

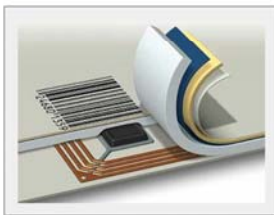


Powersoft Global
Innovative IT Solutions

Powersoft Global Solutions Ltd.



17th Annual Report 2009-10



RFID Services



Software Services



Engineering Services



GIS Services

Board of Directors

Mr. Manish Poddar	-	Chairman & CEO
Mr. P. Rajkumar	-	Director
Mr. U. Sampath Kumar	-	Whole time Director
Mr. Prithviraj K.K.	-	Director
Ms. Micaela Scarchilli	-	Director
Dr. Y. Lingaraju	-	Director

Audit Committee

Mr. Prithviraj K.K.	-	Chairman
Dr. Y. Lingaraju		
Mr. P. Rajkumar		

Remuneration Committee

Mr. Prithviraj K.K.	-	Chairman
Mr. P. Rajkumar		
Ms. Micaela Scarchilli		

Shareholders' Investors' Grievance & Share Transfer committee

Mr. P. Rajkumar	-	Chairman
Mr. U. Sampath Kumar		
Mr. Prithviraj K.K.		

Auditors

Messers H C Gulecha & Co
Chartered Accountants, Bangalore

Bankers

Karnataka Bank Ltd., Union Bank of India, Axis Bank Ltd., HDFC Bank Ltd. & Punjab National Bank

Registered Office and Development Center

58, 1st Floor HMT Layout,
R.T. Nagar, Bangalore – 560 032

Overseas Offices

1245 S. Winchester Blvd, Suite 222
San Jose, CA 95128, USA

Registrar & Share Transfer Agent

Bigshare Services Private Limited
E-2/3, Ansa Industrial Estate, Sakivihar Road
Sakinaka, Andheri (E) Mumbai – 400 072

NOTICE

NOTICE is hereby given that the Seventeenth Annual General Meeting of Powersoft Global Solutions Limited will be held on Wednesday, September 15, 2010 at 9.00 a.m. at Ramanashree California Resort, Ananthapura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the audited Balance Sheet as at March 31, 2010, the Profit and Loss Account for the year ended on that date and the Report of the Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Y. Lingaraju, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Prithviraj K. K., who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting, until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

By Order of the Board of Directors

Manish Poddar
 Chairman & CEO

Place: Bangalore
 Date: 14/08/2010

NOTES:

- (1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the Company, not less than 48 hours before the commencement of the meeting.
- (2) The Register of Members and Share Transfer Books of the Company shall remain closed from September 14, 2010 to September 15, 2010 (both days inclusive).
- (3) Members are requested to notify their change of address, if any, to the Company/Share Transfer Agent, Bigshare Services Private Ltd., E-2/3, Ansa Industrial Estate, Sakhivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.
- (4) Shareholders are requested to forward their queries on the accounts for the financial year ended March 31, 2010 to the Company atleast 10 days in advance, to enable us to keep the required information available at the Meeting.

Details of Directors seeking re-appointment:

Name	Dr. Y. Lingaraju
Education	M.Sc., and Phd
Experience	39 years experience in different capacities including Director in Geometrics Centre Water Resource Development Organization, professor in Research Lead Global Academy and Member of Geological Survey of India
Other Directorship	Nil
Membership Status in Committee	Member in Audit Committee

Name	Mr. Prithviraj K. K.
Education	Bachelor's engineering in Mechanical
Experience	Rich professional experience to play a part in developing the next generation of business leaders
Other Directorship	Nil
Membership Status in Committee	Member and Chairman of Audit Committee & Remuneration/Compensation Committee

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Seventeenth Annual Report together with the Audited Accounts of your Company for the Financial Period ended March 31, 2010.

FINANCIAL RESULTS

Your Company's operating performance for the period ended March 31, 2010 as compared to the previous financial period ended December 31 2008, is summarized below. The current financial period as well as previous financial period is of fifteen months.

Particulars	Powersoft Global Solutions Limited – Group (Consolidated)		Powersoft Global Solutions Limited (Standalone)	
	2009 – 10	2007 – 08	2009 – 10	2007 – 08
Operating Income	4479.63	2359.94	1432.52	1974.55
Total Expenditure	3698.38	1740.80	1148.07	1437.74
Profit Before Depreciation	781.25	619.14	284.45	536.81
Less: Depreciation	220.51	130.77	155.04	120.08
Profit Before Tax	560.74	488.37	129.41	416.73
Less: Provision for Income Tax including Deferred Tax Liability	113.17	162.56	40.19	132.08
Profit After Tax	447.57	325.81	89.22	284.65
Surplus Carried to Balance Sheet	447.57	325.81	89.22	284.65

Management Discussion and analysis

Industry Development:

The fiscal year 2009-10 can be described as a year of economic turbulence. The mortgage and financial crisis took over the global economy, followed by unemployment, declining GDP and a weakened demand environment. The global IT industry was also affected adversely by this turmoil.

Keeping this in mind, the Indian global sourcing industry is expected to reach \$ 175 bn in revenues by 2020. This will imply a slightly lower CAGR of 13% and a decline in India's share of global market from 51% to 40% in 2020. The India share decline may be reduced if substantial efforts are made to reform education, enhance capacity, improve the business environment, and reduce risks.

The clients are looking to their Indian IT service providers, not only to reduce costs, but also to partner with them in these difficult times. Looking beyond labor cost arbitrage benefits, they are seeking transformative offerings with a stronger business case. The vendors are also making focused investments in capability building across domains, processes, and technologies to deliver enhanced value propositions to their customers.

The Indian IT industry as whole is looking to diversify beyond its key offerings and markets, and has been defining new business and pricing models in order to ensure continued growth in revenues and net profitability. At the same time, we are witnessing rapidly changing

customer demands and expectations. Customers are also maintaining a cautious approach while spending money on their IT requirements which has resulted in drastically reduced technology related spending

Our Business

Your company operates in the following key disciplines:

The company's **RFID** division delivers solutions that match real-time supply and demand to minimize waste and loss of productivity and maximize safety and security across the global supply chain. Our breakthrough wireless technology assures delivery of goods and services at the right time, right amount, right place, right cost and right quality.

Our **GIS** division works with customers across the geospatial technology lifecycle. We help customers use geospatial technology to improve the way they do business. This division provide consulting, system design and solution architecting, application development, system implementation and integration to a global list of clients. For instance, we design, develop and integrate applications that enable utilities and telcos to optimize their network planning and provisioning, increase operational efficiency and enhance customer service quality.

Our Engineering Services division represents more than four decades of knowledge, expertise and project management Skills. The broad range of experiences and knowledge we have provides us with an opportunity to help our customers transform their businesses - and all of these at cost effective prices. Our capabilities include: Computer

Aided Design, Product Design, Conceptual design, component design, assembly design, Interference checks and tolerance analysis for components and assemblies, and 3D Modeling.

Operations Review

Considering the turbulent business situation, your Company has achieved stellar growth for the financial year ended March 31, 2010. Total revenues of the Company grew to Rs. 4479.63 lakhs for 15 months period ended March 31, 2010 as compared to Rs. 2359.94 lakhs for 15 months period ended December 31, 2008, a growth of 90%. Total net profit of the Company grew to Rs. 447.58 lakhs for 15 months period ended March 31, 2010 as compared to Rs. 325.81 lakhs for 15 months period ended December 31, 2008, a growth of 37%. In summary, all areas of the company recorded above average growth.

All this has been due to our resolve to face the unfavorable business conditions with a strong business strategy and sharp focus on profitability, ensuring us such high growth rates. This past year, we have remained focused on retaining existing customers, increasing average revenue per engagement, reducing operational costs, and increasing client profitability. By improving internal business processes, investing in extensive training for our people, and investing in systems infrastructure, we have managed to reduce per employee cost as well as significantly increased average employee productivity. Your Company at the same time remained cautious with its capital expenditures to ensure optimum balance of profitability and liquidity.

Subsidiary Companies

The Consolidated Results includes Powersoft Global Solutions Limited and its Subsidiaries RFID Global Solutions Private Limited, PGSL Holdings Private Limited, Exclusive Luxury Group (India) Private Limited & Youngstars Media Private Limited.

The accounts of the said subsidiary companies have not been attached with this Annual Report. As per the provisions of Section 212 of the Companies Act, 1956 (hereinafter referred to as 'the Act'), your Company is required to attach the Directors' Report, Balance Sheet, Profit and Loss Account and other information of the subsidiaries to its Balance sheet. Your Directors believe that the audited consolidated accounts present a full and fair picture of the state of affairs and financial conditions of the Company and its subsidiaries, as is done globally. Your Company had applied for an approval under Section 212(8) of the Companies Act, 1956 from the Department of Company Affairs, Ministry of Finance seeking exemption from attaching the Accounts of subsidiary companies with the Annual Report of Powersoft Global Solutions Limited and to provide the accounts in the same manner as certified by overseas auditors where the subsidiary is situated. The statement as required under Section 212 has been prepared on the assumption that the Company would receive the approval and the same is given as part of the consolidated accounts in the report. The consolidated financial statements of the subsidiaries duly audited are presented along with the accounts of your Company. The annual accounts of subsidiary companies are kept at the Company's registered office and also at the respective registered office of the subsidiaries for inspection and shall be made available to the members seeking such information.

Technology and Quality Focus

In today's world, technology is witnessing rapid change. Since our customers expect us to lead them through such change, we proactively & continuously invest in developing technology building blocks and solution frameworks which add value to our customers' business. Your Company uses a multi-pronged strategy for developing technology assets and to promote highest quality focus. These technology initiatives are based on the trends that seen in the different markets. These efforts help us in two ways; gaining our customers' trust & confidence; and attracting & retaining key talent who see us as a more exciting place to work in.

Growth Strategy

Your Company's strength revolves around our ability to understand the requirements of its clients and to continuously build the competencies and capabilities to provide integrated solutions unique to client specific needs and industry demands. Your Company's unique capabilities augmented by a clear understanding of industry trends and deep knowledge of global business models allows it to leverage strong partnerships, technology innovations and talent to deliver excellence through global delivery models. Recognizing the need for scale and capacity in competing for large contracts against larger players, your Company is making substantial investments in expanding its base of people and world class infrastructure facilities.

Future Outlook

The role of technology has evolved from support to transformation for global companies. The ability to design, develop, implement and maintain business and technology solutions, addressing the business and customer needs has become a competitive advantage and a priority. On the other hand, the prevalence of multiple technology platforms and a greater emphasis on network, data and information security and redundancy have increased the complexity and cost of IT systems, resulting in greater technological risks.

Besides strengthening the existing core competencies of growth of your Company in the past, the Company expects to focus its energy on further growing its execution competency in new capabilities like new technology based delivery models, green energy technology, risk management systems etc. This is expected to result in scaling up customer access, improved margins and a wider global reach.

