664,888.38
Total	<u>4,808,721.68</u>	<u>1,664,888.38</u>

SCHEDULE - C**SCHEDULE OF FIXED ASSETS**

ASSETS	Gross Block				Depreciation				Net Block	
	As on 01-04-07	Additions during the year	Deductions during the year	As on 31-03-08	Upto 01-04-07	For the year	On the Deductions	Upto 31-03-08	As on 31-03-08	As on 31-03-07
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Air Conditioner	382,039.00		-	382,039.00	26,698.99	49,563.24	-	76,262.23	305,776.77	355,340.01
Automatic Attendance & Access System	50,000.00		-	50,000.00	1,124.23	6,817.26	-	7,941.49	42,058.51	48,875.77
Computer Systems	1,550,201.20	591,776.17	-	2,141,977.37	762,799.29	442,150.50	-	1,204,949.79	937,027.58	787,401.91
Electrical Installation	640,688.13		-	640,688.13	14,405.65	87,354.54	-	101,760.19	538,927.94	626,282.48
EPABX System & Networking	225,612.00		-	225,612.00	5,072.80	30,761.03	-	35,833.83	189,778.17	220,539.20
Furniture & Fixture	2,583,167.92		-	2,583,167.92	75,577.12	455,117.46	-	530,694.58	2,052,473.34	2,507,590.80
Office Equipments	20,949.00	13,700.00	-	34,649.00	471.03	4,412.16	-	4,883.19	29,765.81	20,477.97
Softwares	103,731.80	42,403.83	-	146,135.63	70,637.35	22,893.32	-	93,530.67	52,604.96	33,094.45
Total	5,556,389.05	647,880.00	-	6,204,269.05	956,786.46	1,099,069.51	-	2,055,855.97	4,148,413.08	4,599,602.59
Previous Year	1,439,910.00	4,330,531.05	(214,052.00)	5,556,389.05	571,402.23	456,737.49	(71,353.26)	956,786.46	4,599,602.59	

SCHEDULE - D**INVESTMENTS****Trade, Quoted**

HDFC Cash Management Fund - Savings Plus Plan Units
Current Year - 50,285.64 Units(Prev.Yr. NIL units)

503,701.20

-

503,701.20-

Market value of Quoted Investments

Current Year - Rs. 5,04,445 (Prev. Yr. Rs.NIL)

SCHEDULE - E**CASH & BANK BALANCES**

Cash on Hand

18,700.50

5,842.00

Cash with Scheduled Banks In Current Account

3,135,283.18

1,196,259.98

Total

3,153,983.681,202,101.98

Schedules Annexed to and forming part of Balance sheet as at 31st March 2008

	As at 31st March 2008	As at 31st March 2007
SCHEDULE - F		
LOANS & ADVANCES		
(Unsecured and considered good) advances recoverable in cash or kind or value to be received		
received	5,084,815.62	1,281,230.81
Advance Tax	2,385,000.00	860,000.00
Deposits	1,690,377.00	1,557,500.00
	<u>9,160,192.62</u>	<u>3,698,730.81</u>
SCHEDULE - G		
CURRENT LIABILITIES		
Sundry Creditors	1,635,597.90	243,992.00
Advance Received from Customers	8,120,000.00	6,596,160.00
Total	<u>9,755,597.90</u>	<u>6,840,152.00</u>
SCHEDULE - H		
Provision for Tax	2,224,000.00	732,000.00
Total	<u>2,224,000.00</u>	<u>732,000.00</u>

Schedules Annexed to and forming part of Profit & Loss Account for the year ended on at 31st March 2008

	As at 31st March 2008	As at 31st March 2007
SCHEDULE - I		
OTHER INCOME		
Discount	31,997.50	11.00
Dividends from HDFC Mutual Fund	97,801.08	34,027.12
Short Term Capital Gain	-	4,184.02
Exchange Rate Difference	201,881.23	-
Interest on tax refund	908.00	-
Interest on Loan	32,877.00	-
Total	<u>365,464.81</u>	<u>38,222.14</u>
SCHEDULE - J		
PAYMENT TO & PROVISION FOR EMPLOYEES		
Salaries	14,928,123.00	7,681,815.00
Staff Welfare & Entertainment Exps.	191,452.00	220,383.00
Director's Remuneration	10,063,414.00	3,842,738.00
Total	<u>25,182,989.00</u>	<u>11,744,936.00</u>

**Schedules Annexed to and forming part of Profit & Loss Account
for the year ended on at 31st March 2008**

	As at 31st March 2008	As at 31st March 2007
SCHEDULE - K		
SELLING GENERAL & ADMINISTRATIVE EXPENSES		
Conveyance	56,258.00	35,503.00
Auditor's Remuneration	70,000.00	60,000.00
Miscellaneous expenses	940,372.76	331,471.59
Account Writing Fees	180,000.00	150,000.00
Telephone Expenses	664,739.04	311,948.13
Electricity Charges	387,450.00	300,752.00
Printing & Stationary	49,890.50	32,552.00
License fees	30,931.80	30,931.80
Professional Fees Paid	656,565.87	243,368.00
Rent	1,896,508.00	1,355,426.00
Repairs & Maintenance	115,859.50	123,344.80
Travelling Exepenses	13,275,198.03	3,790,457.43
Exchange Rate Difference	-	383,467.25
Training Fees	290,743.00	94,846.00
Loss on Disposal of Old Furniture	-	142,698.74
Recruitment Charges	32,762.00	-
Total	<u>18,647,278.50</u>	<u>7,386,766.74</u>

SCHEDULE - L

NOTES TO ACCOUNTS

1. Significant Accounting Policies

A. Financial statements are based on historical cost and on the basis of a going concern. The Company follows mercantile system of accounting and recognises income and expenditure on an accrual basis.

