





GENERAL INFORMATION

BOARD OF DIRECTORS

D. Ravi Kumar	Chairman & Managing Director
Ramdas Janardhana Kamath	Independent Director
Dr. D.K. Subrahmanya Reddy	Independent Director
Mathew J. Manimala	Independent Director
Ashok Kumar Jultha	Director
Mohan Hosahally Ramakrishna	Independent Director

COMPANY SECRETARY

Shobha Acharya

AUDIT COMMITTEE

Ramdas Janardhana Kamath	Chairman
Dr. D.K. Subrahmanya Reddy	Member
Mohan Hosahally Ramakrishna	Member

REMUNERATION COMMITTEE

Mathew J. Manimala	Chairman
Ramdas Janardhana Kamath	Member
Mohan Hosahally Ramakrishna	Member

SHAREHOLDERS GRIEVANCE COMMITTEE

Dr. D.K. Subrahmanya Reddy	Chairman
Mohan Hosahally Ramakrishna	Member
D. Ravi Kumar	Member

BANKERS

State Bank of Travancore

Axis Bank Limited

United Bank of India

STATUTORY AUDITORS

M/s K. Gopalakrishnan & Co.
Chartered Accountants,
#120, Infantry Road, Next to Balaji
Plywood, Bangalore - 560001

REGISTERED OFFICE

2/10,3rd Floor, Ajay Plaza,
1st Main, N.S. Palya,
Bannerghatta Road,
Bangalore-560 076



MISSION

To deliver digital dominance to our clients with technology innovation and engineering efficiencies that constantly differentiates them from their competition.

VISION

To provide customer centric, cost effective and rapid solutions to complex business problems, while making sure that the solutions continually support client's business strategy, provides quality and value and deliver superior financial performance.



NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the Shareholders of Acropetal Technologies Limited will be held on Monday, the 27th day of September 2010 at 4.00 p.m. at the Registered Office of the Company at # 2/10, 3rd Floor, Ajay Plaza, 1st Main, N. S. Palya, Bannerghatta Road, Bangalore – 560 076 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as on 31st March 2010, the Profit and loss Account for the year ended on 31st March 2010, the reports of Directors' and Auditors' thereon.
2. To declare dividend for the year 2009-10.
3. To appoint a director in place of Mr. Mohan Hosahally Ramakrishna who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit to pass the following resolution, with or without modifications as an Ordinary Resolution.

“RESOLVED THAT M/s. K. Gopalakrishnan & Co, Chartered Accountants be and are hereby appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, on such remuneration as may be fixed by the Board of Directors.”

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution.

“RESOLVED THAT Mr. R.J. Kamath, who was appointed as an Additional Director in the Board meeting held on 1st February 2010, whose term expires at the Annual General Meeting scheduled to be held on 27th September 2010 and for the appointment of whom the company received a notice under Section 257 of the Companies Act 1956 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of office will be liable for retirement by rotation”

- 6 To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution.

“RESOLVED THAT Mr. Ashok Kumar Jultha, who was appointed as an Additional Director in the Board meeting held on 1st February 2010, whose term expires at the Annual General Meeting scheduled to be held on 27th September 2010 and for the appointment of whom the company received a notice under Section 257 of the Companies Act 1956 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of office will be liable for retirement by rotation”

7. To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution.

“RESOLVED THAT Mr. Mathew J. Manimala, who was appointed as a Director on 1st Feb. 2010 to fill the casual vacancy caused by the resignation of Dr. Malini Reddy whose term of office will end at the ensuing Annual General Meeting on 27th September 2010 and for the appointment of whom the company received a notice under Section 257 of the Companies Act 1956 from a member proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company whose period of office will be liable for retirement by rotation”

By order of the Board of Directors
For Acropetal Technologies Limited,

Place: Bangalore
Date: 18th June 2010

Shobha Acharya
Company Secretary



NOTICE

Notes:

1. The explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of the above resolution is enclosed.
2. A member entitled to attend and vote is entitled to appoint a proxy and vote instead himself/herself and proxy need not be a member of the Company. Proxies in order to be effective must be lodged with the Company at its Registered Office at least 48 hours before the commencement of the meeting.
3. Members are requested to bring their copies of Annual Report and Attendance slip duly filled for attending the Meeting.
4. Members are requested to intimate change of address, if any, quoting Folio Number.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5

Mr. R.J. Kamath has been appointed as an Additional Director on the Board of Directors of the company in the Board meeting held on 1st February 2010. As per the provisions of Section 260 of the Companies Act 1956 he, unless reappointed, ceases to be a director on the date of the ensuring Annual General Meeting.