Human Resource Development

Your Company has been built on the foundations of people being the key drivers to growth of the organization. People are at the core of its Vision, which espouses mutual positive regard, career building and providing opportunities for learning, thinking, innovation and growth. The Company offers an environment where all-round development is as much of a goal as realization of career ambitions. During FY'10, the Company continued to focus on improving people productivity through training and development of its people.

Research and Development

Our clients today face the challenge of reducing business costs with technology-based interventions. To assist in identifying and addressing this gap, the Company has developed several frameworks as part of its R&D initiatives this year. These frameworks address the gap by focusing on business KPIs to enhance business performance and places emphasis on business costs rather than IT costs. The primary business benefit has enhanced the business performance through improved KPIs.

The direct benefits to our customers include quicker time to market, reduced cost, increased quality and increased efficiency of customer business processes. Our solutions like business aligned RFID solutions will result in enhanced business performance through improved KPIs, visibility, discovered landscape, stability, cost reduction and structured business future planning.

Dividend:

Considering the need for conservation of resources for expansion and the need for maintaining liquidity, your Directors do not recommend any dividend for the period under consideration.

Transfer To Reserves

The Company has not transferred any amount to Reserves for the year under review. However credit balance of Profit & Loss Account is transferred to Balance Sheet under the Head 'Reserves & Surplus'.

Share Capital

The Company has increased its Authorised Share Capital from Rs. 16,00,00,000/- (Rupees Sixteen Crores Only) divided into 1,60,00,000 (One Crore Sixty Lacs) Equity Shares of Rs. 10/- each to Rs. 25,00,00,000/- (Rupees Twenty – Five Crores Only) divided into 2,50,00,000 (Two Crore Fifty Lacs) Equity Shares of Rs. 10/- each pursuant to the Special Resolution passed through Postal Ballot under Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001.

The paid up capital of the Company has increased from Rs. 11,90,12,990/- to Rs. 22,58,37,990/- after the year end but before this Report. The said increase in paid up share capital was due to conversation of 57 lacs warrants and 49,82,500 warrants allotted on preferential basis into equivalent number of equity shares on 21st May 2010 and 4th June 2010 respectively. The Company has applied for the listing permission of the said shares to Bombay Stock Exchange Limited and same is under process.

Extension Of Financial Year:

The Company has extended its Financial Year by three months. Hence the current Financial year is for fifteen months from January 1, 2009 to March 31, 2010. Also the Company has received extension of a period of three months u/s 166 of the Companies Act, to hold the ensuing Annual General Meeting from the Registrar of Companies, Karnataka.

Directors:

Dr. Y. Lingaraju and Mr. Prithviraj K. K. retire by rotation and being eligible offer themselves for reappointment.

Mr. Manish Poddar, Mr. P. Rajkumar and Mr. U. Sampath Kumar are continuing directors on the Board of the Company.

Auditors:

Messers H C Gulecha & Co., Chartered Accountants, Mumbai, hold office until the conclusion of the forthcoming Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if reappointed.

Information On Auditors' Observations:

Regarding clause (vi) of Auditor's Report, as per Management's policy, the company pays Gratuity liability to the Employees as and when the liability arises. Regarding clause (vii) of Auditor's Report, Note 14 of Schedule M is self explanatory. Regarding clause (vii) of Annexure to Auditor's Report, we have formal internal audit system and efforts are on to improve the system.

Audit Committee:

The present Audit Committee of the Board comprises of Mr. Prithviraj K. K., Dr. Y. Lingaraju and Mr. P. Rajkumar. Mr. Prithviraj K. K. is the Chairman of the Committee.

DISCLOSURE UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956:

I. Conservation Of Energy:

The information required in connection with conservation of energy, under section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, the Directors furnish herein below the required additional information:

- (a) Conservation of Energy - Our operations are not energy intensive. Adequate measures have been taken to conserve energy.

- (b) There were no additional investments and proposals if any, being implemented for reduction of consumption of energy as the nature of you Company's operations entails a very low level of energy consumption.
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods – N.A.
- (d) Total energy consumption and energy consumption per unit of production – N.A.

FORM A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY

- A. Power and fuel consumption: NIL
 B. Consumption per unit of production: NIL

ii. Technology Absorption

Every effort is made by the Company to update the technological skills of its technical staff in order to ensure that they possess adequate skills to enable them to service the Company's clients.

FORM B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC.,

Research & Development (R&D): Your Company is predominantly a service provider and therefore has not set up a formal R&D unit. However, it has developed software tools and products in its existing delivery setup. The Company has not undertaken any R&D activity in any specific area during the year under review, and hence no cost has been incurred towards the same. However, the Company believes technology is strategic to its growth and has invested heavily in hosted platforms, automation, capture, presentation and analytics.

Technology Absorption, Adaptation and Innovation: Your Company has not imported any technology during the year under review other than purchase of software.

iii. Foreign Exchange Earnings And Outgo

The details of foreign exchange earnings and outgo are mentioned in Notes Nos. 2 & 3 of sub-schedule 2 contained in the Notes to Accounts (Schedule M) forming part of the Balance Sheet and Profit and Loss Account for the financial period ended March 31, 2010.

CORPORATE GOVERNANCE:

A Report on Corporate Governance together with a certificate from the Auditors of the Company forms part of the Annual Report.

Culture:

Your Company believes that each of its employees has potential to perform. Our work culture devolves around developing leadership qualities among the employees. It is the key to superior performance. Your Company constantly attempts improving interpersonal relationship with its staff on an ongoing basis and involving them in the growth of the organization. We follows distributed leadership model wherein every employee gets an opportunity to lead and learn.

Training & Development:

Powersoft constantly provides learning opportunities for the personal and professional development of its employees. The company strongly believes that such an approach will provide a mutually-beneficial win-win growth opportunity for the company and its employees. Training needs are identified based on the current level of knowledge and skills, vis-à-vis skill requirements projected by the business or team development needs. The Learning & Development team maintains the individual development record of all employees, who can track this information on the corporate intranet.

Particulars Of Employees:

There was no employee drawing remuneration falling within the limits prescribed under Section 217(2A) of the Companies Act, 1956, and hence furnishing information under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 does not applicable.

Acceptance Of Fixed Deposits:

The Company has not accepted any fixed deposits during the year.

Directors' Responsibility Statement:

As required under Section 217(2AA) of the Companies Act, 1956, it is hereby stated that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of your Company at the end of the financial year and of the profit or loss of the Company for that period;

3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities; and

4. The Directors have prepared the annual accounts on a going concern basis.

Acknowledgements

The Directors thank the Company's customers, suppliers, bankers, financial institutions, Central and State Government and shareholders for their consistent support to the Company. The Directors also sincerely acknowledge the significant contribution made by all the employees for their dedicated services to the Company.

By Order of the Board of Directors

Manish Poddar
Chairman & CEO

Place: Bangalore
Date: 14.08.2010

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

For Powersoft, Corporate Governance stands for responsible and value creating management and control of the Company. The Company's policies and practices are not only consistent with the statutory requirements but also underline our commitment to operate in the best interest of the stakeholders in order to build an environment of trust and confidence among all components having conflicting as well as competing interest. Your Company firmly believes that Corporate Governance is a powerful tool to subserve the long-term growth of the Company.

We are committed to maintain highest standards of ethical behavior and strive persistently to manage the Company in accordance with the fundamental principles of trusteeship, transparency, accountability and integrity. Your Company's

policy on Corporate Governance envisages these principles in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, government etc.

2. Board of Directors:

The Board of Directors is apex body which monitors the overall functioning of the Company. It defines the Company's policies and oversees its implementation. The Board has constituted various committees to facilitate the decision making process in an informed and efficient manner.

The Board comprises of experts from diverse fields and professions. The current strength of the Board is six (6) directors. The Board has an optimum combination of Executive and Non-Executive Directors, which is in conformity with the requirement of Clause 49 of the Listing Agreement in this regard.

Board Composition:

Particulars	Composition of the Board		Minimum Requirement as per Clause 49
	No. of Directors	% of Total Directors	
Non - Executive Directors	4	66.67%	50%
Executive Directors	2	33.33%	-
Total	6	-	-

Board Meetings

The Board meetings are held at least once in every quarter. The Board meetings are generally held at Bangalore. The dates of Board Meetings are fixed well in advance and intimated to the Board members so as to enable the directors to plan their schedule accordingly.

Eight (8) Board Meetings were held during the financial year ended March 31, 2010, and the gap between the two meetings did not exceed four months. The dates on which the Board meetings were held are as follows:

February 12., 2009, April 20, 2009, April 30, 2009, May 2, 2009, July 31, 2009, October 30, 2009, November 30, 2009 and January 30, 2010.

The composition as on date, the changes during the year under review, number of meetings attended and Directorships / Committee Memberships in other companies are as follows:

Name	Designation	Category	Attendance		Other Directorships*	§ Other Committee Memberships	Committees' Chairmanships
			Board Meeting	Last AGM			
Mr. Manish Poddar	Chairman & CEO	Promoter Executive	8	Yes	4	Nil	Nil
Mr. P. Rajkumar	Director	Promoter Non - Executive	8	Yes	2	3	1
Mr. U. Sampath Kumar	Whole Time Director	Executive Non - Independent	8	Yes	4	1	Nil
Mr. Prithviraj K. K.	Director	Non- Executive Independent	8	Yes	Nil	3	2
Ms. Micaela Scarchilli	Director	Non-Executive Independent	-	No	Nil	1	Nil
Dr. Y. Lingaraju	Director	Non-Executive Independent	3	No	Nil	1	Nil

Alternate directorship, directorship in private limited companies, foreign companies and membership in governing councils, chambers and other bodies not included.

§ Only membership in Audit Committee, Shareholders Grievance Committee and Remuneration Committee are included

None of the director on the Board is member on more than 10 Committees or Chairman of more than 5 committees across the companies in which he is a director. All the directors have made requisite disclosure regarding directorship/ Committee position occupied by them in other companies.

Code of Conduct:

The Company has formulated and implemented a "Powersoft - Code of Conduct" for the members of the Board of Directors and the Senior Management of the Company. The Code is being posted on the Company's website. A declaration to this effect signed by the CEO is given in this report. Annual affirmation of compliance with the Code has been made by the directors and senior management of the Company. The CEO certified to the Board with reference to the Financial Statement and other matters as required in clause 49 of the listing agreement.

Prohibition of Insider Trading Policy:

The Company has formulated and implemented the Code of Conduct for Prevention of Insider Trading to comply with relevant regulations laid down by SEBI. Accordingly the Company announces closure of Trading Windows, free period, declaration of prohibited period etc. The Company has designed a reporting system to prevent insider trading by designated persons. As mentioned in the said policy and takes quarterly and annual disclosure from the concerned persons.

Appointment/Re-appointment of Directors

The Directors who retire by rotation are:

i) Dr. Y. Lingaraju

Dr. Y. Lingaraju is a post graduate in Science. He has 39 years experience in different capacities including Director in Geometrics Centre Water Resource Development Organization, professor in Research Lead Global Academy and Member of Geological Survey of India.