B. FIXED ASSETS

Fixed Assets are stated at cost. Depreciation on all assets is provided on written down value method in accordance with the provisions of Schedule XIV of the Companies Act, 1956.

C. All expenses are Generally accounted on accrual basis.

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

E. Export Sales are recognised as per raising of export of services invoices which are base don work orders of customers.

F. Foreign Exchange Transactions

(a) Transactions denominated in foreign currencies are normally recorded at the exchange rates prevailing at the time of the transactions or the applicable forward contracts.

(b) Foreign currency liabilities & assets are re-stated at the rate prevailing on the last day of the accounting year or the applicable forward contracts. Gains and losses arising out of such fluctuations are duly dealt with in the profit and loss account.

G. INCOME TAX

Current Tax is determined as the Amount of tax payable to the Tax Authorities in respect of taxable income for the year. Deferred Tax is recognised, subject to the consideration of prudence, on timing differences being 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 are not recognised on unabsorbed depreciation and carry forward of losses unless there is virtual certainty that sufficient taxable profits will be available against which such deferred tax assets can be realised.

OTHER NOTES

2. The provision for payment of gratuity as per payment of gratuity Act is not made in Accounts. Provident Fund and Family Pension Scheme are charged to revenue.

3. The total amount of remuneration paid to Directors charged in these accounts is set out below :

	Amount (Rs.) 2007-2008	Amount (Rs.) 2006-2007
Payments to CEO & Director	9933814	3734227
Contribution to Provident Fund	129600	108511

3. Payment to Auditors (Excluding Service tax)

	2007-2008	2006-2007
i) Audit fees	60,000	87,550
ii) Taxation matters	-	-
Total	60,000	87,550

4. EARNINGS PER SHARE

	2007-2008	2006-2007
(I) Net Profit after tax available for equity share holders	3,143,700	1,252,817
(II) Weighted Average of number of equity shares outstanding during the year.	10000	10000
(III) Basic and diluted earnings per share (Rs.) (Face value of Rs.10/- each)	314.37	125.28

5. None of the employees had received Rs. 2,400,000/- or more if employed throughout the year and Rs. 2,00,000/- per moth or if employed for the part of the year.

6. Expenditure in Foreign currency is Rs.91,62,883/- (Prv. Year Rs.23,04,173/-) and remittance in foreign currency on account of Dividend, Technical Know-How fees etc. Rs. NIL (Previous Year Rs. Nil).

7. Earning in Foreign Exchange - Export of Software Development Services Rs.4,93,85,148/- (Prv. Year Rs.2,15,48,500/-)

E2E INFOTECH (INDIA) PRIVATE LIMITED

SCCHEDULE - L (contd.)

Balance sheet abstract and companys' general business Profile.

(as per requirement of part IV of schedule VI of the Companies Act, 1956)

(Amount in Rs.)

I. Registration Details:		
Registration no.	U 72200 MH 2003	PTC 143523 Dated 12.12.2003
State Code		11
Balance Sheet date	31.3.2008	
II. Capital raised during the year		
Public Issue		Nil
Rights Issue		Nil
Bonus Issue		Nil
Private Placement		Nil
III. Position of mobilization and deployment of Funds.		
		Rs.
Total Liabilities	4,986,693	
Total Assets	4,986,693	
Sources of Funds		
Paid-up Capital	100,000	
Reserves and surplus	4,808,722	
Secured Loans	Nil	
Unsecured Loans	Nil	
Deferred Tax	77,971	
Application of Funds.		
Fixed Assets	4,148,413	
Investments	503,701	
Net Current Assets	334,578	
Misc. Expenditure	-	
IV. Performance of the Company		
Turn Over.	49,750,613	
Total Expenditure	44,929,337	
Profit before Tax.	4,821,276	
Profit after Tax	3,143,700	
Earnings per Share	314.37	
Dividend Rate	Nil	
V. Generic Names of the three principal products of the Company.		
Name of the Product		I.T.C. Code No:
Software Development Services		N.A.

As per our report of even date attached herewith

For Bharat Gandhi & Co.

Chartered Accountants

Sd/-

Shri Bharat Gandhi
Proprietor

MUMBAI

Dated : 9th June, 2008

For E2E Infotech (India) Pvt. Ltd.

Sd/-

Mr. Maneesh Mehra
Director

MUMBAI

Dated : 9th June, 2008

Sd/-

Mr. Nirav Shah
Director

Registered Office Address:

aurionPr 

Solutions Limited

404, Winchester, Hiranandani Business Park, High Street, Powai, Mumbai - 400 076.

Tel: +91 22 6770 7700 / 6770 7701 ● Fax: +91 22 6770 7722