Mr. R.J. Kamath has an illustrious career as a Banker and also on the Board of reputed companies. His experience and guidance will immensely benefit the company. The Board in its meeting held on 1st February also appointed him as the member and Chairman of the Audit Committee of the Board. He is also a member on the Remuneration Committee of the Board.

The Board recommends to consider his appointment as a Director.
Except Mr. R. J. Kamath himself, None of the Directors is interested or concerned in the resolution.

ITEM NO.6

Mr. Ashok Kumar Jultha has been appointed as an Additional Director on the Board of Directors of the company in the Board meeting held on 1st February 2010. As per the provisions of Section 260 of the Companies Act 1956 he, unless reappointed, ceases to be a director on the date of the ensuring Annual General Meeting.

Mr. Ashok Kumar Jultha holds a diploma in Computer Science from AMIE and founder one of the leading healthcare software companies Binary Spectrum Softech Private Limited. He has good contacts in the software industry and his association will benefit the company immensely.

The Board recommends to consider his appointment as a Director.

Except Mr. Ashok Kumar Jultha, None of the Directors is interested or concerned in the resolution.

ITEM NO.7

Mr. Mathew J Manimala has been appointed as a director on 1st Feb.2010 by way of filling the casual vacancy caused by the resignation of Dr. Malini Reddy. Dr. Malini Reddy was last appointed in the Annual General Meeting held on 30th September 2008. It is proposed to appoint Mr. Mathew J. Manimala to appoint a director whose term of office is liable to retire by rotation.

Mr. Mathew J Manimala is an MBA from University of Cochin and a Doctorate from the Indian Institute of Management Ahmedabad. At present he is a professor in Organisation Behaviour at the Indian Institute of Management, Bangalore. The company will be benefited from his wide range of experience and advice.

The Board recommends his appointment on the Board of the company.
Except Mr. Mathew J manimala, none of the directors is interested or concerned in this resolution

By order of the Board of Directors,
For Acropetal Technologies Limited,

Place: Bangalore
Date: 18th June 2010

Shobha Acharya
Company Secretary



DIRECTORS' REPORT

Dear Members,

Your Directors take pleasure in presenting the 9th Annual Report together with the audited Balance Sheet and Profit and Loss Account for the year ended 31st March, 2010.

RESULTS OF OPERATIONS

(Amount in Rs. Crores)

Particulars	March 31, 2010	March 31, 2009
Income	106.58	92.04
Expenditure	87.26	73.62
Profit before tax	19.32	18.42
Provisions for taxation		
Deferred Tax	(0.28)	1.77
Fringe Benefit Tax/Income tax	0.04	0.06
Profit after tax	19.56	16.59
Proposed Dividend	1.33	0.50
Provision for Dividend Tax	0.23	0.09
Amount transferred to General Reserve	6.00	-
Profit transferred to Balance sheet	12.00	16.00

Your Company has achieved total sales of Rs. 106.58 crores for the year ended 31st March 2010 recording a growth of 15.79%. After providing a sum of Rs. 87.26 crores for expenditure, provision for taxes and depreciation the company made a net profit of Rs.19.56 crores recording an impressive growth of 17.90% over the previous year. It is a matter of satisfaction that your company is able to record an impressive growth even in these days of slow down in the Software Industry.

BUSINESS PROSPECTS

Customer Satisfaction ,Good Customer Service and excellence in customer relationship are highest priorities of your Company with enhancement of customer base as its primary pursuit. The board is confident of growing at a healthy pace in the coming years.

HEALTH CARE – A NEW BUSINESS VERTICAL

We are glad to inform that the company entered into a very promising sector i.e health care sector by providing services and solutions to hospitals etc., Though the sales from this vertical during the year under review is very small it is expected to receive substantial contribution from this new business vertical. It may be noted that the company is uniquely placed with ready made software products to cater to the needs of hospitals and health care centres both in India and abroad especially in the USA. The present Government in the USA encourages Electronic Medical Records (EMRS) to be maintained by the hospitals and clinics in the USA.

ENERGY AND ENVIRONMENT SOLUTIONS

The company has entered yet another promising sector – energy and environment solutions. In the context of the encouragement provided to the ecological maintenance all over the world there is huge market for the software solutions to this sector. Your company has entered this segment recently. Substantial contribution from this segment is expected in the coming years.