He does not hold directorship in any other company. He is member of Audit committee and Remuneration Committee of this Company. He does not hold membership on the committees of any other Company. He does not hold any shares in the Company.

ii) Mr. Prithviraj K. K.

Mr. Prithviraj K. K. is a Bachelor's engineering in Mechanical. He has rich professional experience to play a part in developing the next generation of business leaders. He had an illustrious career in several key leadership positions with distinguished organizations like BHEL.

He does not hold directorship in any other company. He is member of Audit Committee, Remuneration Committee and shareholders'/investors' grievance & share Transfer Committee of this Company. He does not hold membership on the committees of any other Company.

He does not hold any shares in the Company

3. Audit Committee:

The Audit Committee of the Company is constituted in accordance with the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges read with Section 292A of the Companies Act, 1956.

The Audit Committee comprises of three (3) Non Executive Directors viz: (1) Mr. Prithviraj K. K. 2) Mr. P. Rajkumar 3) Dr. Y. Lingaraju. Out of three members, two members are independent directors.

During the financial year ended March 31, 2010, five Audit Committee meetings were held respectively on February 12, 2009, April 30, 2009, July 31, 2009, October 30, 2009, and January 30, 2010.

The numbers of meetings attended by each member are as follows:

Committee Members	Designation	No. of Meetings attended
Mr. Prithviraj K. K.	Chairman	5
Mr. P. Rajkumar	Member	5
Dr. Y. Lingaraju	Member	5

The role of the Audit Committee is to monitor and provide effective supervision of the Company's financial reporting process with a view to ensure that the financial statements are accurate, sufficient and credible. No person has denied access to the Audit Committee.

The terms of reference of the audit committee as defined by the Board are:

a) The scope of the Audit Committee includes:

i. Review of financial statements before they are submitted to the Board for adoption.

ii. Recommending the appointment or removal of statutory auditors, fixation of audit fees and approval for payment for other services provided by the auditors.

iii. Review of quarterly, half yearly and yearly financial statements before they are presented to the Board, focusing *inter alia* upon –

- Accounting Policies and any changes thereto.
- Ensuring compliance with the Accounting Standards.
- Compliance with the laws, rules, regulations and notification issued by the Stock Exchange and other regulatory authorities relating to the preparation and disclosure of financial statements.
- Qualifications in draft audit report.
- Significant issues arising out of audit.
- The going concern assumption.
- Major accounting entries based upon exercise of judgment by the management.
- Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interest of the Company at large.

b) Review with the management, auditors the adequacy of internal control systems.

c) Discussions with the Statutory Auditors on matters relating to internal controls, periodic financial statements and any significant findings and follow up thereon.

d) Discussion with the Statutory Auditors before commencement of the audit, nature and scope of audit, as well as post audit discussion to ascertain any area of concern.

e) Review of the Company's financial and risk management policies.

4. Remuneration/Compensation Committee:

The Remuneration/Compensation Committee of the Board comprise of three directors of the Company, of which two are independent directors and one is non-independent. Mr. Prithviraj K. K. (Independent Director) is the Chairman of this Committee. The other members of the Committee are Mr. P. Rajkumar (Non-independent Director) and Ms. Micaela Scarchilli (Independent Director).

The Remuneration Committee is responsible for the appointment of and determining the remuneration payable to executive Directors.

During the year ended March 31, 2010, four remuneration / compensation committee meetings were held viz. April 30, 2009, July 31, 2009, October 30, 2009, January 30, 2009. The numbers of meetings attended by each member were as follows:

Committee Members	Designation	No. of Meetings attended
Mr. Prithviraj K. K.	Chairman	4
Mr. P. Rajkumar	Member	4
Ms. Micaela Scarchilli	Member	-

Non-executive Directors

The Non-Executive Directors have not drawn any remuneration including sitting fees from the Company for the year ended 31st March, 2010. None of the Non-executive Directors have any material pecuniary relationship or transactions with the Company.

Details of the number of shares held by all the non-executive directors of the Company: -

Name of the Directors	No. of equity shares held (As on March 31, 2010)
Mr. Prithviraj K. K.	Nil
Ms. Micaela Scarchilli	Nil
Dr. Y. Lingaraju	Nil
Mr. P. Rajkumar	13,67,000

No convertible instruments have been granted by the Company to the non-executive directors of the Company during the year under review.

Executive Directors:

Mr. Manish Poddar

Mr. Manish Poddar has experience in IT Industry more than a decade. He directs overall corporate strategy of PGSL and has grown the Company by establishing strong relationships with key customers.

Mr. U. Sampath Kumar

Mr. U. Sampath Kumar is an MBA & PG in Automobiles and Instrumentation from MIT. He has more than 40 years of experience in the field of IT industry.

b) The following Special Resolutions were passed at the previous three Annual General Meetings:

AGM held on December 26, 2006: -

i) Resolution for delisting of securities from Bangalore, Madras and Ahmedabad Stock Exchanges. The special resolutions moved at the above meeting were passed on a show of hands by the shareholders present at the meeting and not by postal ballot.

AGM held on December 17, 2007: -

No special Resolution was passed in the AGM held on December 1, 2007.

AGM held on March 16, 2009: -

No special Resolution was passed in the AGM held on March 16, 2009.

- Details of Resolutions passed through Postal Ballot during the year 2008-2009 (Under Section 192A):

Sr No.	DESCRIPTION	No. of Votes received in favour	No. of Votes received against
1	Special Resolution for increase in the Authorised Share Capital from Rs. 16,00,00,000/- to Rs. 25,00,00,000/- under Section 94 of the Companies Act, 1956.	54,28,398	Nil
	No. of Ballots received	18	Nil
2	Special Resolution for alteration of the Memorandum of Association of the Company for increase in the Authorised Share Capital	54,28,398	Nil
	No. of Ballots received	18	Nil
3	Alteration of Articles of Association of the Company due to increase in the Authorised Share Capital of the Company.	54,28,398	Nil
	No. of Ballots received	18	Nil
4	Special Resolution for issue, offer and allot upto 11,90,000 Warrants to Promoters on a preferential basis under Section 81(1A) of the Companies Act, 1956.	54,28,398	Nil
	No. of Ballots received	18	Nil
5	Special Resolution for issue, offer and allot upto 1,08,10,000 Warrants to strategic investors on a preferential basis under Section 81(1A) of the Companies Act, 1956.	54,28,398	Nil
	No. of Ballots received	18	Nil

No special resolution is proposed to be conducted by postal ballot.

Particulars	Mr. Manish Poddar	Mr. U. Sampath Kumar
Salary	Rs. 450,000/-	Rs. 250,000/-*
Estimated monetary value of perquisites	Nil	Nil
Commission	Nil	Nil
PF Allowance	Nil	Nil
Total	Rs. 450,000/-	Rs. 250,000/-*

5. Shareholders'/Investors Grievance Committee/ Share Transfer Committee

The Board has constituted a Shareholder's Grievance Committee, consisting of three directors – Mr. P. Rajkumar, Mr. U. Sampath Kumar and Mr. Prithviraj K. K. Mr. P. Rajkumar is the non independent member of the Committee and is a Chairman of the Committee. During the year ended March 31, 2010 the Company received 4 complaints. None were pending resolution as on March 31, 2010.

The Committee inter-alia, approves transfer and transmission of shares, issue of duplicate share certificates, Annual Report, Notice etc. The Committee oversees performance of Registrar and transfer Agent of the Company. The Company met five times on February 12, 2009, April 30, 2009, July 31, 2009, October 30, 2009, and January 30, 2010 during the year under review.

6. General Body Meetings

Annual General Meetings

a) Location, time and date where last three Annual General Meetings were held are given below:

Financial Year	Date	Time	Venue
2005-06	December 26, 2006	11.00 a.m.	Hotel Ajantha, M G Road, Bangalore - 560 001.
2006-07	December 17, 2007	4.00 p.m.	Hotel Ajantha, M G Road, Bangalore - 560 001.
2007-08	March 16, 2009	9.30 a.m.	Ramanashree California Resort, Ananthapura Gate, Doddaballapur Road, Yelahanka, Bangalore - 560 064.

7. Other Disclosures

Related party transactions have been disclosed in the annual report. The Company has complied with all the statutory formalities. The Company has laid down a whistle blower policy and it has been displayed on the website of the Company, www.powersoftglobal.net. The Company has a Risk Management Policy covering Risk Assessment & Minimization procedure.

8. Means of Communication

Financial Results and notices:

The quarterly unaudited results of the Company are announced within a month of the end of respective quarter and the audited financial results are announced within three months from end of financial year. The results are published in Business Standard (English) and Sanjevani (Kannada). The financial results are displayed on the Company's website – www.powersoftglobal.net

News Releases:

The Company issues news releases on significant corporate decisions/ activities and posts them on its web site.

Web Site:

The Company's website www.powersoftglobal.net provides a separate section for investors where relevant shareholders information is available. The Annual Reports of the Company are available on the website in a user friendly and downloadable form.

Annual Report:

Annual Report is circulated to members. The Management Discussion and Analysis Report and Corporate Governance Report are part of the Annual Report.

Corporate Filing with Stock Exchanges:

The Company is regular in filing of various report, certificates, intimation, etc to the Bombay Stock Exchange Limited. This includes filing of audited and unaudited results, shareholding pattern, Corporate Governance Report, intimation of Board Meeting/ general meeting and its proceedings.

Investor Service:

The Company has appointed Bigshare Services Private Limited as a Registrar and Transfer Agent who are also authorized to take care of investors' complaints. The secretarial department is also assist in resolving various investor complaints. The Company has created a separate e-mail id companysecretary@powersoftglobal.net exclusively for resolving investors' grievances.

9. General Shareholders' information

A Annual General Meeting

Date and Time : September 15, 2010 at 9.00 a.m.

Venue : Ramanashree California Resort,
Ananthapura Gate, Doddaballapur
Road, Yelahanka, Bangalore - 560 064.

B Financial year:

Earlier, the Company was following January- December as its financial year. However now, the Company has changed its financial year and now it is following April-March as its financial year. The results for every quarter beginning from April will be declared within the time period prescribed under the Listing Agreement.

C Book Closure Date:

September 14, 2010 to September 15, 2010 (both days inclusive)

D Dividend Disclosure: Not Applicable

E Listing on Stock Exchanges:

The Company's shares are listed on the Bombay Stock Exchange Limited. The Company has paid the Annual Listing Fees to the stock exchange for the year 2009 - 10.

F Corporate Identity Number (CIN):

L15136KA1992PLC013673

G Stock Code/Symbol

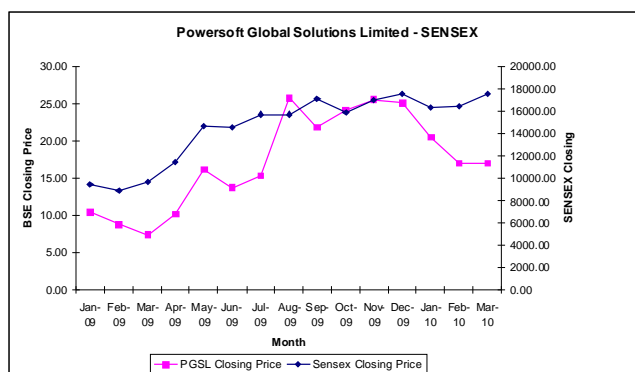
BSE - 532736, POWERSOF

H Market price data:

Month	BSE Prices	
	High Price	Low Price
January-09	11.25	8.53
February-09	10.85	8.50
March-09	9.54	6.50
April-09	12.65	7.00
May-09	20.00	9.25
June-09	19.90	13.20
July-09	18.25	11.80
August-09	29.90	14.85
September-09	26.80	21.35
October-09	32.60	18.85
November-09	29.00	21.30
December-09	26.70	21.50
January-10	25.30	20.00
February-10	22.45	16.35
March-10	19.10	14.55

Relative movement chart

The chart below gives the relative movement of the Company's shares and BSE & NSE relative to the closing price. The period covered is January 2009 to March 2010.



I Registrars and Share Transfer Agents
Bigshare Services Private Limited

E – 2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072

J Share Transfer System

The Company has appointed Bigshare Services Private Limited as Registrars and Share Transfer Agents. The shares lodged for physical transfer/transmission/ transposition are registered within the prescribed time period if the documents are complete in all respects. The shares in dematerialized form are admitted for trading with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

K Category wise distribution of equity shares as of March 31, 2010:

Category	No. of shares	% Holding
Promoters:		
Indian Promoter	1367,000	11.49%
Foreign Promoter	3407733	28.63%
FII's	105019	0.88%
Mutual Funds	Nil	Nil
Banks & Insurance Companies	Nil	Nil
Private Corporate Bodies	787649	6.62%
Indian Public	5600483	47.06%
NRIs/OCBs/ Foreign Nationals	325689	2.74%
Clearing Members	9726	0.08%
Total	11901299	100.00

Distribution of shareholding as on March 31, 2010:

Share holding of nominal value	Share Holders		Share Amount	
	Number	% to total	Rs.	% to total
Rs. Upto 5000	4283	72.01951	10010910	8.41161
5001-10000	892	14.99916	7518770	6.31760
10001-20000	370	6.22162	6008600	5.04869
20001-30000	107	1.79923	2832500	2.37999
30001-40000	53	0.89121	1889970	1.58804
40001-50000	48	0.80713	2274830	1.91141
50001-100000	97	1.63107	7636470	6.41650
100001 and above	97	1.63107	80840940	67.92615
Total	5,947	100.00	119,012,990	100.00

L Dematerialization of shares and liquidity

About 97.39% shares were held in dematerialized form as of March 31, 2010.

M Registered Office and Development Centre

58, 1st Floor, H M T Layout, R T Nagar, Bangalore - 560 032.

Overseas Offices

1245 S. Winchester Blvd., Suite 222

San Jose, CA 95128, USA

N Address for Investor Correspondence:

For any assistance regarding dematerialization of shares, share transfer, transmission, change of address, non-receipt of dividend or any other query relating to shares, please write to:

Bigshare Services Private Limited

E – 2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (East), Mumbai – 400 072

For general correspondence:**Powersoft Global Solutions Limited**

#58, HMT Layout, RT Nagar,
Bangalore 560 032.

Declaration regarding code of conduct by CEO

I hereby declare that all the members of the Board and the senior management personnel of Powersoft Global Solutions Limited have affirmed compliance with the Powersoft Code of Conduct.

Manish Poddar

Chairman & CEO

Place: - Bangalore

Date: - 14th August, 2010

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I Manish Poddar, Chairman and CEO of the Company, hereby certify that for the financial period ending 31st March, 2010 on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that:-

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 2) These statements together present a true and a fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations
- 3) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period 2009-10 which are fraudulent, illegal or violative of the Company's Code of Conduct
- 4) I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the Company and I further certify that, there are no deficiencies of which I am aware in the design or the operation of the Internal Control Systems.
- 5) I further certify that:
 - a) There have been no significant changes in the internal control during this period;
 - b) There have been no significant changes in the accounting policies during this period;
 - c) There have been no instances of significant fraud of which I have become aware and the involvement therein, of the management or an employee having significant role in the Company's Internal control System over financial reporting.

Yours faithfully,

For **Powersoft Global Solutions Limited**

Manish poddar

Chairman & CEO

Place: Bangalore

Date: 14th August, 2010

COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Auditor's certificate on compliance of the conditions of Corporate Governance for the period ended 31 March 2010, under Clause 49 of the Listing Agreement.

To the Members of
Powersoft Global Solutions Ltd.,
Bangalore

We have examined the compliance of conditions of Corporate Governance by Powersoft Global Solutions Ltd., for the year ended 31 March 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examinations was limited to the procedures and implementation thereof, adopted by the company for ensuring the compliance of the condition of the Corporate Governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending for a period of one month against the Company as per the records maintained by the Shareholders/ Investors' Grievances Committee.

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

For H.C. Gulecha & Co.
Firm Regn. No. 001012S
Chartered Accountants

(H.C. Gulecha)
Proprietor.
M. No: 26034

Place: Bangalore.
Date :31 May 2010

AUDITORS' REPORT

To the Members of Powersoft Global Solutions Limited

We have audited the attached balance sheet of Powersoft Global Solutions Limited ("the Company") as at 31 March 2010, the profit and loss account and the cash flow statement of the Company for the period 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 the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

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

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

- (i) we have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (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 31 March 2010 and taken on record by the Board of Directors, we report that none of the director is disqualified in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;
- (vi) the Company has not made provision for Gratuity as required by Accounting Standard (AS) – 15 "Employee Benefits";
- (vii) we are not able to express our opinion in respect of diminution in value of investments, if any as referred to in Note 14 of schedule M – "Significant Accounting Policies and Notes to the Accounts".
- (viii) in our opinion and to the best of our information and according to the explanations given to us, subject to the effect on the financial statements of the matter referred to above, the financial statements 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 31 March 2010;
 - (b) in the case of the Profit and Loss Account, of the profit for the period ended on that date; and
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the period ended on that date.

for H. C. Gulecha & Co.
Firm Regn. No. 001012S
Chartered Accountants

H. C. Gulecha
Proprietor
Membership No.: 026034

Place: Bangalore
Date: 31 May 2010

Annexure to the Auditors' report

Annexure referred to in our report to the members of Powersoft Global Solutions Limited ("the Company") for the period ended 31 March 2010. We report that:

- (i) a. The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b. As explained to us, fixed assets have not been physically verified by the Management this period and as such discrepancy, if any, could not be ascertained.
c. During the period, the Company has not disposed of substantial part of the assets. According to the information and explanations given to us, we are of the opinion that no transaction has been effected involving disposal of assets so as to affect the going concern status of the Company.
- (ii) As explained to us, the Company does not hold any inventories and, hence, the question of physical verification, procedures followed for verifications and discrepancies thereof does not arise.
- (iii) The Company has neither granted nor taken any loans, secured or unsecured, to or from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures which commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of goods and services. The accounting infrastructure needs to be strengthened. We are informed that the Management is taking steps to correct such weaknesses in internal control procedures after the period end.
- (v) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that Section.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 framed thereunder apply.
- (vii) The Company does not have an internal audit system. In our opinion, the Company needs to have internal audit system having regards to the size and nature of its business.
- (viii) The maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, is not applicable to the Company.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted or accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance and other material statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the company did not have any dues on account of Wealth Tax, Customs Duty, Excise Duty, Cess and Investor Education and Protection Fund. *According to the information and explanations given to us, there were undisputed amounts payable in respect of Sales tax and Service tax as at 31 March 2010 for a period of more than six months from the date they became payable. The company is not registered under the Sales tax laws. The Company is yet to file its Income-tax return for the Assessment Year 2008-2009.*
(b) According to the information and explanations given to us, there are no dues in respect of Sales tax, Service tax, Customs duty and Excise duty which have not been deposited on account of any dispute.
- (x) The Company does not have any accumulated losses at the end of the financial period and has not incurred cash losses in the financial period and in the immediately preceding financial year.
- (xi) As per the records of the Company and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is not a chit fund / nidhi / mutual benefit fund / society.
- (xiv) According to the information and explanation given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xvi) In our opinion, during the period, the Company has not taken any fresh term loans.
- (xvii) Based on the information and explanation given to us and on an overall examination of the Balance Sheet as at 31 March 2010 of the Company, in our opinion, the Company has not raised any fund on short term basis during the period.
- (xviii) The Company has not made any preferential allotment of shares to companies or firms or parties covered in the register maintained under Section 301 of the Act.
- (xix) The Company did not issue any debentures during the year.
- (xx) The Company has not raised any money by public issues.
- (xxi) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of the audit.

for H. C. Gulecha & Co.
Firm Regn. No. 001012S
Chartered Accountants

H. C. Gulecha
Proprietor
Membership No.: 026034

Place: Bangalore
Date: 31 May 2010

Balance Sheet as at 31 March 2010

Particulars	Sch.	As at 31 March 2010	As at 31 December 2008
SOURCES OF FUNDS			
Shareholders' Fund			
Share Capital	A	119,012,990	119,012,990
Share Warrant Application Money		75,012,500	8,400,000
Reserves & Surplus	B	269,894,821	252,572,477
Secured Loans	C	67,147	249,826
Deferred Tax Liability		6,494,332	4,043,221
Total		470,481,790	384,278,514
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	127,987,875	99,219,025
Less : Depreciation		42,315,744	26,811,275
Net Block		85,672,131	72,407,750
Investments	E	232,092,130	230,086,630
Current Assets, Loans & Advances			
Sundry Debtors	F	172,282,086	137,386,598
Cash & Bank Balances	G	10,277,335	1,178,078
Loans & Advances	H	39,656,993	3,830,872
		222,216,414	142,395,548
Less:			
Current Liabilities & Provisions			
Current Liabilities	I	56,605,255	51,534,130
Provisions	J	13,793,148	12,225,612
		70,398,403	63,759,742
Net Current Assets		151,818,011	78,635,805
Misc. Expenditure			
(to the extent not written off or adjusted)			
Public Issue Expenditure		899,518	3,148,328
Total		470,481,790	384,278,513
Significant Accounting Policies & Notes to the Accounts	M		

As per our report attached
for H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