MATERIAL CHANGES AND COMMITMENTS

Your company has embarked on an aggressive expansion plan in terms of offerings, geographical reach and reaching to the more and more customers. In order to finance the expansion plans, acquiring companies, establishment of offices abroad, construction of office building and partial repayment of the debt etc. the company proposes to offer equity shares to the public. In this context the Draft Red Herring Prospectus (DRHP) has been filed with the SEBI. Management will take necessary steps at an appropriate time.

Other than the above, there are no material Changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the company and the date of the report.



DIRECTORS' REPORT

ISSUE OF NEW SHARES

During the year under review, the reserves in the form of Profit and Loss account has been partially capitalized and issued 1,30,00,000 (One Crore Thirty Lakh)fully paid equity shares to the existing share holders. Further 20,00,000 (Twenty Lakh) equity shares have been issued for cash on preferential basis at the rate of Rs.100/- per share (including premium of Rs.90/- per share). Thus the total paid up capital at the end of the year stood at Rs.20.00 crores as against Rs.5.00 crore at the end of the previous year.

DIVIDEND

Your Directors recommend a dividend at the rate of 12% (Re. 1.20 per share of Rs. 10/-each) for the year ended March 31, 2010 on pro-rata basis.

DIRECTORS

Mr. Mohan H. Ramakrishna is retiring as director at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. The Board recommends the re-appointment.

During the year under review, Dr. Malini Reddy, Mr.K Doraiswamy, Mr.Anil T Sridhar and Mr. Pravin C Reddy have ceased to be directors on their resignation. The Board places on record the appreciation of their services during their tenure as directors. Dr. D.K. Subramanya Reddy has been appointed as a director on 11-12-2009 in the casual vacancy caused by the resignation of Mr. Anil T Sridhar. Dr. Rajesh Nair was appointed on 1st Feb. 2010 as a Director in the casual vacancy caused by the resignation of Mr. K Doraiswamy . Mr. Mathew J Manimala has been appointed as a director on 1st Feb. 2010 in the casual vacancy caused by the resignation of Dr. Malini Reddy.

Mr. Ramdas Janardhana Kamath, Mr. Ashok Kumar G. Jultha have been appointed as additional directors on 1st Feb. 2010 and cease to be directors on the date of the ensuing Annual General Meeting. Your Company received notices under Section 257 of the Companies Act, 1956. Their appointment along with Mr. Mathew J Manimala are placed for consideration by the members in the ensuing Annual General Meeting. The Board recommends their appointment.

SUBSIDIARY

The Company has one wholly owned subsidiary VISION INFO INC. (incorporated in Dubai under the Ras Al Khaimah International Company Regulations, 2006) This Company has contributed a sales turnover of Rs.45.37 crores and net profit of Rs.16.16 crores.

Taking into account the performance of the subsidiary the company's performance on consolidated basis is summarized as under:

Particulars	(Amount in Rs. Crores)	
	March 31, 2010	March 31, 2009
Income	151.94	99.84
Expenditure	116.47	79.09
Profit before tax	35.47	20.75
Provisions for taxation		
Deferred Tax	(0.28)	1.77
Fringe Benefit Tax	0.04	0.06
Profit after tax	35.71	18.92
Proposed Dividend	1.33	0.50
Provision for Dividend Tax	0.22	0.09
Amount transferred to General Reserve	6.00	--
Profit Carried to Balance Sheet	28.16	18.33



DIRECTORS' REPORT

This enabled the company to achieve higher turnover and higher profit.

In addition to the wholly owned subsidiary, the company made a strategic investment in a company called Binary Spectrum Softech Private Limited. This company is into Healthcare Software and allied products and services

In pursuit of faster growth, the management is in the process of acquiring some more existing companies with good track record of sales and profitability

Particulars of subsidiary as required under the provisions of Section 212 of the Companies Act 1956 are annexed herewith.

FIXED DEPOSITS

Your Company has not accepted any fixed deposits from public during the year and, as such, no amount of principal or interest was outstanding.

AUDITORS

M/s. K. Gopalakrishnan & Co, Chartered Accountants, # 120, Infantry Road, Next to Balaji Plywood, Bangalore - 560 001, who have been appointed as Statutory Auditors of the Company shall retire at the Annual General Meeting of the Company. The auditors have confirmed that the re-appointment, if made, will be in accordance with the provisions of Sec.224 (1B) of the Companies Act 1956. Your Directors recommend their re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, the Directors confirm-

- i. That in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the company as on 31st March , 2010 and of the profit of the company for that period.
- iii. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the directors have prepared the Annual Accounts on a going concern basis.