For and on behalf of the Board

H.C. Gulecha
Proprietor
M.No. 26034

Manish Poddar
Chairman & CEO

P. Rajkumar
Director

Place: Bangalore
Date : 31 May 2010

Profit & Loss Account for the period ended 31 March 2010

Particulars	Sch.	Period Ended 31 March 2010	Period Ended 31 December 2008
INCOME			
Software Sales and Services	K	143,252,109	193,965,546
Other Income		-	3,489,466
		143,252,109	197,455,012
EXPENDITURE			
Cost of sales	L	98,817,741	110,159,538
Administrative & Selling Expenses		13,740,097	31,365,451
Public issue expenditure		2,248,810	2,248,810
Depreciation		15,504,470	12,008,305
		130,311,118	155,782,104
Profit before taxation		12,940,991	41,672,908
- Provision for Income Tax		1,562,950	10,487,240
- Provision for Fringe Benefit Tax		4,586	397,960
- Deferred Tax Liability		2,451,111	2,322,221
Profit after taxation carried to Balance Sheet		8,922,344	28,465,487
Significant Accounting Policies & Notes to the Accounts	M		

As per our report attached
for H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

For and on behalf of the Board

H.C. Gulecha
Proprietor
M.No. 26034

Manish Poddar
Chairman & CEO

P. Rajkumar
Director

Place: Bangalore
Date : 31 May 2010

Schedules forming part of the Balance Sheet as at 31 March 2010

Particulars	As at 31 March 2010		As at 31 December 2008	
Schedule A : Share Capital				
Authorised Capital				
16,000,000 Equity Shares of Rs. 10/- each Issued, Subscribed & Paid-up Capital		160,000,000		160,000,000
11,901,299 Equity Shares of Rs.10/- each (Of the above , 33,57,733 Equity shares of Rs. 10/- each have been allotted pursuant to Joint Venture with Nirvan Corporation, USA on Stock Swap basis and 3,00,000 Equity Shares of Rs.10/- each have been allotted to Mr. Sampath Kumar without payment being received in cash)		119,012,990		119,012,990
		119,012,990		119,012,990
Schedule B - Reserves & surplus				
Capital Reserve				
Profit on reissue of forfeited Shares (As per Last Balance Sheet)		13,749,866		5,349,866
Security Premium Account (As per Last Balance Sheet)		198,843,726		198,843,726
Profit and Loss Account B/f profit of previous year	48,378,885		19,913,398	
Profit for Current Period	8,922,344	57,301,229	28,465,487	48,378,885
		269,894,821		252,572,477
Schedule C - Secured Loan				
ICICI Bank Ltd - Logan Car Loan (Secured against Car)		67,147		249,826
		67,147		249,826

Schedule D - Fixed Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 January 2009	Additions during the period	As at 31 March 2010	As at 1 January 2009	Depreciation for the period	As at 31 March 2010	As at 31 March 2010	As at 31 December 2008
Computers & Peripherals	11,664,661	1,402,099	13,066,760	3,929,338	2,489,069	6,418,407	6,648,353	7,735,323
Furniture & Fixtures	4,127,286	1,116,414	5,243,700	511,724	358,291	870,015	4,373,685	3,615,562
Electrical Installations	1,433,422	156,336	1,589,758	219,574	87,358	306,932	1,282,826	1,213,848
Office Equipments	1,476,415	774,271	2,250,686	152,676	113,014	265,690	1,984,996	1,323,739
Computer Software	69,276,537	25,319,730	94,596,267	21,857,763	12,315,688	34,173,451	60,422,816	47,418,774
Goodwill	7,376,099	-	7,376,099	-	-	-	7,376,099	7,376,099
Vehicles	637,304	-	637,304	80,946	75,473	156,419	480,885	556,358
Buildings	3,227,301	-	3,227,301	59,253	65,576	124,829	3,102,472	3,168,048
Total	99,219,025	28,768,850	127,987,875	26,811,274	15,504,470	42,315,744	85,672,131	72,407,751
Previous Year	66,878,972	32,340,053	99,219,025	14,802,970	12,008,305	26,811,275	72,407,750	52,076,002

Schedules forming part of the Balance Sheet as at 31 March 2010

Particulars	Sch.	As at 31 March 2010	As at 31 December 2008
Schedule E - Investments			
A) Long Term Investments			
(Trade, Unquoted)			
Nirvann Corporation, State of Delaware, USA (870 Common Stock of USD 10 each)		167,886,650	167,886,650
B) Current Investments			
Investment in wholly owned subsidiary			
RFID Global Solutions Pvt. Ltd. (formerly Concentric RF Systems Private Limited)		62,099,990	62,099,990
PGSL Holdings Private Limited		2,105,490	99,990
		232,092,130	230,086,630
Schedule F - Sundry Debtors			
(Unsecured, Considered Good)			
Outstanding for a period of more than six months		111,938,796	90,164,338
Others		60,343,290	67,222,260
		172,282,086	137,386,598
Schedule G - Cash & Bank Balances			
Cash In Hand		312,583	36,254
Balance With Scheduled Banks in current account		9,964,752	1,141,824
		10,277,335	1,178,078
Schedule H - Loans & Advances			
Deposits		2,493,500	2,493,500
Staff Advances		13,000	13,000
TDS Receivable		214,735	166,928
Advances		2,926,351	1,101,928
Subsidiary Companies		34,009,407	55,516
		39,656,993	3,830,872
Schedule I - Current Liabilities			
Sundry Creditors			
- Due to Small Undertakings		-	-
- Others		54,594,621	48,835,400
Expenses Payable		1,482,646	1,961,536
Subsidiary companies		-	20,166,839
Advance payments		233,235	210,000
Other Liabilities		294,755	360,355
		56,605,257	51,534,130
Schedule J- Provisions			
Income Tax		13,212,120	11,649,170
Fringe Benefit		581,028	576,442
		13,793,148	12,225,612

Schedules forming part of the Profit and Loss a/c for period ending 31 March 2010

Particulars	Period Ended 31 March 2010	Period Ended 31 December 2008
Schedule K : Other Income		
Profit on sale of Investments	-	2,219,804
Foreign Exchange Gain	-	39,292
Dividend receive	-	1,230,370
Schedule L - Administrative & Selling Expenses	-	3,489,466
Salaries	5,932,393	13,359,259
Staff Welfare	487,173	553,247
PF & ESI Employer Contribution	108,778	252,696
Office Expenses	120,254	300,625
Rent	-	968,958
Printing & Stationery	70,799	295,802
Electricity Charges	3,316	347,030
Communication Charges	180,236	625,996
Auditors Remuneration	99,270	101,124
Repairs & Maintenance	153,777	148,368
Demat Handling Charges	121,894	165,578
Professional Charges	2,359,657	1,648,009
Postage & Courier Charges	30,729	28,356
Directors Remuneration	700,000	1,830,000
Training & Recruitment Expenses	-	209,416
Overseas Medclaim insurance Premium	4,666	30,777
Legal Fees	60,000	44,000
Security Service Charges	227,229	232,289
Statutory Compliance Expenses	300,247	554,421
Generator Maintenance	75,489	134,654
Foreign Exchange Loss	49,576	-
Website expenses	-	750
Insurance Charges	48,263	-
Travel & Conveyance	1,055,281	1,290,191
Marketing Expenses	537,412	7,626,644
Bad debts written off	698,341	251,596
Bank Charges	60,541	71,078
Interest on Car Loan	24,800	49,914
Guest House maintenance	49,779	91,889
Vehicle Maintenance	164,789	113,868
Meeting & Seminar	15,408	38,918
	13,740,097	31,365,451

POWERSOFT GLOBAL SOLUTIONS LIMITED

Schedule forming part of the Balance Sheet and Profit & Loss Account

Schedule M – Significant Accounting Policies and Notes to the Accounts

Company Overview

Powersoft Global Solutions Limited (the 'Company') was incorporated as a Public Limited Company under the Companies Act, 1956 ('the Act'). The Company is a provider for Business Technology software, GIS and Engineering solutions and aims to develop technology to address customized requirements of global corporations

1. Significant accounting policies

a. Basis of preparation

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Standards (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211(3C) of the Companies Act, 1956, other pronouncements of the Institute of Chartered Accountants of India, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India.

b. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the period reported. Actual results could differ from those estimates.

c. Fixed Assets

Fixed Assets are stated at the cost of acquisition less accumulated depreciation. All costs incurred in bringing the assets to its working condition for intended use have been capitalized.

d. Intangible Assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization.

e. Depreciation and amortization

- i) Depreciation on fixed assets excepting software has been provided on straight line method as per the rates specified in schedule XIV to the Companies Act, 1956
- ii) Pro-rata depreciation is provided from the date of purchase of assets purchased during the period.
- iii) Softwares are being amortized on straight line basis over a period of 7 years, considering its useful life.

f. Employee Benefits

i. Provident Fund

Eligible employees receive benefits from provident fund, which is a defined contribution plan. Both the employees and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The contributions are made to government administered provident fund.

ii. Employee State Insurance

Eligible employees receive benefits from the Employees' State Insurance, which is a defined contribution scheme. Both the employees and the Company make monthly contributions to this scheme. The employees contribute 1.75% of the covered employees' salary and the Company has to contribute 4.75% of the covered employees' salary. The contributions are made to government administered Employees' State Insurance Fund.

iii. Gratuity

The Company recognizes and pays gratuity liability to the employees as and when it occurs.

g. Revenue Recognition

Revenues from software related services are accounted for on the basis of services rendered on cost plus method, as per the terms of the contract.

Revenues from engagement services are based on the number of engagements performed. Revenues from time period services are recognized based on the time incurred in providing services at contracted rates.

h. Impairment of Assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss has been recognized.

i. Leases

For operating leases, lease payments (including cost for services, such as maintenance) are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non-cancelable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

j. Income-tax

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively

POWERSOFT GLOBAL SOLUTIONS LIMITED
Schedule forming part of the Balance Sheet and Profit & Loss Account (Continued)
Schedule M – Significant Accounting Policies and Notes to the Accounts (Continued)

enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry-forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down value or written up to reflect the amount that is reasonably or virtually certain (as the case may be) to be realized.

k. Fringe Benefit Tax

Consequent to the introduction of Fringe Benefit Tax ("FBT") effective 1 April 2005, the Company provides for and discloses FBT in accordance with the provisions of Section 115WC of Income-tax Act, 1961 and the guidance note on FBT issued by the Institute of Chartered Accountants of India respectively.

l. Foreign Currency Transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the Balance Sheet date and resultant gain or loss is recognized in the Profit & Loss Account.

m. Investments

Long term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where management is of the opinion that the diminution is of other than temporary nature. Short term investments are valued at lower of cost and net realizable value.

2. Notes to Accounts

1. As per the Board Resolution, the Company has extended its accounting period to 15 months ended 31 March 2010 as compared to 15 months in the earlier year.

2. Expenditure in foreign currency (on cash basis)

Particulars	Rs.	
	Period ended 31 March 2010	Period ended 31 December 2008
Marketing Expenses including Salaries	2,86,500	98,36,141
Purchase of Software	3,36,000	6,38,100
Total	6,22,500	1,04,74,241

3. Earnings in foreign exchange

Particulars	Rs.	
	Period ended 31 March 2010	Period ended 31 December 2008
Sale of software and services	42,91,626	77,11,331

POWERSOFT GLOBAL SOLUTIONS LIMITED

Schedule forming part of the Balance Sheet and Profit & Loss Account (Continued)

Schedule M – Significant Accounting Policies and Notes to the Accounts (Continued)

4. Deferred tax liability, net

The components of deferred tax liability are as under:

Particulars	Rs.	
	As at 31 March 2010	As at 31 December 2008
Deferred tax liability		
Depreciation	80,20,637	40,43,221
Disallowance under chapter XVII-B for non deduction of TDS on provisions	0	(5,28,098)
Disallowance U/s 40(a)(ia)	(88,240)	0
Total	79,32,397	40,43,221

5. Share Warrant Application Money

During the period, the Company allotted 1,07,50,000 share warrants at Rs. 17/- each to be converted into equivalent number of equity shares of Rs. 10 each and received 25% application money. The warrants are convertible at the sole option of warrant holders at any time within a period of 18 months from the date of allotment of warrants.

6. Related Party Transactions
1) Names of the related parties
Subsidiaries

RFID Global Solutions Private Limited, India
 (formerly known as Concentric RF Systems Private Limited)
 RFID Global, FZE, Saif Zone, Sharjah
 PGSL Holdings Private Limited
 Exclusive Luxury Group (India) Private Limited
 Youngstars Media Private Limited.

Key Management Personnel

Manish Poddar (Chairman & C.E.O)
 U Sampath Kumar (Whole Time Director)

Enterprises owned or significantly influenced by Key Management Personnel

Nirvan Corporation, U.S.A. (Joint Venture)
 PGSLUSA, Inc.

2) Remuneration paid to directors is disclosed in note no. 8 in the notes to accounts.

3) The nature and volume of transactions carried out with the above related parties in the ordinary course of business are as follows:

Name of related party	Particulars	Rs.	
		Period ended 31 March 2010	Period ended 31 December 2008
Subsidiaries			
RFID Global Solutions Private Limited, India	Advances	2,70,92,703	Nil
	Investments	6,20,99,990	6,20,99,990
	Sundry Creditors	Nil	2,01,66,839
PGSL Holdings Private Limited	Investments	21,05,490	90,990
	Advances	18,892	Nil
Exclusive Luxury Group (India) Private Limited	Advances	48,81,118	25,524
Youngstars Media Private Limited	Advances	20,16,184	10,590
Key Management Personnel			
Manish Poddar	Creditors	29,95,496	26,62,495
Enterprises owned or Significantly influenced by Key Management Personnel			
PGSL USA, Inc.	Purchase of Computer Software	3,36,000	6,38,100
	Marketing expenses	2,86,500	39,75,930

POWERSOFT GLOBAL SOLUTIONS LIMITED

Schedule forming part of the Balance Sheet and Profit & Loss Account (Continued)

Schedule M – Significant Accounting Policies and Notes to the Accounts (Continued)

7. Leases

The Company has taken office facilities under non-cancelable operating lease agreements. The Company intends to renew such lease in the normal course of its business. Total rental expenses under such leases during the period ended 31 March 2010 is absorbed by RFID Global Solutions Pvt. Ltd., as per Management decision.

8. Managerial remuneration

Salaries and allowances in Schedule K include remuneration for director which is set out below

Particulars	Rs.	
	Period ended 31 March 2010	Period ended 31 December 2008
<i>Salaries and allowances</i>		
U Sampath Kumar	2,50,000	7,50,000
Manish Poddar *	4,50,000	10,80,000
Total	7,00,000	18,30,000

*As per the approval letter no. 12/277/2007 – CL.VII dated 24 September 2008 issued by the Ministry of Corporate Affairs, the appointment of Mr. Manish Poddar as Chairman and Chief Executive Officer of the Company is approved for a period of 3 years with effect from 1 January 2006 at a remuneration of Rs. 3,60,000/- per annum

9. Auditors Remuneration (excluding service tax)

Particulars	Rs.	
	Period ended 31 March 2010	Period ended 31 December 2008
Statutory Audit fees	65,000	65,000
Tax audit fees	25,000	25,000
Total	90,000	90,000

10. Segment Reporting

The Company is primarily engaged in the business of Information Technology enabled services and development and customization of software. Hence, in the opinion of the management, disclosure regarding segment reporting is not applicable for the period under review.

11. In the opinion of the Board, the realizable value of current assets, loans and advances in the ordinary course of business, would not be less than the amount at which these are stated in the balance sheet. And some of the balances in respect of Accounts Receivable from and payable to certain parties are subject to confirmation and reconciliation thereof from the respective parties.
12. The company is in the business of software development and related services. The sale and production of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details of sales and certain information as required under paragraphs 3, 4C and 4D of Part II of Schedule VI to the Companies Act, 1956.

13. Earning per share

Particulars	Rs.	
	Period ended 31 March 2010	Period ended 31 December 2008
Net profit / (loss) as per Profit and Loss Account	1,29,40,991	4,16,72,908
Less: Provision for Tax	40,18,647	1,32,07,421
Profit/(loss) attributable to the equity shareholders	89,22,344	2,84,65,487
Weighted average number of equity shares	1,19,01,299	1,19,01,299
Nominal Value of shares	10.00	10.00
Basic/Diluted Earning per share	0.75	2.39

POWERSOFT GLOBAL SOLUTIONS LIMITED

Schedule forming part of the Balance Sheet and Profit & Loss Account (Continued)

Schedule M – Significant Accounting Policies and Notes to the Accounts (Continued)

14. As per the approval obtained from the shareholders in the Extra Ordinary General Meeting held on 20.02.2001 and after obtaining statutory approvals, the company has acquired 870 Common Stocks of Nirvan Corporation, USA at a cost of Rs1678.87 Lakhs, in lieu of allotting 34,07,733 Equity shares of Rs.10 each of the Company at a premium of Rs.40 per share and receipt of Rs.25,00,000 in cash. In the absence of latest financial Statements and other relevant documents of Nirvan Corporation, USA, the present market value of the investments is not ascertainable and no provision has been made for the diminution in the value of investments, if any.
15. Sundry creditors do not include dues to any small-scale industrial undertaking to the extent such firms have confirmed as small-scale industrial undertakings.
16. Figures have been rounded off to the nearest rupee.
17. Previous period's figures have been re-grouped or re-classified, wherever necessary, to conform to the current period presentation.

for H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

For and on behalf of the Board

H.C. Gulecha
Proprietor
M.No. 26034

Manish Poddar
Chairman & CEO

P. Rajkumar
Director

Place: Bangalore
Date : 31 May 2010

Cash Flow Statement for the period 01 January 2009 to 31 March 2010
Rs.

Particulars	Period ended		Period ended	
	31 March 2010		31 December 2008	
Cash Flow from Operating Activities				
Net Profit before Tax and Extraordinary items	12,940,991		41,672,908	
Add: Adjustments	-		-	
Profit from Sale of Investments	-		(2,219,804)	
Dividend received	-		(1,230,370)	
Foreign Exchange Gain	-		-	
Public issue expenses written off	2,248,810		2,248,810	
Depreciation / Amortisation	15,504,470		12,008,305	
Operating profit before working capital changes	30,694,271		52,479,849	
Increase/Decrease:				
Trade & Other Receivables	(70,721,609)		(37,463,048)	
Current Liabilities & Provisions	6,638,659		8,093,373	
Cash flow before extraordinary items	(33,388,679)		23,110,174	
Extraordinary items				
Cash Income/Outflow from operations before Tax	(33,388,679)		23,110,174	
Income Tax Paid	1,567,536			
Net Cash used in Operations		(34,956,215)	10,885,200	12,224,974
Cash Flow from Investing Activities				
Purchase of Fixed Assets	(28,768,850)		(32,340,053)	
Investment in Subsidiaries	(2,005,500)		(62,199,980)	
Purchase of other Investments	-		(32,000,000)	
Sale of Other Investments	-		102,223,324	
Dividend received	-		1,230,370	
Net Cash used in Investing Activities		(30,774,350)		(23,086,339)
Cash Flow from Financial Activities				
Increase in Capital	75,012,500		8,400,000	
Term Loans from Banks	-		-	
Repayment of Term Loans	(182,679)		(157,567)	
Cash Flow from Financial Activities		74,829,821		8,242,433
Net Increase/Decrease in Cash & Cash Equivalents		9,099,256		(2,618,932)
Cash and Cash equivalents at the beginning of the period		1,178,079		3,797,011
Cash and Cash equivalents at the end of the period		10,277,335		1,178,079
Components of cash and cash equivalents				
Cash in hand		312,583		36,254
With Banks		9,964,752		1,141,824
		10,277,335		1,178,078

Note:

- The figures in cash flow statement are based/ have been derived from the annual financial statements of the Company.
- Cash and Cash Equivalents consist of cash and bank balances.
- Significant Accounting Policies and Notes to the Accounts (Schedule M) form an intergral part of the Cash Flow Statement.

As per Our Report Attached
For H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

H.C. Gulecha
Proprietor
M.No. 26034

Place: Bangalore
Date : 31 May 2010

REPORT OF THE AUDITORS ON CASH FLOW STATEMENT

We have examined the attached Cash Flow statement of Powersoft Global Solutions Limited, Bangalore, for the period ended 31 March 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with the Bangalore Stock Exchange and is based on and in agreement with corresponding Balance Sheet and Profit and Loss Account of the Company covered by our report of even date to the Members of the Company.

As per Our Report Attached
For H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

Place: Bangalore
Date : 31 May 2010

H.C. Gulecha
Proprietor
M.No. 26034

AUDITORS' REPORT

To the Board of Directors on the Consolidated Financial Statements of Powersoft Global Solutions Limited and its Subsidiaries

We have audited the attached consolidated balance sheet of Powersoft Global Solutions Limited ("the Company") and its subsidiaries as at 31 March 2010, the consolidated profit and loss account and the consolidated cash flow statement for the period 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 the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India.

In our opinion 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 Powersoft Global Solutions Limited and its subsidiaries as at 31 March 2010
- b. in the case of the consolidated profit and loss account, of the profit of Powersoft Global Solutions Limited and its subsidiaries for the period ended on that date; and
- c. in the case of the consolidated cash flow statement, of the cash flows of Powersoft Global Solutions Limited and its subsidiaries for the period ended on that date.

for H. C. Gulecha & Co.
Firm Regn. No. 001012S
Chartered Accountants

H. C. Gulecha
Proprietor
Membership No.: 026034

Place: Bangalore
Date: 31 May 2010

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Consolidated Balance Sheet as at 31 March 2010

Rs.