CORPORATE GOVERNENCE:

The company adopts high standard of Corporate Governance. The Board of Directors has been structured in such a way that independent and non independent directors are in the right proportion. The following Committees of Board have been constituted/ reconstituted:

• AUDIT COMMITTEE

Sl No.	Name	Designation.	Nature of Directorship
1	Mr. Ramdas Janardhana Kamath	Chairman	Independent Director
2.	Dr. D. K. Subrahmanya Reddy	Member	Independent Director
3	Mr. Mohan Hosahally Ramakrishna	Member	Independent Director



DIRECTORS' REPORT

• SHAREHOLDERS GRIEVANCE COMMITTEE

Sl No.	Name	Designation.	Nature of Directorship
1	Mr. Dr. D.K. Subrahmanya Reddy	Chairman	Independent Director
2.	Mr. Mohan Hosahally Ramakrishna	Member	Independent Director
3	Mr. D. Ravi kumar	Member	Non Executive & Non Independent Director

• REMUNERATION COMMITTEE

Sl No.	Name	Designation.	Nature of Directorship
1	Mr. Mathew J. Manimala	Chairman	Independent Director
2.	Mr. Ramdas Janardhana Kamath	Member	Independent Director
3	Mr. Mohan Hosahally Ramakrishna	Member	Independent Director

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

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1938 as amended and forming part of the Directors' Report for the year ended March 31, 2010.

CONSERVATION OF ENERGY

The Company's Electricity power requirement is very minimal. The Company follows the practice using equipments which consume less power. As on the date of this report, the board has no proposal to make any additional investment for reduction of consumption of energy.

TECHNOLOGY ABSORPTION

The Company is well-equipped with the most recent technological developments.

FOREIGN EXCHANGE EARNINGS AND OUTGO

a) Activities relating to exports, initiatives taken to increase exports, development of new export markets for products and services and Export Plans:

The Company is into the business of exporting software services and hence hundred percent of its revenue comprises of exports earnings. The Company identifies scope for huge business in the Middle East, Europe and U.S and is desirous to explore these potential markets there. The company is taking aggressive steps to constantly increase its exports and thereby widen the client base.

b) Total foreign exchange used and earned:

Foreign Exchange Earnings: Rs. 1061,624,819 /-
Foreign Exchange Outgo: Rs. 388,186,391 /-



DIRECTORS' REPORT

PARTICULARS OF EMPLOYEES

The Company had 6 employees drawing remuneration above the limit mentioned under Section 217 (2A) of the Companies Act, 1956 and the details are as under:

Sl No	Employee Name	Designation	Qualification	Age	Joining Date	Experience (Years)	Gross (INR) Remuneration	Previous Employment
1	D. Ravi Kumar	Chairman & Managing Director	B.E.	42 Years	25.04.2001	18 Years	39,53,400	NIL
2.	Malini Reddy	Whole Time Director	Doctor	36 Years	25.04.2001	18 Years	20,07,825	NIL
3	Padmanabha Holla	Head-Business Excellence	B.E (Computer Science)	42 Years	01.09.2008	17 Years	24,00,000	Philips Medical Systems, Bangalore (Senior Project Manager)
4	Sudhendu Kumar Basu	VP-Finance	B.Com (Hons), member of (ICAI & ICWAI)	43 Years	01.12.2008	12 Years	18,50,000	Omni Agate Systems Private Limited (Finance Head
5	Chandrasekhar K.	Head Operations	Master of Science & Technology Post Graduate Diploma in Marketing Management	43 Years	01.03.2009	20 Years	50,00,004	NXP Semiconductors (Director)
6	Jalaiah Jamili	EVP-Strategy & Corporate Secretary	LLB, member of (ICSI)& (ICWAI)	54 Years	22.10.2009	25 Years	10,70,967	Geneva Software Technologies Limited (CFO) and Company Secretary.

* Employed for the part of the year

NOTES:

1. Designation denotes the nature of duties also.
2. Remuneration includes Salary, allowances, perquisites, commission etc.

ACKNOWLEDGEMENTS

Your Directors express their appreciation for the valuable assistance and commendable co-operation received from various Government and Semi-Government authorities, Bankers, Investors, Vendors, and Customers.

Your Directors place on record their sincere appreciation for the remarkable contributions made by the employees of the Company at all levels through their hard work, sustained efforts, support and dedication.

For and on behalf of the Board of Directors,

Place: Bangalore
Date: 18.06.2010

D. Ravi Kumar
Managing Director

R.J. Kamath
Director