Particulars	Sch.	As at 31 March 2010	As at 31 December 2008
SOURCES OF FUNDS			
Shareholders' Fund			
Share Capital	A	119,012,990	119,012,990
Share Warrant Application Money		75,012,500	8,400,000
Reserves & Surplus	B	309,483,078	256,688,408
Loan Funds			
Secured Loans	C	67,147	249,836
Deferred Tax Liability		14,754,177	7,025,120
Total		518,329,892	391,376,354
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	D	195,471,035	133,054,415
Less : Depreciation		49,930,086	27,879,574
Net Block		145,540,949	105,174,841
Investments			
	E	167,886,650	167,986,640
Current Assets, Loans & Advances			
Sundry Debtors	F	339,279,933	153,732,843
Cash & Bank Balances	G	31,217,626	23,631,657
Loans & Advances	H	12,245,766	4,749,391
		382,743,326	182,113,891
Less:			
Current Liabilities & Provisions			
Current Liabilities	I	162,861,032	54,755,313
Provisions	J	15,879,519	12,292,034
		178,740,551	67,047,347
Net Current Assets		204,002,775	115,066,545
Misc. Expenditure			
(to the extent not written off or adjusted)			
Public Issue Expenditure		899,518	3,148,328
Total		518,329,892	391,376,354
Significant Accounting Policies & Notes to the Accounts	M		

 As per our report attached
 for H.C. GULECHA & CO
 Firm Regn. No. 001012S
 Chartered Accountants

For and on behalf of the Board

 H.C. Gulecha
 Proprietor
 M.No. 26034

 Manish Poddar
 Chairman & CEO

 P. Rajkumar
 Director

 Place: Bangalore
 Date : 31 May 2010

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Consolidated Profit & Loss Account for the period ended 31 March 2010

Rs.

Particulars	Sch.	Period ended 31 March 2010	Period ended 31 December 2008
INCOME			
Software Sales and Services	K	447,404,069	232,037,541
Other Income		558,620	3,956,104
		447,962,689	235,993,645
EXPENDITURE			
Cost of sales	L	339,279,753	132,375,213
Administrative & Selling Expenses		28,310,001	39,455,859
Public issue expenditure		2,248,810	2,248,810
Depreciation		22,050,512	13,076,604
		391,889,077	187,156,486
Profit before taxation		56,073,613	48,837,159
- Provision for Income Tax		3,578,007	10,487,240
- Provision for Fringe Benefit Tax		9,480	464,380
- Deferred Tax Liability		7,729,057	5,304,120
Profit after taxation carried to Balance Sheet		44,757,068	32,581,419
Significant Accounting Policies & Notes to the Accounts	M		

As per our report attached
 for H.C. GULECHA & CO
 Firm Regn. No. 001012S
 Chartered Accountants

For and on behalf of the Board

H.C. Gulecha
 Proprietor
 M.No. 26034

Manish Poddar
 Chairman & CEO

P. Rajkumar
 Director

Place: Bangalore
 Date : 31 May 2010

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Balance Sheet as at 31 March 2010

Particulars	As at		As at	
	31 March 2010		31 December 2008	
Schedule A : Share Capital				
Authorised Capital				
16,000,000 Equity Shares of Rs. 10/- each		160,000,000		160,000,000
Issued, Subscribed & Paid-up Capital				
11,901,299 Equity Shares of Rs. 10/- each		119,012,990		119,012,990
(Of the above , 33,57,733 Equity shares of Rs. 10/- each have been allotted pursuant to Joint Venture with Nirvan Corporation, USA on Stock Swap basis and 3,00,000 Equity Shares of Rs.10/- each have been allotted to Mr. Sampath Kumar without payment being received in cash)		119,012,990		119,012,990
Schedule B - Reserves & surplus				
Capital Reserve				
Profit on reissue of forfeited Shares (As per Last Balance Sheet)		13,749,866		5,349,866
Security Premium Account (As per Last Balance Sheet)		198,843,726		198,843,726
Foreign Currency Translation Reserve		(362,399)		
Profit and Loss Account				
B/f profit of previous year	52,494,817		19,913,398	
Profit for Current Period	44,757,068	97,251,885	32,581,419	52,494,817
		309,483,078		256,688,409
Schedule C - Secured Loan				
ICICI Bank Ltd - Logan Car Loan (Secured against Car)		67,147		249,826
		67,147		249,826

Schedule D - Fixed Assets

Particulars	Gross Block			Depreciation			Net Block	
	As at 1 January 2009	Additions during the period	As at 31 March 2010	As at 1 January 2009	Depreciation for the period	As at 31 March 2010	As at 31 March 2010	As at 31 December 2008
Computers & Peripherals	16,014,402	3,517,882	19,532,284	4,159,429	3,521,403	7,680,832	11,851,452	11,854,973
Furniture & Fixtures	4,393,636	4,519,907	8,913,543	517,342	481,916	999,258	7,914,285	3,876,294
Electrical Installations	1,433,422	156,336	1,589,758	219,574	87,358	306,932	1,282,826	1,213,848
Office Equipments	2,556,414	2,406,195	4,962,609	173,793	215,859	389,651	4,572,958	2,382,621
Computer Software	97,415,837	51,816,300	149,232,137	22,669,237	17,602,944	40,272,181	108,959,956	74,746,600
Goodwill	7,376,099	-	7,376,099	-	-	-	7,376,099	7,376,099
Vehicles	637,304	-	637,304	80,946	75,473	156,419	480,885	556,358
Buildings	3,227,301	-	3,227,301	59,253	65,560	124,813	3,102,488	3,168,048
Total	133,054,415	62,416,620	195,471,035	27,879,573	22,050,512	49,930,086	145,540,949	105,174,842
Previous Year	66,878,972	32,340,053	99,219,025	14,802,970	12,008,305	26,811,275	72,407,750	52,076,002

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Consolidated Balance Sheet as at 31 March 2010

Particulars	Sch.	As at 31 March 2010	As at 31 December 2008
Schedule E - Investments			
A) Long Term Investments			
(Trade, Unquoted)			
Nirvann Corporation, State of Delaware, USA (870 Common Stock of USD 10 each)		167,886,650	167,886,650
B) Current Investments			
PGSL Holdings Private Limited		-	99,990
		167,886,650	167,986,640
Schedule F - Sundry Debtors			
(Unsecured, Considered Good)			
Outstanding for a period of more than six months		140,534,365	70,164,338
Others		198,745,565	83,568,505
		339,279,930	153,732,843
Schedule G - Cash & Bank Balances			
Cash In Hand		1,017,581	68,721
Balance With Scheduled Banks in current account		30,200,045	23,562,926
		31,217,626	23,631,647
Schedule H - Loans & Advances			
Deposits		2,766,444	2,723,500
Staff Advances		13,000	13,000
TDS Receivable		324,972	166,928
Advances		9,140,840	1,845,963
Subsidiary Companies		510	-
		12,245,766	4,749,391
Schedule I - Current Liabilities			
Sundry Creditors			
- Others		159,643,569	51,224,964
Expenses Payable		249,519	2,899,505
Advance payments		233,235	210,000
Other Liabilities		489,036	420,844
		162,861,032	54,755,313
Schedule J- Provisions			
Income Tax		15,227,177	11,649,170
Fringe Benefit		652,342	642,862
		15,879,519	12,292,032
Schedule K : Other Income			
Profit on sale of Investments			2,219,804
Foreign Exchange Gain			30,164
Dividend received			1,706,136
Interest on Fixed Deposits		558,620	
		558,620	3,956,104

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Schedules forming part of the Consolidated Profit and Loss a/c for period ending 31 March 2010

Particulars	Period Ended 31 March 2010	Period Ended 31 December 2008
Schedule L - Administrative & Selling Expenses		
Salaries	10,097,514	16,985,210
Staff Welfare	528,537	688,118
PF & ESI Employer Contribution	108,778	252,696
Office Expenses	236,016	432,888
Rent	2,333,695	1,985,088
Printing & Stationery	108,797	312,134
Electricity Charges	491,451	689,428
Communication Charges	967,753	1,148,210
Auditors Remuneration	216,927	123,596
Repairs & Maintenance	1,788,817	188,119
Demat Handling Charges	121,894	165,578
Professional Charges	3,923,184	1,719,533
Postage & Courier Charges	34,696	30,508
Directors Remuneration	700,000	1,830,000
Overseas Medclaim insurance Premium	4,666	-
Freight Charges	53,691	310,482
Legal Fees	60,000	44,000
Security Service Charges	295,873	253,187
Statutory Compliance Expenses	603,323	1,233,060
Generator Maintenance	75,489	141,520
Foreign Exchange Loss	72,498	-
Website expenses	4,063	1,250
Insurance Charges	63,709	34,937
Travel & Conveyance	2,295,380	2,281,534
Marketing Expenses	1,936,657	7,699,973
Bad debts written off	698,341	251,596
Bank Charges	167,762	109,916
Business Promotion	41,351	209,416
Interest on Loan	24,800	49,914
Guest House maintenance	64,142	100,783
Vehicle Maintenance	164,789	114,268
Meeting & Seminar	25,408	68,918
	28,310,001	39,455,859

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Schedule forming part of the Consolidated Balance Sheet and Consolidated Profit & Loss Account

Schedule M – Significant Accounting Policies and Notes to the Accounts

Company Overview

Powersoft Global Solutions Limited, together with its subsidiaries (collectively, "the Company" or "the group") is a provider of Business Technology Software, GIS and Engineering solutions and aims to develop technology to address customized requirements of global corporations.

1. Summary of significant Accounting Policies

a. Basis of preparation of financial statements

The Consolidated financial statements includes the accounts of Powersoft Global Solutions Limited, its subsidiaries and are prepared in accordance with accounting principles generally accepted in India under the historical cost convention on the accrual basis of accounting and complying in all material respects with the notified Accounting Standards by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 (the 'Act'). The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances. The accounting policies have been consistently applied by the group and are consistent with those used in previous year. The Financial statements are presented in the general format specified in Schedule VI to the Act. However, as these financial statements are not statutory financial statements, full compliance with the Act are not required and hence these financial statements do not reflect all the disclosure requirements of the Act.

The Consolidated financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under Accounting Standard ('AS')21. The financial statements of the Company and its subsidiaries are consolidated on a line to line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or unrealized cash losses.

The significant accounting policies adopted by the Group, in respect of the consolidated financial statements are set in following paragraphs.

b. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

c. Fixed Assets

Fixed Assets are stated at the cost of acquisition less accumulated depreciation. All costs incurred in bringing the assets to its working condition for intended use have been capitalized.

d. Intangible assets

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprises and the cost of the asset can be measured reliably. The intangible assets are recorded at cost and are carried at cost less accumulated amortization.

e. Revenue recognition

Revenues from software related services are accounted for on the basis of services rendered on cost plus method, as per the terms of the contract.

Revenues from engagement services are based on the number of engagements performed. Revenues from time period services are recognized based on the time incurred in providing services at contracted rates.

f. Depreciation and amortization

- i) Depreciation on fixed assets excepting for software has been provided on straight line method as per the rates specified in schedule XIV to the Companies Act, 1956
- ii) Pro-rata depreciation is provided from the date of purchase of assets purchased during the period.

g. Employee Benefits

i) Provident Fund

Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employees' salary. The contributions are made to government administered provident fund.

ii) Employees' State Insurance

Eligible employees receive benefits from the Employees' State Insurance, which is a defined contribution scheme. Both the employee and the Company make monthly contributions to this scheme. The employee contributes 1.75% of the covered employees' salary and the Company has to contribute 4.75% of the covered employees' salary. The contributions are made to government administered Employees' State Insurance Fund.

iii) Gratuity

The Company recognizes and pays gratuity liability to the employees as and when it occurs.

h. Impairment of Assets

The Company periodically assesses whether there is any indication that an asset or a group of assets comprising a cash generating unit may be impaired. If any such indication exists, the Company estimates the recoverable amount of asset. For an asset or group of assets that does not generate largely independent cash inflows, the recoverable amount is

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Schedule forming part of the Consolidated Balance Sheet and Consolidated Profit & Loss Account (continued)

Schedule M – Significant Accounting Policies and Notes to the Accounts (continued)

determined for the cash-generating unit to which the asset belongs. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Profit and Loss account. If at the Balance Sheet date, there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost. An impairment loss is reversed only to the extent that the carrying amount of asset does not exceed the net book value that would have been determined; if no impairment loss has been recognized.

l. Leases

For operating leases, lease payments (including cost for services, such as maintenance) are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non-cancelable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

j. Income-tax

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry-forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down value or written up to reflect the amount that is reasonably or virtually certain (as the case may be) to be realized.

k. Fringe Benefit Tax

Consequent to the introduction of Fringe Benefit Tax ("FBT") effective 1 April 2005, the Company provides for and discloses FBT in accordance with the provisions of Section 115WC of Income-tax Act, 1961 and the guidance note on FBT issued by the Institute of Chartered Accountants of India respectively.

l. Foreign Currency transactions

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rates of exchange at the Balance Sheet date and resultant gain or loss is recognized in the Profit & Loss Account.

m. Investments

Long term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where management is of the opinion that the diminution is of other than temporary nature. Short term investments are valued at lower of cost and net realizable value.

n. Earning per share

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

For the purpose of calculating diluted earnings per share, the net profit / loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, if any.

o. Provisions and contingent liabilities

The Company creates a provision when there is a present obligation as a result of an obligating event that probably require an outflow of resources and a reliable estimate can be made of the amounts of the outflow.

A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

p. Miscellaneous Expenditure

The Company has a policy of amortizing public issue expenses over a period of 5 years, i.e. one-fifth of the expenditure per year.

q. Cash Flow Statement

The cash flow statement has been prepared under the indirect method as set out in the Accounting Standard (AS) – 3 "Cash Flow Statement" issued by the Institute of Chartered Accountants of India.

2. Notes to the Accounts

- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21)- "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

The Company has following subsidiaries:

Companies	Country of Incorporation	Relationship
RFID Global Solutions Pvt. Ltd.	India	Wholly owned Subsidiary
RFID Global, FZE	Sharjah, UAE	Wholly owned Subsidiary of RFID Global Solutions Pvt. Ltd.
PGSL Holdings Pvt. Ltd.	India	Wholly owned Subsidiary
Exclusive Luxury Group (India) Pvt. Ltd.	India	Wholly owned Subsidiary of PGSL Holdings Pvt. Ltd.
Youngstars Media Pvt. Ltd.	India	Wholly owned Subsidiary of PGSL Holdings Pvt. Ltd.

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Schedule forming part of the Consolidated Balance Sheet and Consolidated Profit & Loss Account (continued)

2. Deferred tax liability

The components of deferred tax liability are as under:

Particulars	(Rs.) As at
Excess of depreciation allowable under the Income-tax Act, 1961, over depreciation provided in accounts	31 March 2010 2,51,01,279
Disallowance u/s 40(a)(ia)	(88,240)
Total	2,50,13,039

3. Lease

The Company has taken office facilities under non-cancellable operating lease agreements. The Company intends to renew such lease in the normal course of its business.

4. In the opinion of the Company Board, realizable value of current assets, loans and advances, in the ordinary course of the business, would not be less than the amount at which these are stated in the balance sheet. And some of the balances in respect of Accounts Receivable from and payable to certain parties are subject to confirmation and reconciliation thereof from the parties.

5. Share Warrant Application Money

During the period, the Company allotted 1,07,50,000 share warrants at Rs. 17/- each to be converted into equivalent number of equity shares of Rs. 10 each and received 25% application money. The warrants are convertible at the sole option of warrant holders at any time within a period of 18 months from the date of allotment of warrants.

6. The Company is in the business of software development and related services. The sale and production of such software cannot be expressed in any generic unit. Hence, it is not possible to give the quantitative details like sales and certain information as required under paragraph 3, 4C and 4D of Part II of schedule VI to the Companies Act, 1956.
7. As per the approval obtained from the shareholders in the Extra Ordinary General Meeting held on 20.02.2001 and after obtaining statutory approvals, the company has acquired 870 Common Stocks of Nirvan Corporation, USA at a cost of Rs1678.87 Lakhs, in lieu of allotting 34,07,733 Equity shares of Rs.10 each of the Company at a premium of Rs.40 per share and receipt of Rs.25,00,000 in cash. In the absence of latest financial Statements and other relevant documents of Nirvan Corporation, USA, the present market value of the investments is not ascertainable and no provision has been made for the diminution in the value of investments, if any.
8. Sundry creditors do not include dues to any small-scale industrial undertakings to the extent such firms have confirmed as small-scale industries.
9. Figures have been rounded off to the nearest rupee.

For H.C. GULECHA & CO
 Firm Regn. No. 001012S
 Chartered Accountants

For and on behalf of the Board

H.C. Gulecha
 Proprietor
 M.No. 26034

Manish Poddar
 Chairman & CEO

P. Rajkumar
 Director

Place: Bangalore
 Date : 31 May 2010

POWERSOFT GLOBAL SOLUTIONS LIMITED AND ITS SUBSIDIARIES

Consolidated Cash Flow Statement for the period 01 January 2009 to 31 March 2010

Rs.

Particulars	Period ended 31 March 2010	Period ended 31 December 2008
Cash Flow from Operating Activities		
Net Profit before Tax and Extraordinary items	56,073,613	48,837,158
Add: Adjustments		
Profit from Sale of Investments	-	(2,219,804)
Dividend received	(558,620)	(1,706,136)
Public issue expenses written off	2,248,810	2,248,810
Depreciation / Amortisation	22,050,512	13,076,604
Operating profit before working capital changes	79,814,315	60,236,632
Increase/Decrease:		
Trade & Other Receivables	(193,043,465)	(74,894,651)
Current Liabilities & Provisions	111,693,204	31,547,815
Cash flow before extraordinary items	(1,535,946)	16,889,796
Extraordinary items	-	-
Cash Income/Outflow from operations before Tax	(1,535,946)	16,889,796
Income Tax Paid	3,587,487	10,951,620
Net Cash used in Operations	(5,123,433)	5,938,176
Cash Flow from Investing Activities		
Purchase of Fixed Assets	(62,416,620)	(66,175,443)
Investment in Subsidiaries	99,990	(99,990)
Purchase of other Investments	-	(57,000,000)
Sale of Other Investments	-	127,223,324
Dividend received	558,620	1,706,136
Net Cash used in Investing Activities	(61,758,010)	5,654,027
Cash Flow from Financial Activities		
Increase in Capital	75,012,500	8,400,000
Term Loans from Banks	-	-
Repayment of Term Loans	(182,679)	(157,567)
Cash Flow from Financial Activities	74,829,821	8,242,433
Foreign Currency Translation reserve	(362,399)	
Net Increase/Decrease in Cash & Cash Equivalents	7,585,979	19,834,636
Cash and Cash equivalents at the beginning of the period	23,631,647	3,797,011
Cash and Cash equivalents at the end of the period	31,217,626	23,631,647
Components of cash and cash equivalents		
Cash in hand	1,017,581	68,731
With Banks	30,200,045	23,562,926
	31,217,626	23,631,657

Note:

- The figures in cash flow statement are based/ have been derived from the annual financial statements of the Company.
- Cash and Cash Equivalents consist of cash and bank balances.
- Significant Accounting Policies and Notes to the Accounts (Schedule M) form an intergral part of the Cash Flow Statement.

As per Our Report Attached
 For H.C. GULECHA & CO
 Firm Regn. No. 001012S
 Chartered Accountants

H.C. Gulecha
 Proprietor
 M.No. 26034

Place: Bangalore
 Date : 31 May 2010

REPORT OF THE AUDITORS ON CASH FLOW STATEMENT

We have examined the attached Cash Flow statement of Powersoft Global Solutions Limited, Bangalore, for the period ended 31 March 2010. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with the Bangalore Stock Exchange and is based on and in agreement with corresponding Balance Sheet and Profit and Loss Account of the Company covered by our report of even date to the Members of the Company.

As per Our Report Attached
For H.C. GULECHA & CO
Firm Regn. No. 001012S
Chartered Accountants

Place: Bangalore
Date : 31 May 2010

H.C. Gulecha
Proprietor
M.No. 26034

POWERSOFT GLOBAL SOLUTIONS LIMITED

Regd. Office: # 58, 1st Floor, HMT Layout,
R T Nagar, Bangalore -560 032

ATTENDANCE SLIP

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

I / We hereby record my / our presence at the 17th Annual General Meeting of the Company held on Wednesday the 15th September 2010 at 9.00 A.M at Ramanashree California Resort, Ananthapura Gate, Doddaballapur Road , Yelahanka, Bangalore -560 064

Name(s) of the Member(s) in Block Letters.....

Registered Folio No.....

Jointly with.....Signature.....

POWERSOFT GLOBAL SOLUTIONS LIMITED

Regd. Office: # 58, 1st Floor, HMT Layout,
R T Nagar, Bangalore -560 032

PROXY FORM

FOLIO NO..... No. of Shares.....

I / Weof.....being a Member/s of Powersoft Global Solutions Limited hereby appointor Failing Him.....of.....as my / our proxy to vote for me / us on my / our behalf at the 17th Annual General Meeting of the Company held on Wednesday the 15th September 2010 at 9.00 A.M at Ramanashree California Resort, Ananthapura Gate, Doddaballapur Road, Yelahanka, Bangalore – 560 064

Affix Rs. 1-00 Revenue Stamp

Signed thisDay of2010

Note: This form duly completed and signed must be Deposited at the Registered Office of the Company not Less than 48 hours before the Meeting.

Affix
Rs. 1-00
Revenue
Stamp

BOOK POST

Powersoft Global Solutions Ltd.

Regd. Office: # 58, First Floor, HMT Layout,
RT Nagar, Bangalore - 560 032 India

Tel: +91 80 4013 9900, Fax: +91 80 4169 7239

www.powersoftglobal.net